



COUNTY COMMISSION

BALDWIN COUNTY
312 Courthouse Square, Suite 12
Bay Minette, Alabama 36507
(251) 580-2564
(251) 580-2500 Fax
agary@baldwincountyal.gov
www.baldwincountyal.gov
January 20, 2011

ANU GARY
Records Manager

Ms. Mary Lavoie
Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824

RE: KRONOS Agreement Renewal Addendum Rev. 102509

Dear Ms. Lavoie:

Enclosed is a **fully executed copy** of the *Addendum Rev. 102509*, approved during the December 21, 2010, Baldwin County Commission meeting, which will renew the *Agreement* currently in place between Kronos Incorporated and Baldwin County Commission.

If you have any questions or need further assistance, please contact David Wessler, Business Manager of the CIS Department, at (251) 580-2571.

Sincerely,

ANU GARY, Records Manager
Baldwin County Commission

AG/sre ED1
Encl. as noted

cc: David Pimperl
David Wessler

Addendum Rev. 102509

Pursuant to Section E.5, Future Purchases, of the Kronos Sales, Software License and Services Agreement, between Kronos and the Baldwin County Commission ("Customer"), on November 30, 2006, as amended by the Amendment to Kronos Sales, Software License and Services Agreement and Kronos Depot Repair Support Agreement entered into on November 30, 2006 and the Addendum entered into on January 13, 2009, attached hereto as Exhibit A, and incorporated herein by reference, (the "Agreement"), the parties hereby agree as follows:

Kronos and Customer hereby agree to extend the terms and conditions of the Agreement, as amended herein, to any Order Form executed by Kronos and Customer (or Customer's parent or Customer's wholly owned subsidiaries) after the date of this Addendum and which expressly references the Agreement. In the event of any conflict or inconsistency between the terms and conditions of this Addendum and any terms and conditions of the Agreement, the terms and conditions of this Addendum shall control. Either party may terminate the Agreement upon thirty (30) days prior written notice to the other party, provided however that any such termination shall not impact any Order Form signed by the parties prior to the effective date of such termination, which shall remain subject to the Agreement until specifically terminated as provided in the Agreement. Kronos may require additional terms and conditions for the sale or license of products or services not contemplated by the Agreement provided that no such additional terms and conditions shall be binding upon Customer without Customer's prior written consent. Notwithstanding, Kronos will not be obligated to accept or approve an order for any products or services for which such additional terms and conditions are required. All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document, and no such Customer pre-printed terms shall apply to the items ordered. All other terms and conditions of the Agreement shall remain in full force and effect.

DATED: January 18, 2011

BALDWIN COUNTY COMMISSION:

KRONOS INCORPORATED

BY: *Frank Bert...*

BY: *Mary Lavoie*

NAME: *Frank Bert...*

NAME: *Mary Lavoie*

TITLE: *Chairman*

TITLE: *Om Specialist*

1/18/2011

1/5/11



Exhibit A

Sales, Software License and Services Agreement

Addendum Rev. 100107A

Pursuant to Section E.5, Future Purchases, of the Kronos Sales, Software License and Services Agreement entered into between Kronos and the Baldwin County Commission ("Customer"), on November 30, 2006, as amended by the Amendment to Kronos Sales, Software License and Services Agreement and Kronos Depot Repair Support Agreement entered into on November 30, 2006, attached hereto as Exhibit A, and incorporated herein by reference, (the "Agreement"), Kronos and Customer hereby agree to extend the terms and conditions of the Agreement, as amended herein, to any Order Form executed by Kronos and Customer (and Customer's parent and Customer's wholly owned subsidiaries) during the period of time which is two (2) years after the date of this Addendum. In the event of any conflict or inconsistency between the terms and conditions of this Addendum and any terms and conditions of the Agreement, the terms and conditions of this Addendum shall control. Kronos may require additional terms and conditions for the sale or license of products or services not contemplated by the Agreement (as amended herein), provided that no such additional terms and conditions shall be binding upon Customer without Customer's prior written consent. Notwithstanding, Kronos will not be obligated to accept or approve an order for any products or services for which such additional terms and conditions are required. All other terms and conditions of the Agreement shall remain in full force and effect.

The parties hereby agree as follows:

1. ADDITIONAL COPIES OF SOFTWARE

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

2. FIRMWARE

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. Kronos shall have the right to audit Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled. If such audit reveals that Customer has downloaded firmware for the Kronos Equipment to which Customer is not entitled, Customer shall be responsible to pay Kronos for such updated firmware at Kronos' then-current per event charge for such firmware.

3. PAYMENT AND DELIVERY TERMS

Payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery").

4. EDUCATIONAL SERVICES/TRAINING POINTS

Customer agrees to purchase the quantity of Kronos "training points" indicated on the Order Form at the rate quoted (the "Training Points"). Purchased Training Points may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

5. TRAVEL EXPENSES

All travel expenses to be reimbursed by Customer shall include a ten percent (10%) administrative fee.

6. SOFTWARE SUPPORT

RECEIVED
JAN 09 2008
BY: *MEP*

Kronos and Customer agree that the terms and conditions set forth in Appendix A, Software Support, shall govern the provision of Software Support Services to Customer by Kronos.

7. ENTIRE AGREEMENT

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

DATED: 1/12/09
Baldwin County Commission
BY: David E. Bishop
NAME: DAVID E. Bishop
TITLE: Chairman

KRONOS INCORPORATED
BY: [Signature]
NAME: John O'Brien
TITLE: VP of Sales

Mary Torco Mary Levoie, Order Processing Admin
Mar 22 2010 2:31 PM

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

KRONOS SALES, SOFTWARE LICENSE AND SERVICES AGREEMENT Rev KR-080706

Baldwin County Commission ("Customer") and Kronos agree that the terms and conditions set forth: i) in Section A of this Agreement apply to all Equipment and Software specified on a Kronos order form (the "Order Form"); ii) in Section B apply to all Software, firmware (contained in or downloaded to the Equipment), and Training Materials specified on the Order Form; iii) in Section C apply to all Professional Services, if any, specified on the Order Form; iv) in Section D apply to all Software Support Services, if any, and the Kronos KnowledgePass Education Subscription, if any, specified on the Order Form; and v) in Section E of the Agreement apply to all items specified on the Order Form and supplement the terms of Sections A through D. For purposes of this Agreement, the term "Customer" shall include Customer's parent company as well as Customer's wholly owned subsidiaries, if any.

SECTION A. TERMS AND CONDITIONS APPLICABLE TO EQUIPMENT AND SOFTWARE ONLY

1. PAYMENT AND DELIVERY

Payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery")

2. ACCEPTANCE

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

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

3. LIMITED WARRANTY

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

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

If Customer is licensing Workforce Payroll Software the following additional warranty exclusions shall apply: i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using the Software, (ii) using the Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or the Software for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using the Software and satisfy itself that those calculations are correct.

4. INDEMNIFICATION

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

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

SECTION B. LICENSE TERMS APPLICABLE TO SOFTWARE (INCLUDING SOFTWARE DOCUMENTATION), FIRMWARE AND TRAINING MATERIALS ONLY

GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer. This license is subject to all of the terms of this Agreement including those set forth below:

(a) FEE BASED LIMITATIONS

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

(b) OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code.

(c) PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup purposes only. All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

(d) UPDATES

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

(e) CUSTOMER TERMINATION

Customer may terminate this license at any time by returning to Kronos the original copy of the Software and destroying all other copies of the Software. Upon termination of this license by Kronos, Customer will return the original Software to Kronos and destroy all other copies of the Software.

(f) ISERIES SOFTWARE

If Customer is licensing Kronos iSeries Central Software, the following additional terms shall apply: Upon Customer's request and full payment of all license fees, Kronos shall license to Customer, for Customer's internal use only, the source code for the Kronos iSeries Central application programs licensed to Customer under this license. All of the terms and conditions specified in this Agreement for object code shall also apply to the source code. Customer acknowledges and agrees that the Software, all source code, object code and algorithms relating thereto, all user interface screens generated by the Software and source code, and all copyright, trade secret and other proprietary rights therein, are and shall remain the sole and exclusive property of Kronos. Customer agrees that it shall not disclose or otherwise make the Software available to third parties unless and to the extent such disclosure is necessary for Customer's permitted use of the Software. Furthermore, Customer must obtain Kronos' written consent to any such disclosure and any such third party must agree in writing to be bound by the terms contained herein.

(g) MICROSOFT SQL SERVER SOFTWARE

If Customer is sublicensing Microsoft SQL Server software, the following additional terms shall apply: The Microsoft SQL Server software being sublicensed hereunder ("SQL") as part of the Kronos Software is "Runtime-Restricted Use" software; as such, SQL may only be used to run the Software. SQL may not be used either (i) to develop and/or (ii) in conjunction with, new applications, databases or tables other than those contained in the Software. The foregoing, however, does not prohibit Customer from using a tool to run queries or reports from existing tables, and/or from using a development environment or workbench, which is part of the Software to configure or extend such Software. Notwithstanding any provision of this Agreement, Customer may only transfer SQL as part of the Software. Customer also agrees to use the Microsoft SQL Server software only on the servers, processors or other electronic devices which the Software is permitted to be connected.

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Chelmsford, MA 01824
Phone: (978)250-9800

(h) RESTRICTED RIGHTS

Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252 227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52 227-19 as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road Chelmsford, MA 01824.

(i) TRAINING MATERIALS

If Customer is licensing Training Materials and/or purchasing the Kronos Train-the-Trainer (KTTT) Program (the "Certification Program"), the following additional terms shall apply: "Training Materials" shall mean the instructor guide(s), student guide(s), job aids, recorded executable files, and/or tutorials developed by Kronos for one or more Kronos products. Kronos grants to Customer a non-exclusive, nontransferable license to use the Training Materials. Customer recognizes and agrees that: i) the Training Materials constitute confidential and proprietary information of Kronos; ii) the Training Materials are copyrighted by Kronos; iii) the license to use the Training Materials is limited, based upon the amount of the license fee paid by Customer; iv) Customer may not copy or reproduce the Training Materials in excess of the number of copies permitted by the applicable license fee; v) Customer may not transmit, distribute or disclose the Training Materials to any third party, unless agreed to in writing by Kronos; vi) Customer's license to use the Training Materials is granted solely for the purpose of permitting Customer to train Customer's employees and no other use of the Training Materials is permitted; and vii) Customer may not edit, modify, revise, amend, change, alter, customize or vary the Training Materials in any manner without the written consent of Kronos. Certification under the Certification Program is valid for two (2) years after successful completion of the Certification Program, applies only to the point release of the Software for which the Certification Program is taken, and covers only the Customer employee who completes the Certification Program.

SECTION C. TERMS AND CONDITIONS APPLICABLE TO PROFESSIONAL SERVICES AND EDUCATIONAL SERVICES ONLY

1. ESTIMATED PROFESSIONAL SERVICES RESOURCES AND HOURS

Customer recognizes and agrees that the Kronos professional services resources ("PS Resources") identified and the hours defined within any Professional Services Estimate ("PSE"), or similar statement of work document that may be provided by Kronos, have been estimated based upon: (i) the preliminary information provided by Customer; and (ii) Customer fulfilling its obligations as defined in the PSE or similar statement of work document. Additional PS Resources and/or hours may be required to complete the implementation as a result of newly discovered information, Customer's delay in fulfilling its obligations, or a change in the scope of the project. Kronos will review with Customer the PS Resources and the number of hours Kronos anticipates will be required for the completion of the work after assessment of Customer's requirements. Kronos will monitor the PS Resources and hours used as the work progresses, and will advise Customer through a change order if more are required. The applicable rate for each PS Resource is set forth in the PSE and/or the Order Form and shall remain in effect for 12 months from the effective date of the PSE or similar statement of work document. Pricing for professional services associated with the implementation of add-on Software licensed subsequent to an initial PSE will be priced at the then-current Kronos professional service rates.

2. EDUCATIONAL SERVICES/TRAINING POINTS

Customer agrees to purchase the quantity of Kronos "training points" indicated on the Order Form at the rate quoted (the "Training Points"). Purchased Training Points may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

3. PROFESSIONAL SERVICES AND EDUCATIONAL SERVICES PAYMENT

Kronos will invoice Customer for professional services at the PS Resource rates and on the payment terms identified in the PSE and/or the Order Form. Kronos will invoice Customer for the Training Points identified in the Order Form on the payment terms indicated therein.

4. TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all reasonable and necessary travel incurred by Kronos in the performance of any professional and/or educational services, provided that such travel complies with the then current Kronos' Travel and Expense Policies. Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation incurred by Kronos to deliver purchased professional services and/or educational services in accordance with Kronos' Travel and Expense Policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

5. WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 90 days of completion of the Services, the Customer's sole remedy and Kronos' exclusive liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

6. KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

Kronos' then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased and may be accessed at: <http://www.kronos.com/Support/ProfessionalServicesEngagementPolicies.htm> ("Professional Services Policies").

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Policies"). In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail

SECTION D TERMS AND CONDITIONS APPLICABLE TO SOFTWARE SUPPORT SERVICES ONLY

1 SUPPORT OPTIONS

Customer may select from the following Software support purchase options: Silver, Gold (or Gold Plus), and Platinum (or Platinum Plus) support ("Service Type"), each providing different service coverage periods and/or service offerings, as specified herein ("Service Offerings") and in the Kronos Support Service Policies (see Section 11 below). Customer must purchase the same Service Type for all of the Software specified on the Order Form, (however, if Customer is purchasing support services for Visionware Software, Customer may only purchase Gold Service Type for the Visionware Software.) All Updates shall be provided via remote access. Customer may purchase support services for Equipment under a separate agreement

2 TERM OF SOFTWARE SUPPORT

Support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service shall automatically renew for additional one year terms on the anniversary date of its commencement date, unless either party notifies the other in writing thirty (30) days prior to that anniversary renewal date. After the one year Initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with thirty (30) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 5% over the prior year's annual support fee

3. SERVICE OFFERINGS PROVIDED FOR ALL SERVICE TYPES (SILVER, GOLD, GOLD PLUS, PLATINUM OR PLATINUM PLUS)

Customer shall be entitled to receive:

- (a) Updates for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Service Packs, Point Releases and/or Major Releases (including legislative updates, if available) or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' then-current time and materials rate
- (b) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period
- (c) Web-based support including access to Software documentation, live online help, FAQs, access to Kronos knowledge base, Customer forums, e-case management and e-mail support. Such offerings are subject to modification by Kronos. Current offerings can be found at www.kronos.com/customer
- (d) Remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the service coverage period

4 SERVICE OFFERINGS ADDITIONAL TO THOSE SPECIFIED IN SECTION D.3 ABOVE, PROVIDED BY SERVICE TYPE:

- (a) Gold and Platinum: Technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies. Such offerings are subject to modification by Kronos without notice
- (b) Gold Plus: Customers purchasing Gold support service may purchase, for an additional fee, the Gold Plus services of a dedicated, but not exclusive, Kronos technical account manager ("Technical Account Manager") to provide on-going account management support to Customer. Customer shall designate up to one primary and one secondary backup technical contact ("Technical Contacts") to be the sole contacts with the Technical Account Manager. Customer is required to place primary Technical Contacts through Kronos certification support training for the Software covered under this Agreement at Customer's expense
- (c) Platinum: Platinum Customers receive a two hour or less response time for all calls placed to Kronos Global Support, regardless of the Priority level.
- (d) Platinum Plus: Customers purchasing Platinum support services may purchase, for an additional fee, the Platinum Plus services of a dedicated, but not exclusive, Kronos Technical Account Manager. Customer shall designate up to two primary and three secondary backup Technical Contacts to be the sole contacts with the Technical Account Manager. Upon request, Customer may designate additional and/or backup Technical Contacts. A one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, a Kronos application consultant shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment, provided Customer's annual Software support fee is at least \$5,000 per year. Customer must be utilizing the then-current version of the Software. Travel time and expenses are not included and shall be charged to Customer at Kronos' then-current rate

Customer is required to place all primary Technical Contacts through Kronos certification support training for the software covered under this Agreement at Customer's expense

5 PAYMENT

Customer shall pay annual support charges for the initial term in accordance with the payment terms on the Order Form and for any renewal term within thirty (30) days after receipt of invoice. Customer shall pay additional support charges, if any, and time and material charges upon receipt of invoice

6 ADDITION OF SOFTWARE

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Additional Software purchased by Customer during the initial or any renewal term shall be added to this Agreement at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition and any such addition shall be automatically renewed as provided in these terms.

7 RESPONSIBILITIES OF CUSTOMER

Customer agrees (a) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of data communication facilities, if required; (b) to maintain and operate the Software in an environment and according to procedures which conform to Kronos' specifications; and (c) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos.

8 DEFAULT

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

9 WARRANTY

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

10 LIMITATION OF REMEDIES

Except as provided in Section D 8 above, Customer's exclusive remedy, and the sole liability of Kronos, for any breach of the support service warranty specified above, shall be repeat performance of any support service required under this Agreement. Kronos agrees to be liable for tangible property damage or personal injury caused solely by the negligence or willful misconduct of its support service employees.

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

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

- i Streaming Short Subject™ sessions streamed to Customer's desktop;
- ii Tutorials;
- iii Learning Snippets;
- iv Job Aids in pdf form; and
- v Lunch and Learn information webinars

The content of these offerings are subject to change by Kronos without notice. Customer may access the KnowledgePass Education Subscription through the Kronos customer web site >> Education >> KnowledgePass

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

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

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

12 KRONOS SUPPORT SERVICE POLICIES

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

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297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

SECTION E TERMS AND CONDITIONS APPLICABLE TO ALL ORDERED ITEMS AND SERVICES

1 APPLICABILITY

The terms of this Section E supplement the terms of Sections A through D above and apply to all items specified on the Order Form

2 APPROVAL

All orders are subject to the approval of Kronos corporate office in Chelmsford, Massachusetts

3. TAXES AND OVERDUE AMOUNTS

Customer agrees to pay all applicable taxes levied or based on the products, services or other charges hereunder, including state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on net income

Customer agrees to pay a late charge of one percent (1%) per month, (but not in excess of the rate allowed by law), on any overdue amounts not the subject of a good faith dispute. If full payment is not made within 90 days of final payment due date, Customer is responsible for all expenses, including legal fees, incurred by Kronos for collection

4. LIMITATION OF LIABILITY

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

EXCEPT FOR KRONOS' INTELLECTUAL PROPERTY INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION A.4 ABOVE, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES' AFFILIATES' OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF OR INABILITY TO SO USE ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

5 FUTURE PURCHASES

For two (2) years following the execution of this Agreement Customer may order additional Equipment, Software and Services under the terms and conditions hereof (subject to then applicable pricing) by placing an order which expressly references these terms. Thereafter, the terms and conditions of this Agreement may be renewed for additional one year periods upon the mutual agreement of the parties. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document and no such Customer pre-printed terms shall apply to the Equipment, Software and/or Services ordered

6 CONFIDENTIAL INFORMATION

Confidential Information means any information of one party that is clearly marked as "confidential" and that is disclosed to the other party pursuant to this Agreement. Additionally, the terms, conditions and pricing contained in this Agreement and the Order Form, the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the disclosing party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence; or (e) was required to be disclosed by applicable law; provided that the receiving party notifies the disclosing party of such requirement prior to disclosure, and provided further that the receiving party makes diligent efforts to limit disclosure. Customer agrees that Kronos may use Customer's name as part of Kronos' published customer lists.

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

7. GENERAL

- (a) This Agreement shall be governed by Massachusetts law
- (b) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (c) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment without such consent, shall be void
- (d) Neither party shall be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Both parties agree to use their best efforts to minimize the effects of such failures or delays
- (e) All notices given under this Agreement shall be in writing and sent postage pre-paid if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form
- (f) Customer understands that any export of the Equipment or Software or related documentation or information may require an export license and Customer assumes full responsibility for obtaining such license. Customer must obtain Kronos' prior written consent before exporting the Software
- (g) No action, regardless of form, may be brought by either party more than two (2) years after the cause of action has arisen
- (h) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.
- (i) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, not any other future product in executing this Agreement

The Amendment dated November 29, 2006, is attached hereto and made a part hereof

DATED: 11-30-06

CUSTOMER: Baldwin County Commission

BY: [Signature]
 NAME: Wayne A. Craven
 TITLE: Chairman

KRONOS INCORPORATED

BY: _____
 NAME: _____
 TITLE: _____

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

DEPOT EXCHANGE SUPPORT AGREEMENT Rev KR-040403

Kronos and Baldwin County Commission ("Customer") hereby agree that Kronos shall provide Depot Exchange Support Services under the following terms and conditions for Customer's Kronos Product(s).

1. TERM

This Agreement has a term of one (1) year commencing upon the expiration of any applicable warranty period, as specified in the Sales, Software License and Services Agreement. This Agreement will be automatically extended for additional one-year terms on the anniversary of its commencement date ("Renewal Date"), unless either party has given the other thirty (30) days written notification of its intent not to renew.

2. PAYMENT

Customer agrees to pay the Depot Exchange Support Charges set forth on the Order Form for each Equipment listed ("Product(s)"). Customer agrees that all such Products owned by the Customer will be subject to this Agreement. Customer agrees that if Customer purchases, during the term of this Agreement, any Products beyond those specified on the Order Form, such additional Products shall be subject to this Agreement. Customer agrees to pay a prorated fee for such additional Products and agrees to pay the full annual fee for such additional Products, upon the renewal date.

Kronos will invoice Customer for the annual Depot Exchange support charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice. In addition to Depot Exchange support charges, Customer agrees to pay all taxes, however designated, on this Agreement, and on services rendered, including state and local taxes or excise taxes based on gross revenue, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based upon net income. Customer will pay a late charge of one percent (1%) per month of any overdue amounts, but not in excess of the rate allowed by law.

Kronos may change the Depot Exchange support charges effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least thirty (30) days prior written notification. For the initial two (2) renewal years the annual Depot Exchange support fee, for the same products, will not increase by more than 4% over the prior year's annual support fee.

3. DEPOT EXCHANGE SUPPORT SERVICE

Upon the failure of an installed Product, Customer shall notify Kronos' Global Support organization at 1-800-394-4357 of such failure. Global Support will provide remote fault isolation and attempt to resolve the problem. Those failures determined by Global Support to be Product related shall be dispatched to the Depot Repair Center by Global Support. Hours of operation for the Depot Repair Center are Monday through Friday 8:00 A.M. to 5:00 P.M. EST, excluding Kronos holidays. Kronos will provide a replacement for the failed Product on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Product will be shipped the same day, for next business day delivery to Customer, if such request is received prior to 3:30 P.M., EST. REPLACEMENT PRODUCT(S) MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Product is to be shipped, and any special shipping or insurance instructions. All shipments will include a Return Shipping Label designating Kronos Depot, 300 Billerica Road, Chelmsford, Massachusetts 01824, as the recipient. Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Equipment and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer.

Customer, upon receipt of the replacement Product from Kronos, shall package the defective Product in the materials provided by Kronos, with the return label supplied. Failed Product not received by Kronos within ten (10) calendar days shall be billed to the Customer at the prevailing Kronos List Price. All returned Product becomes the property of Kronos. Failed Product returned between calendar days eleven (11) through thirty (30) will be subject to an additional \$150 processing fee. Kronos will not accept Product after thirty (30) days, and Customer shall not be issued any credit for any attempted return.

4. DEPOT EXCHANGE SUPPORT EXCLUSIONS

Depot Exchange Support service does not include, and Customer agrees to pay on a time and materials basis for, repair of damages resulting from:

- (a) Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning and transportation, or any act of God;
- (b) Customer's failure to continually provide a suitable installation environment including, but not limited to, adequate electrical power;
- (c) Customer's improper use, relocation, refurbishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' specifications;
- (d) Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos; or
- (e) Customer shall be charged Kronos' then-current time and materials rate for the installation of any Software or firmware upgrades, if available, and if requested by Customer. If such Software or firmware upgrades are available on Kronos' Customer web site, Customer may download such Software or firmware upgrades for no additional charge.

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

5. RESPONSIBILITIES OF CUSTOMER

Customer agrees to:

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

6. DELIVERY

All Products shall be delivered to Customer FOB shipping point. Title and risk of loss for the Products shall pass to Customer upon delivery to the carrier by Kronos. All shipments to Kronos shall be made "freight prepaid" using the Return Shipping Label and shipping instructions as specified by Kronos. Kronos will select the carrier to be utilized under the program.

7. WARRANTY

Kronos warrants that all repairs performed under this Agreement shall be performed in a professional and competent manner

ALL OTHER WARRANTIES FOR THE REPAIR SERVICES PROVIDED HEREUNDER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF FITNESS FOR ANY PARTICULAR PURPOSE AND MERCHANTABILITY, ARE EXCLUDED BY AGREEMENT OF THE PARTIES.

8. DEFAULT

Kronos reserves the right to terminate or suspend support service in the event Customer is in default under this or any other Agreement with Kronos, and such default is not corrected within fifteen (15) business days after written notice. In addition, this Agreement will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

9. LIMITATION OF REMEDIES

The exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Product

IN NO EVENT SHALL KRONOS OR ITS SUBSIDIARIES OR AFFILIATES BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES.

10. GENERAL

- (a) This Agreement shall be governed by Massachusetts law.
- (b) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (c) Neither party shall assign this Agreement without the prior written consent of the other and any purported assignment, without such consent, shall be void; provided however, that Kronos may assign this Agreement to its parent, affiliate or subsidiary without such written consent.
- (d) Kronos shall not be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Kronos agrees to use its commercially reasonable efforts to minimize the effects of such failures or delays.
- (e) All notices which must be given under this Agreement shall be in writing and sent First Class regular or certified mail, postage prepaid, to the Kronos address on the Order Form, to the attention of the Director of Corporate Customer Service, or if Customer, to _____ at the billing address on the Order Form.
- (f) No action, regardless of form, may be brought by either party more than two years after the cause of action has arisen.
- (g) This Agreement supersedes all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties.

The Amendment dated November 29, 2006 is attached hereto and made a part hereof.

DATED: 11-30-06

CUSTOMER: Baldwin County Commission

Wayne A. Givens

NAME: Wayne A. Givens

TITLE: Chairman

KRONOS INCORPORATED

BY: *Andrea Hayes*

NAME: Andrea Hayes

TITLE: DM Specialist
12-1-06

Kranos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

... ..

Amendment to Kronos Sales, Software License and Services Agreement and Kronos Depot Repair Support Agreement

This is an Amendment dated November 29, 2006, to the Kronos Sales, Software License and Services Agreement and the Kronos Depot Repair Support Agreement (the "Agreement(s)") between Kronos Incorporated ("Kronos") and Baldwin County Commission. The parties hereby agree to amend the Agreements as follows:

Kronos Sales, Software License and Services Agreement

- 1 Section D.8 shall be amended by deleting from the first and third sentences of this section the words "fifteen (15) days" and replacing them with the words "thirty (30) days".
- 2 Section E.7(a) shall be amended by deleting this section in its entirety and replacing it with the following: "This Agreement shall be governed by Alabama law."
- 3 The following shall be added to and made part of this Agreement as a new Section E.7(j): "For the sole purpose of this Agreement, Kronos hereby agrees that the Baldwin County Sheriff's Office will be considered part of Customer's own business and will not be considered a third party for any purposes under this Agreement. The use of the Software by Baldwin County Sheriff's Office will not be deemed to be an assignment provided that the number of employees for which the license fee has been paid includes the number of employees of the Baldwin County Sheriff's Office who will use the Software."

Kronos Depot Repair Support Agreement

- 1 Section 6 shall be amended by deleting from this section the third and fourth sentences of this section and adding to the end of the second sentence of this section the following language: "; provided, however, that Kronos will be responsible for all shipping and handling charges when shipping the Products to Customer. Customer will be responsible for all shipping and handling charges when shipping the Products to Kronos "
- 2 Section 8 shall be amended by deleting from the first sentence of this section the words "fifteen (15) days" and replacing them with the words "thirty (30) days".
- 3 Section 10(a) shall be amended by deleting this section in its entirety and replacing it with the following: "This Agreement shall be governed by Alabama law."
- 4 The following language shall be added to and made a part of this Agreement as a new Section 10(h): "For the sole purpose of this Agreement, Kronos hereby agrees that the Baldwin County Sheriff's Office will be considered part of Customer's own business and will not be considered a third party for any purposes under this Agreement. The use of the Software by Baldwin County Sheriff's Office will not be deemed to be an assignment provided that the number of employees for which the license fee has been paid includes the number of employees of the Baldwin County Sheriff's Office who will use the Software."

The parties acknowledge and agree that the confidentiality obligations herein are subject to the parties' acknowledgment that Baldwin County is a public entity which is subject to the Alabama Public Records Act (Ala. Code 36-12-1 et seq.) (hereinafter "Act"). Further, however, it is the opinion of the parties that Kronos Confidential Information does not constitute "public writing" as

the term is used under the Act and therefore any Kronos Confidential Information provided to Baldwin County under the Agreements are not subject to disclosure under the Act. For that reason, Baldwin County agrees that it shall deny any public request for disclosure of Confidential Information on that basis, and will not disclose such information unless and until Baldwin County shall be required to disclose such Confidential Information by a final order of a court of competent jurisdiction, not subject to appeal. Baldwin County agrees to give notice to Kronos should it receive any such request to disclose any Confidential Information to enable Kronos to obtain an appropriate protective order.

All other terms and conditions of the Agreements shall remain in full force and effect.

AGREED AND ACCEPTED

CUSTOMER

KRONOS INCORPORATED

By: 

By:

Name: Wayne A. Gurdaloh

Name:

Title: Chairman

Title:

Date: 11-30-06

Date:

Appendix A Software Support Services

TERMS AND CONDITIONS APPLICABLE TO SOFTWARE SUPPORT SERVICES ONLY

1. SUPPORT OPTIONS

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

2. TERM OF SOFTWARE SUPPORT

Support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service shall renew as provided in the Agreement. Effective upon the next renewal date, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with at least thirty (30) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee.

3. GOLD SERVICE OFFERINGS

Customer shall be entitled to receive:

- (a) Service Packs, Point Releases and/or Major Releases (including legislative updates, if available) ("Updates") for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Updates or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' then-current time and materials rate.
- (b) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period. The Service Coverage Period for the Gold Service Offering is 8:00 a.m. to 8:00 p.m., local time, Monday through Friday, excluding Kronos holidays.
- (c) Web-based support including access to Software documentation, FAQ's, access to Kronos knowledge base, Customer forums, and e-case management. Such offerings are subject to modification by Kronos. Current offerings can be found at <http://www.kronos.com/Support/Maintenance.htm>.
- (d) Web-based remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the Service Coverage Period.
- (e) Access to specialized content as and when made available by Kronos such as technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies.

4. ADDITIONAL PLATINUM AND PLUS SERVICE OFFERINGS:

- (a) **Platinum:** In addition to the Service Offerings specified in Section 3 above, the Service Coverage Period for the Platinum Service Offering is 24 hours a day, seven days a week, 365 days a year.
- (b) **Plus option:** In addition to the Service Offerings specified in Section 3 above, and if applicable for Platinum support customers, those set forth in Section 4(a) above, customers purchasing the Plus option shall receive the services of a dedicated, but not exclusive, Kronos Technical Account Manager. Customers purchasing the Gold-Plus option shall designate up to one primary and one secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the Kronos Technical Account Manager, while customers purchasing the Platinum-Plus option shall designate up to two primary and three secondary backup Technical Contacts. Upon request, Customer may designate additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through Kronos product training for the Software covered under this Agreement at Customer's expense.

Customers purchasing the Platinum-Plus option shall also receive a one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, Kronos shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment. Customer must be utilizing the then-current version of the Software. Travel and expenses are not included and shall be charged to Customer at Kronos' then-current rate.

5. RESPONSIBILITIES OF CUSTOMER

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

6. KNOWLEDGEPASS EDUCATION SUBSCRIPTION

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

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

- i. 3-minute How To's;
- ii. Tutorials and Guided Practice;
- iii. Job Aids in *pdf form; and
- iv. Lunch and Learn information webinars.

The content of these offerings are subject to change by Kronos without notice. Customer may access the KnowledgePass Education Subscription through the Kronos customer web site>>Education>>KnowledgePass.

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

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

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

7. KRONOS SUPPORT SERVICE POLICIES

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

Addendum Rev. 100107A

Pursuant to Section E.5, Future Purchases, of the Kronos Sales, Software License and Services Agreement entered into between Kronos and the Baldwin County Commission ("Customer"), on November 30, 2006, as amended by the Amendment to Kronos Sales, Software License and Services Agreement and Kronos Depot Repair Support Agreement entered into on November 30, 2006, attached hereto as Exhibit A, and incorporated herein by reference, (the "Agreement"), Kronos and Customer hereby agree to extend the terms and conditions of the Agreement, as amended herein, to any Order Form executed by Kronos and Customer (and Customer's parent and Customer's wholly owned subsidiaries) during the period of time which is two (2) years after the date of this Addendum. In the event of any conflict or inconsistency between the terms and conditions of this Addendum and any terms and conditions of the Agreement, the terms and conditions of this Addendum shall control. Kronos may require additional terms and conditions for the sale or license of products or services not contemplated by the Agreement (as amended herein), provided that no such additional terms and conditions shall be binding upon Customer without Customer's prior written consent. Notwithstanding, Kronos will not be obligated to accept or approve an order for any products or services for which such additional terms and conditions are required. All other terms and conditions of the Agreement shall remain in full force and effect.

The parties hereby agree as follows:

1. ADDITIONAL COPIES OF SOFTWARE

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

2. FIRMWARE

Customer may not download firmware updates for the Kronos Equipment unless Customer is maintaining such Equipment under a support plan with Kronos. Kronos shall have the right to audit Customer's Kronos Equipment to determine if Customer has downloaded any firmware to which Customer is not entitled. If such audit reveals that Customer has downloaded firmware for the Kronos Equipment to which Customer is not entitled, Customer shall be responsible to pay Kronos for such updated firmware at Kronos' then-current per event charge for such firmware.

3. PAYMENT AND DELIVERY TERMS

Payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery").

4. EDUCATIONAL SERVICES/TRAINING POINTS

Customer agrees to purchase the quantity of Kronos "training points" indicated on the Order Form at the rate quoted (the "Training Points"). Purchased Training Points may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

5. TRAVEL EXPENSES

All travel expenses to be reimbursed by Customer shall include a ten percent (10%) administrative fee.

6. SOFTWARE SUPPORT

RECEIVED
JAN 09 2008
BY: *[Signature]*

Kronos and Customer agree that the terms and conditions set forth in Appendix A, Software Support, shall govern the provision of Software Support Services to Customer by Kronos.

7. ENTIRE AGREEMENT

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

DATED: 1/13/09

Baldwin County Commission

BY: David E. Bishop

NAME: DAVID E. Bishop

TITLE: Chairman

KRONOS INCORPORATED

BY: [Signature]

NAME: John O'Brien

TITLE: VP of Sales

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

KRONOS SALES, SOFTWARE LICENSE AND SERVICES AGREEMENT Rev KR-080706

Baldwin County Commission ("Customer") and Kronos agree that the terms and conditions set forth: i) in Section A of this Agreement apply to all Equipment and Software specified on a Kronos order form (the "Order Form"); ii) in Section B apply to all Software, firmware (contained in or downloaded to the Equipment), and Training Materials specified on the Order Form; iii) in Section C apply to all Professional Services, if any, specified on the Order Form; iv) in Section D apply to all Software Support Services, if any, and the Kronos KnowledgePass Education Subscription, if any, specified on the Order Form; and v) in Section E of the Agreement apply to all items specified on the Order Form and supplement the terms of Sections A through D. For purposes of this Agreement, the term "Customer" shall include Customer's parent company as well as Customer's wholly owned subsidiaries, if any.

SECTION A. TERMS AND CONDITIONS APPLICABLE TO EQUIPMENT AND SOFTWARE ONLY

1. PAYMENT AND DELIVERY

Payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery")

2. ACCEPTANCE

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

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

3. LIMITED WARRANTY

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

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

If Customer is licensing Workforce Payroll Software the following additional warranty exclusions shall apply: i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using the Software, (ii) using the Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or the Software for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using the Software and satisfy itself that those calculations are correct.

4. INDEMNIFICATION

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

Kronos Incorporated
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Chelmsford, MA 01824
Phone: (978)250-9800

SECTION B. LICENSE TERMS APPLICABLE TO SOFTWARE (INCLUDING SOFTWARE DOCUMENTATION), FIRMWARE AND TRAINING MATERIALS ONLY

GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer. This license is subject to all of the terms of this Agreement including those set forth below:

(a) FEE BASED LIMITATIONS

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

(b) OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code.

(c) PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup purposes only. All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

(d) UPDATES

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

(e) CUSTOMER TERMINATION

Customer may terminate this license at any time by returning to Kronos the original copy of the Software and destroying all other copies of the Software. Upon termination of this license by Kronos, Customer will return the original Software to Kronos and destroy all other copies of the Software.

(f) ISERIES SOFTWARE

If Customer is licensing Kronos iSeries Central Software, the following additional terms shall apply: Upon Customer's request and full payment of all license fees, Kronos shall license to Customer, for Customer's internal use only, the source code for the Kronos iSeries Central application programs licensed to Customer under this license. All of the terms and conditions specified in this Agreement for object code shall also apply to the source code. Customer acknowledges and agrees that the Software, all source code, object code and algorithms relating thereto, all user interface screens generated by the Software and source code, and all copyright, trade secret and other proprietary rights therein, are and shall remain the sole and exclusive property of Kronos. Customer agrees that it shall not disclose or otherwise make the Software available to third parties unless and to the extent such disclosure is necessary for Customer's permitted use of the Software. Furthermore, Customer must obtain Kronos' written consent to any such disclosure and any such third party must agree in writing to be bound by the terms contained herein.

(g) MICROSOFT SQL SERVER SOFTWARE

If Customer is sublicensing Microsoft SQL Server software, the following additional terms shall apply: The Microsoft SQL Server software being sublicensed hereunder ("SQL") as part of the Kronos Software is "Runtime-Restricted Use" software; as such, SQL may only be used to run the Software. SQL may not be used either (i) to develop and/or (ii) in conjunction with, new applications, databases or tables other than those contained in the Software. The foregoing, however, does not prohibit Customer from using a tool to run queries or reports from existing tables, and/or from using a development environment or workbench, which is part of the Software to configure or extend such Software. Notwithstanding any provision of this Agreement, Customer may only transfer SQL as part of the Software. Customer also agrees to use the Microsoft SQL Server software only on the servers, processors or other electronic devices which the Software is permitted to be connected.

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Chelmsford, MA 01824
Phone: (978)250-9800

(h) RESTRICTED RIGHTS

Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252 227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52 227-19 as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road Chelmsford, MA 01824.

(i) TRAINING MATERIALS

If Customer is licensing Training Materials and/or purchasing the Kronos Train-the-Trainer (KTTT) Program (the "Certification Program"), the following additional terms shall apply: "Training Materials" shall mean the instructor guide(s), student guide(s), job aids, recorded executable files, and/or tutorials developed by Kronos for one or more Kronos products. Kronos grants to Customer a non-exclusive, nontransferable license to use the Training Materials. Customer recognizes and agrees that: i) the Training Materials constitute confidential and proprietary information of Kronos; ii) the Training Materials are copyrighted by Kronos; iii) the license to use the Training Materials is limited, based upon the amount of the license fee paid by Customer; iv) Customer may not copy or reproduce the Training Materials in excess of the number of copies permitted by the applicable license fee; v) Customer may not transmit, distribute or disclose the Training Materials to any third party, unless agreed to in writing by Kronos; vi) Customer's license to use the Training Materials is granted solely for the purpose of permitting Customer to train Customer's employees and no other use of the Training Materials is permitted; and vii) Customer may not edit, modify, revise, amend, change, alter, customize or vary the Training Materials in any manner without the written consent of Kronos. Certification under the Certification Program is valid for two (2) years after successful completion of the Certification Program, applies only to the point release of the Software for which the Certification Program is taken, and covers only the Customer employee who completes the Certification Program.

SECTION C. TERMS AND CONDITIONS APPLICABLE TO PROFESSIONAL SERVICES AND EDUCATIONAL SERVICES ONLY

1 ESTIMATED PROFESSIONAL SERVICES RESOURCES AND HOURS

Customer recognizes and agrees that the Kronos professional services resources ("PS Resources") identified and the hours defined within any Professional Services Estimate ("PSE"), or similar statement of work document that may be provided by Kronos, have been estimated based upon: (i) the preliminary information provided by Customer; and (ii) Customer fulfilling its obligations as defined in the PSE or similar statement of work document. Additional PS Resources and/or hours may be required to complete the implementation as a result of newly discovered information, Customer's delay in fulfilling its obligations, or a change in the scope of the project. Kronos will review with Customer the PS Resources and the number of hours Kronos anticipates will be required for the completion of the work after assessment of Customer's requirements. Kronos will monitor the PS Resources and hours used as the work progresses, and will advise Customer through a change order if more are required. The applicable rate for each PS Resource is set forth in the PSE and/or the Order Form and shall remain in effect for 12 months from the effective date of the PSE or similar statement of work document. Pricing for professional services associated with the implementation of add-on Software licensed subsequent to an initial PSE will be priced at the then-current Kronos professional service rates.

2 EDUCATIONAL SERVICES/TRAINING POINTS

Customer agrees to purchase the quantity of Kronos "training points" indicated on the Order Form at the rate quoted (the "Training Points"). Purchased Training Points may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

3 PROFESSIONAL SERVICES AND EDUCATIONAL SERVICES PAYMENT

Kronos will invoice Customer for professional services at the PS Resource rates and on the payment terms identified in the PSE and/or the Order Form. Kronos will invoice Customer for the Training Points identified in the Order Form on the payment terms indicated therein.

4 TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all reasonable and necessary travel incurred by Kronos in the performance of any professional and/or educational services, provided that such travel complies with the then current Kronos' Travel and Expense Policies. Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation incurred by Kronos to deliver purchased professional services and/or educational services in accordance with Kronos' Travel and Expense Policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

5 WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 90 days of completion of the Services, the Customer's sole remedy and Kronos' exclusive liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

6. KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

Kronos' then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased and may be accessed at: <http://www.kronos.com/Support/ProfessionalServicesEngagementPolicies.htm> ("Professional Services

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Chelmsford, MA 01824
Phone: (978)250-9800

Policies. In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

SECTION D. TERMS AND CONDITIONS APPLICABLE TO SOFTWARE SUPPORT SERVICES ONLY

1. SUPPORT OPTIONS

Customer may select from the following Software support purchase options: Silver, Gold (or Gold Plus), and Platinum (or Platinum Plus) support ("Service Type"), each providing different service coverage periods and/or service offerings, as specified herein ("Service Offerings") and in the Kronos Support Service Policies (see Section 11 below). Customer must purchase the same Service Type for all of the Software specified on the Order Form, (however, if Customer is purchasing support services for Visionware Software, Customer may only purchase Gold Service Type for the Visionware Software.) All Updates shall be provided via remote access. Customer may purchase support services for Equipment under a separate agreement.

2. TERM OF SOFTWARE SUPPORT

Support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service shall automatically renew for additional one year terms on the anniversary date of its commencement date, unless either party notifies the other in writing thirty (30) days prior to that anniversary renewal date. After the one year initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with thirty (30) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 5% over the prior year's annual support fee.

3. SERVICE OFFERINGS PROVIDED FOR ALL SERVICE TYPES (SILVER, GOLD, GOLD PLUS, PLATINUM OR PLATINUM PLUS)

Customer shall be entitled to receive:

(a) Updates for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Service Packs, Point Releases and/or Major Releases (including legislative updates, if available) or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' then-current time and materials rate.

(b) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period.

(c) Web-based support including access to Software documentation, live online help, FAQ's, access to Kronos knowledge base, Customer forums, e-case management and e-mail support. Such offerings are subject to modification by Kronos. Current offerings can be found at www.kronos.com/customer.

(d) Remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the service coverage period.

4. SERVICE OFFERINGS ADDITIONAL TO THOSE SPECIFIED IN SECTION D.3 ABOVE, PROVIDED BY SERVICE TYPE:

(a) Gold and Platinum: Technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies. Such offerings are subject to modification by Kronos without notice.

(b) Gold Plus: Customers purchasing Gold support service may purchase, for an additional fee, the Gold Plus services of a dedicated, but not exclusive, Kronos technical account manager ("Technical Account Manager") to provide on-going account management support to Customer. Customer shall designate up to one primary and one secondary backup technical contact ("Technical Contacts") to be the sole contacts with the Technical Account Manager. Customer is required to place primary Technical Contacts through Kronos certification support training for the Software covered under this Agreement at Customer's expense.

(c) Platinum: Platinum Customers receive a two hour or less response time for all calls placed to Kronos Global Support, regardless of the Priority level.

(d) Platinum Plus: Customers purchasing Platinum support services may purchase, for an additional fee, the Platinum Plus services of a dedicated, but not exclusive, Kronos Technical Account Manager. Customer shall designate up to two primary and three secondary backup Technical Contacts to be the sole contacts with the Technical Account Manager. Upon request, Customer may designate additional and/or backup Technical Contacts. A one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, a Kronos application consultant shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment, provided Customer's annual Software support fee is at least \$5,000 per year. Customer must be utilizing the then-current version of the Software. Travel time and expenses are not included and shall be charged to Customer at Kronos' then-current rate.

Customer is required to place all primary Technical Contacts through Kronos certification support training for the software covered under this Agreement at Customer's expense.

5. PAYMENT

Customer shall pay annual support charges for the initial term in accordance with the payment terms on the Order Form and for any renewal term within thirty (30) days after receipt of invoice. Customer shall pay additional support charges, if any, and time and material charges upon receipt of invoice.

6. ADDITION OF SOFTWARE

Kronos Incorporated
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Chelmsford, MA 01824
Phone: (978)250-9800

Additional Software purchased by Customer during the initial or any renewal term shall be added to this Agreement at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition and any such addition shall be automatically renewed as provided in these terms.

7 RESPONSIBILITIES OF CUSTOMER

Customer agrees (a) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of data communication facilities, if required; (b) to maintain and operate the Software in an environment and according to procedures which conform to Kronos' specifications; and (c) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos.

8 DEFAULT

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

9 WARRANTY

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

10 LIMITATION OF REMEDIES

Except as provided in Section D 8 above, Customer's exclusive remedy, and the sole liability of Kronos, for any breach of the support service warranty specified above, shall be repeat performance of any support service required under this Agreement. Kronos agrees to be liable for tangible property damage or personal injury caused solely by the negligence or willful misconduct of its support service employees.

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

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

- i Streaming Short Subject™ sessions streamed to Customer's desktop;
- ii Tutorials;
- iii Learning Snippets;
- iv Job Aids in *pdf form; and
- v Lunch and Learn information webinars

The content of these offerings are subject to change by Kronos without notice. Customer may access the KnowledgePass Education Subscription through the Kronos customer web site>>Education>>KnowledgePass

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

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

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

12 KRONOS SUPPORT SERVICE POLICIES

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

Kronos Incorporated
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Chelmsford, MA 01824
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SECTION E TERMS AND CONDITIONS APPLICABLE TO ALL ORDERED ITEMS AND SERVICES

1 APPLICABILITY

The terms of this Section E supplement the terms of Sections A through D above and apply to all items specified on the Order Form

2 APPROVAL

All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts

3. TAXES AND OVERDUE AMOUNTS

Customer agrees to pay all applicable taxes levied or based on the products, services or other charges hereunder, including state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on net income

Customer agrees to pay a late charge of one percent (1%) per month, (but not in excess of the rate allowed by law), on any overdue amounts not the subject of a good faith dispute. If full payment is not made within 90 days of final payment due date, Customer is responsible for all expenses, including legal fees, incurred by Kronos for collection

4. LIMITATION OF LIABILITY

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

EXCEPT FOR KRONOS' INTELLECTUAL PROPERTY INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION A.4 ABOVE, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES' AFFILIATES' OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF OR INABILITY TO SO USE ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

5 FUTURE PURCHASES

For two (2) years following the execution of this Agreement Customer may order additional Equipment, Software and Services under the terms and conditions hereof (subject to then applicable pricing) by placing an order which expressly references these terms. Thereafter, the terms and conditions of this Agreement may be renewed for additional one year periods upon the mutual agreement of the parties. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document and no such Customer pre-printed terms shall apply to the Equipment, Software and/or Services ordered

6 CONFIDENTIAL INFORMATION

Confidential Information means any information of one party that is clearly marked as "confidential" and that is disclosed to the other party pursuant to this Agreement. Additionally, the terms, conditions and pricing contained in this Agreement and the Order Form, the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the disclosing party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence; or (e) was required to be disclosed by applicable law; provided that the receiving party notifies the disclosing party of such requirement prior to disclosure, and provided further that the receiving party makes diligent efforts to limit disclosure. Customer agrees that Kronos may use Customer's name as part of Kronos' published customer lists.

Kronos Incorporated
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Chelmsford, MA 01824
Phone: (978)250-9800

7. GENERAL

- (a) This Agreement shall be governed by Massachusetts law
- (b) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect
- (c) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment without such consent, shall be void
- (d) Neither party shall be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Both parties agree to use their best efforts to minimize the effects of such failures or delays
- (e) All notices given under this Agreement shall be in writing and sent postage pre-paid if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form
- (f) Customer understands that any export of the Equipment or Software or related documentation or information may require an export license and Customer assumes full responsibility for obtaining such license. Customer must obtain Kronos' prior written consent before exporting the Software
- (g) No action, regardless of form, may be brought by either party more than two (2) years after the cause of action has arisen
- (h) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.
- (i) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, not any other future product in executing this Agreement

The Amendment dated November 29, 2006, is attached hereto and made a part hereof.

DATED: 11-30-06

CUSTOMER: Baldwin County Commission

KRONOS INCORPORATED

BY: [Signature]

BY: _____

NAME: Wayne A. Crumley

NAME: _____

TITLE: Chairman

TITLE: _____

Kronos Incorporated
 297 Billerica Road
 Chelmsford, MA 01824
 Phone: (978)250-9800

DEPOT EXCHANGE SUPPORT AGREEMENT Rev KR-040405

Kronos and Baldwin County Commission ("Customer") hereby agree that Kronos shall provide Depot Exchange Support Services under the following terms and conditions for Customer's Kronos Product(s).

1. TERM

This Agreement has a term of one (1) year commencing upon the expiration of any applicable warranty period, as specified in the Sales, Software License and Services Agreement. The Agreement will be automatically extended for additional one year terms on the anniversary of its commencement date ("Renewal Date"), unless either party has given the other thirty (30) days written notification of its intent not to renew.

2. PAYMENT

Customer agrees to pay the Depot Exchange Support Charges set forth on the Order Form for each Equipment listed ("Product(s)"). Customer agrees that all such Products owned by the Customer will be subject to this Agreement. Customer agrees that if Customer purchases, during the term of this Agreement, any Products beyond those specified on the Order Form, such additional Products shall be subject to this Agreement. Customer agrees to pay a prorated fee for such additional Products and agrees to pay the full annual fee for such additional Products, upon the renewal date.

Kronos will invoice Customer for the annual Depot Exchange support charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice. In addition to Depot Exchange support charges, Customer agrees to pay all taxes, however designated, on this Agreement, and on services rendered, including state and local taxes or excise taxes based on gross revenue, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based upon net income. Customer will pay a late charge of one percent (1%) per month of any overdue amounts, but not in excess of the rate allowed by law.

Kronos may change the Depot Exchange support charges effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least thirty (30) days prior written notification. For the initial two (2) renewal years the annual Depot Exchange support fee, for the same products, will not increase by more than 4% over the prior year's annual support fee.

3. DEPOT EXCHANGE SUPPORT SERVICE

Upon the failure of an installed Product, Customer shall notify Kronos' Global Support organization at 1-800-394-4357 of such failure. Global Support will provide remote fault isolation and attempt to resolve the problem. Those failures determined by Global Support to be Product related shall be dispatched to the Depot Repair Center by Global Support. Hours of operation for the Depot Repair Center are Monday through Friday 8:00 A.M. to 5:00 P.M. EST, excluding Kronos holidays. Kronos will provide a replacement for the failed Product on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Product will be shipped the same day, for next business day delivery to Customer, if such request is received prior to 3:30 P.M., EST. REPLACEMENT PRODUCT(S) MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Product is to be shipped, and any special shipping or insurance instructions. All shipments will include a Return Shipping Label designating Kronos Depot, 300 Billerica Road, Chelmsford, Massachusetts 01824, as the recipient. Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Equipment and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer.

Customer, upon receipt of the replacement Product from Kronos, shall package the defective Product in the materials provided by Kronos, with the return label supplied. Failed Product not received by Kronos within ten (10) calendar days shall be billed to the Customer at the prevailing Kronos List Price. All returned Product becomes the property of Kronos. Failed Product returned between calendar days eleven (11) through thirty (30) will be subject to an additional \$1.50 processing fee. Kronos will not accept Product after thirty (30) days, and Customer shall not be issued any credit for any attempted return.

4. DEPOT EXCHANGE SUPPORT EXCLUSIONS

Depot Exchange Support service does not include, and Customer agrees to pay on a time and materials basis for, repair of damages resulting from:

- (a) Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning and transportation, or any act of God;
- (b) Customer's failure to continually provide a suitable installation environment including, but not limited to, adequate electrical power;
- (c) Customer's improper use, relocation, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' specifications;
- (d) Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos; or
- (e) Customer shall be charged Kronos' then-current time and materials rate for the installation of any Software or firmware upgrades, if available, and if requested by Customer. If such Software or firmware upgrades are available on Kronos' Customer web site, Customer may download such Software or firmware upgrades for no additional charge.

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

5. RESPONSIBILITIES OF CUSTOMER

Customer agrees to:

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

6. DELIVERY

All Products shall be delivered to Customer FOB shipping point. Title to and risk of loss for the Products shall pass to Customer upon delivery to the carrier by Kronos. All shipments to Kronos shall be made "freight prepaid" using the Return Shipping Label and shipping instructions as specified by Kronos. Kronos will select the carrier to be utilized under the program.

7. WARRANTY

Kronos warrants that all repairs performed under this Agreement shall be performed in a professional and competent manner

ALL OTHER WARRANTIES FOR THE REPAIR SERVICES PROVIDED HEREUNDER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF FITNESS FOR ANY PARTICULAR PURPOSE AND MERCHANTABILITY, ARE EXCLUDED BY AGREEMENT OF THE PARTIES.

8. DEFAULT

Kronos reserves the right to terminate or suspend support service in the event Customer is in default under this or any other Agreement with Kronos, and such default is not corrected within fifteen (15) business days after written notice. In addition, this Agreement will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

9. LIMITATION OF REMEDIES

The exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Product

IN NO EVENT SHALL KRONOS OR ITS SUBSIDIARIES OR AFFILIATES BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES.

10. GENERAL

- (a) This Agreement shall be governed by Massachusetts law.
- (b) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (c) Neither party shall assign this Agreement without the prior written consent of the other and any purported assignment, without such consent, shall be void; provided however, that Kronos may assign this Agreement to its parent, affiliate or subsidiary without such written consent.
- (d) Kronos shall not be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Kronos agrees to use its commercially reasonable efforts to minimize the effects of such failures or delays.
- (e) All notices which must be given under this Agreement shall be in writing and sent First Class regular or certified mail, postage prepaid, to the Kronos address on the Order Form, to the attention of the Director of Corporate Customer Service, or if no Customer, to _____ at the billing address on the Order Form.
- (f) No action, regardless of form, may be brought by either party more than two years after the cause of action has arisen.
- (g) This Agreement supersedes all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties.

The Amendment dated November 29, 2006 is attached hereto and made a part hereof.

DATED: 11-30-06

CUSTOMER: Baldwin County Commission

Wayne A. Givens

NAME: Wayne A. Givens

TITLE: Chairman

KRONOS INCORPORATED

BY: *Andrea Hayes*

NAME: Andrea Hayes

TITLE: DM Specialist
12-1-06

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

11/11/2011 10:11:11 AM

Amendment to Kronos Sales, Software License and Services Agreement and Kronos Depot Repair Support Agreement

This is an Amendment dated November 29, 2006, to the Kronos Sales, Software License and Services Agreement and the Kronos Depot Repair Support Agreement (the "Agreement(s)") between Kronos Incorporated ("Kronos") and Baldwin County Commission. The parties hereby agree to amend the Agreements as follows:

Kronos Sales, Software License and Services Agreement

- 1 Section D.8 shall be amended by deleting from the first and third sentences of this section the words "fifteen (15) days" and replacing them with the words "thirty (30) days".
- 2 Section E.7(a) shall be amended by deleting this section in its entirety and replacing it with the following: "This Agreement shall be governed by Alabama law."
- 3 The following shall be added to and made part of this Agreement as a new Section E.7(j): "For the sole purpose of this Agreement, Kronos hereby agrees that the Baldwin County Sheriff's Office will be considered part of Customer's own business and will not be considered a third party for any purposes under this Agreement. The use of the Software by Baldwin County Sheriff's Office will not be deemed to be an assignment provided that the number of employees for which the license fee has been paid includes the number of employees of the Baldwin County Sheriff's Office who will use the Software."

Kronos Depot Repair Support Agreement

- 1 Section 6 shall be amended by deleting from this section the third and fourth sentences of this section and adding to the end of the second sentence of this section the following language: "; provided, however, that Kronos will be responsible for all shipping and handling charges when shipping the Products to Customer. Customer will be responsible for all shipping and handling charges when shipping the Products to Kronos "
- 2 Section 8 shall be amended by deleting from the first sentence of this section the words "fifteen (15) days" and replacing them with the words "thirty (30) days".
- 3 Section 10(a) shall be amended by deleting this section in its entirety and replacing it with the following: "This Agreement shall be governed by Alabama law."
- 4 The following language shall be added to and made a part of this Agreement as a new Section 10(h): "For the sole purpose of this Agreement, Kronos hereby agrees that the Baldwin County Sheriff's Office will be considered part of Customer's own business and will not be considered a third party for any purposes under this Agreement. The use of the Software by Baldwin County Sheriff's Office will not be deemed to be an assignment provided that the number of employees for which the license fee has been paid includes the number of employees of the Baldwin County Sheriff's Office who will use the Software."

The parties acknowledge and agree that the confidentiality obligations herein are subject to the parties' acknowledgment that Baldwin County is a public entity which is subject to the Alabama Public Records Act (Ala. Code 36-12-1 et seq.) (hereinafter "Act"). Further, however, it is the opinion of the parties that Kronos Confidential Information does not constitute "public writing" as

the term is used under the Act and therefore any Kronos Confidential Information provided to Baldwin County under the Agreements are not subject to disclosure under the Act. For that reason, Baldwin County agrees that it shall deny any public request for disclosure of Confidential Information on that basis, and will not disclose such information unless and until Baldwin County shall be required to disclose such Confidential Information by a final order of a court of competent jurisdiction, not subject to appeal. Baldwin County agrees to give notice to Kronos should it receive any such request to disclose any Confidential Information to enable Kronos to obtain an appropriate protective order.

All other terms and conditions of the Agreements shall remain in full force and effect.

AGREED AND ACCEPTED

CUSTOMER

KRONOS INCORPORATED

By:

Name:

Title:

Date:

By:

Name:

Title:

Date:

Wayne A Gruenloh
Name: Wayne A Gruenloh
Title: Chairman
Date: 11-30-06

Appendix A Software Support Services

TERMS AND CONDITIONS APPLICABLE TO SOFTWARE SUPPORT SERVICES ONLY

1. SUPPORT OPTIONS

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

2. TERM OF SOFTWARE SUPPORT

Support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service shall renew as provided in the Agreement. Effective upon the next renewal date, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with at least thirty (30) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 4% over the prior year's annual support fee.

3. GOLD SERVICE OFFERINGS

Customer shall be entitled to receive:

- (a) Service Packs, Point Releases and/or Major Releases (including legislative updates, if available) ("Updates") for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Updates or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' then-current time and materials rate.
- (b) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period. The Service Coverage Period for the Gold Service Offering is 8:00 a.m. to 8:00 p.m., local time, Monday through Friday, excluding Kronos holidays.
- (c) Web-based support including access to Software documentation, FAQ's, access to Kronos knowledge base, Customer forums, and e-case management. Such offerings are subject to modification by Kronos. Current offerings can be found at <http://www.kronos.com/Support/Maintenance.htm>.
- (d) Web-based remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the Service Coverage Period.
- (e) Access to specialized content as and when made available by Kronos such as technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies.

4. ADDITIONAL PLATINUM AND PLUS SERVICE OFFERINGS:

- (a) Platinum: In addition to the Service Offerings specified in Section 3 above, the Service Coverage Period for the Platinum Service Offering is 24 hours a day, seven days a week, 365 days a year.
- (b) Plus option: In addition to the Service Offerings specified in Section 3 above, and if applicable for Platinum support customers, those set forth in Section 4(a) above, customers purchasing the Plus option shall receive the services of a dedicated, but not exclusive, Kronos Technical Account Manager. Customers purchasing the Gold-Plus option shall designate up to one primary and one secondary backup technical contacts ("Technical Contacts") to be the sole contacts with the Kronos Technical Account Manager, while customers purchasing the Platinum-Plus option shall designate up to two primary and three secondary backup Technical Contacts. Upon request, Customer may designate additional and/or backup Technical Contacts. Customer is required to place all primary Technical Contacts through Kronos product training for the Software covered under this Agreement at Customer's expense.

Customers purchasing the Platinum-Plus option shall also receive a one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, Kronos shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment. Customer must be utilizing the then-current version of the Software. Travel and expenses are not included and shall be charged to Customer at Kronos' then-current rate.

5. RESPONSIBILITIES OF CUSTOMER

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

6. KNOWLEDGEPASS EDUCATION SUBSCRIPTION

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

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

- i. 3-minute How To's;
- ii. Tutorials and Guided Practice;
- iii. Job Aids in *pdf form; and
- iv. Lunch and Learn information webinars.

The content of these offerings are subject to change by Kronos without notice. Customer may access the KnowledgePass Education Subscription through the Kronos customer web site>>Education>>KnowledgePass.

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

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

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

7. KRONOS SUPPORT SERVICE POLICIES

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



Kronos Order Form

PO# 76433

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Telephone: 1-978-250-9800

Quote# : 73836 - 5
Date : 01-DEC-2006
Page : 1 / 2

Payment Terms ^{N30}
Customer PO Number 76433

Sales Representative Foster, John W
Order Type Upgrade US

Bill To Attn: LOUISE KYNARD
BALDWIN COUNTY COMMISSION
175 COURTHOUSE SQUARE, SUITE 15
BAY MINETTE
AL 36507
United States

Ship To Attn: LOUISE KYNARD
BALDWIN COUNTY COMMISSION
175 COURTHOUSE SQUARE, SUITE 15
BAY MINETTE
AL 36507
United States

FOB Shipping Point
Ship Method UPS Next Day Early AM

License Contact Louise Kynard
License Email lkynard@co.baldwin.al.us

This order is subject to the Terms and Conditions of the Sales, Software License and Services Agreement signed by Baldwin County Commission dated and Amended on 11.30.2006

Customer contact:
Louise Kynard
lkynard@co.baldwin.al.us

Line	Product	Product Description	Payment Terms	Units	Qty	License Capacity /Billing Role	Unit Price Selling (USD)	Total Price Selling (USD)
1.2	8800036-000	WORKFORCE TK v5	N30	EA	1	100	2,625.00	2,625.00
1.2.1	SILVER-WFC	Silver Support Service	N30	CON	1		263.33	263.33
Duration: 8 MON								
1.3	8800039-000	WORKFORCE MANAGER v5	N30	EA	1	20	4,200.00	4,200.00
1.3.1	SILVER-WFC	Silver Support Service	N30	CON	1		420.00	420.00
Duration: 8 MON								
1.4	8800038-000	WORKFORCE EMPLOYEE v5	N30	EA	1	100	1,837.50	1,837.50
1.4.1	SILVER-WFC	Silver Support Service	N30	CON	1		183.73	183.73
Duration: 8 MON								
1.6	NO KIT REQUIRE	NO MEDIA KIT REQUIRED	N30	EA	1		0.00	0.00
2.2	8800061-000	WF CONNECT v5,PRIMARY,EMPLOYEE	N30	EA	1	100	500.00	500.00
2.2.1	SILVER-OTHER	Silver Support Service	N30	CON	1		50.00	50.00
Duration: 8 MON								
2.3	8800063-000	WF CONNECT v5,ADDL,EMPLOYEE	N30	EA	2	100	250.00	500.00
2.3.1	SILVER-OTHER	Silver Support Service	N30	CON	2		50.00	100.00
Duration: 8 MON								
2.5	NO KIT REQUIRE	NO MEDIA KIT REQUIRED		EA	1		0.00	0.00

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



KRONOS®

Kronos Order Form

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Telephone: 1-978-250-9800

Quote# : **73836 - 5**
Date : 01-DEC-2006
Page : 2 / 2

Subtotal	10,679.56
Tax	0.00
Deposit	0.00
Total Less Deposit (USD)	10,679.56

BALDWIN COUNTY COMMISSION	Kronos Incorporated
Signature: <i>Wanda F. Gaynes</i>	Signature: <i>Andrea Hayes</i>
Name: <i>WANDA F. Gaynes</i>	Name: <i>Andrea Hayes</i>
Title: <i>Purchasing Officer</i>	Title: <i>OM Specialist</i>
Effective Date: <i>12-1-06</i>	<i>12-1-06</i>

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



Kronos Order Form

PO# 75791

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Telephone: 1-978-250-9800

Quote# : 69557 - 3
Date : 30-NOV-2006
Page : 1 / 1

Payment Terms N30
Customer PO Number 75791

Sales Representative Foster, John W
Order Type Upgrade US

Bill To Attn: LOUISE KYNARD
BALDWIN COUNTY COMMISSION
175 COURTHOUSE SQUARE, SUITE 15
BAY MINETTE
AL 36507
United States

Ship To Attn: LOUISE KYNARD
BALDWIN COUNTY COMMISSION
175 COURTHOUSE SQUARE, SUITE 15
BAY MINETTE
AL 36507
United States

FOB Shipping Point
Ship Method

License Contact Louise Kynard
License Email lkynard@co.baldwin.al.us

This order is subject to the Terms and Conditions of the Sales, Software License and Services Agreement signed by Baldwin County Commission dated and Amendent on 11.30.2006

Customer contact:
Louise Kynard
lkynard@co.baldwin.al.us

Line	Product	Product Description	Payment Terms	Units	Qty	License Capacity /Billing Role	Unit Price Selling (USD)	Total Price Selling (USD)
1.0	8602800-001	4500,FULL,NUM,B/C	N30	EA	5		1,688.00	8,440.00
1.0.1	DEPOTEX-4000	Depot Exchange Support Service	N30	CON	5		168.00	840.00
Duration: 8 MON								
2.0	8602801-001	TOUCH ID FVM,ROHS	N30	EA	5		612.00	3,060.00
2.0.1	DEPOTEX-OPT	Depot Exchange Support Service	N30	CON	5		67.00	335.00
Duration: 8 MON								
3.0	8602805-001	BATTERY CHARGER KIT,4500,ROHS	N30	EA	5		140.00	700.00
Subtotal								13,375.00
Tax								0.00
Deposit								0.00
Total Less Deposit (USD)								13,375.00

BALDWIN COUNTY COMMISSION Signature: <i>Wanda F. Gaultney</i> Name: WANDA F. GAULTNEY Title: <i>Purchasing Officer</i> Effective Date: <i>12-1-06</i>	Kronos Incorporated Signature: <i>Andrea Hayes</i> Name: ANDREA HAYES Title: <i>Order Specialist</i> Effective Date: <i>12-1-06</i>
---	---

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

Amendment to Kronos Sales, Software License and Services Agreement and Kronos Depot Repair Support Agreement

This is an Amendment dated November 29, 2006, to the Kronos Sales, Software License and Services Agreement and the Kronos Depot Repair Support Agreement (the "Agreement(s)") between Kronos Incorporated ("Kronos") and Baldwin County Commission. The parties hereby agree to amend the Agreements as follows:

Kronos Sales, Software License and Services Agreement

1 Section D.8 shall be amended by deleting from the first and third sentences of this section the words "fifteen (15) days" and replacing them with the words "thirty (30) days".

2 Section E.7(a) shall be amended by deleting this section in its entirety and replacing it with the following: "This Agreement shall be governed by Alabama law."

3 The following shall be added to and made part of this Agreement as a new Section E.7(j): "For the sole purpose of this Agreement, Kronos hereby agrees that the Baldwin County Sheriff's Office will be considered part of Customer's own business and will not be considered a third party for any purposes under this Agreement. The use of the Software by Baldwin County Sheriff's Office will not be deemed to be an assignment provided that the number of employees for which the license fee has been paid includes the number of employees of the Baldwin County Sheriff's Office who will use the Software."

Kronos Depot Repair Support Agreement

1 Section 6 shall be amended by deleting from this section the third and fourth sentences of this section and adding to the end of the second sentence of this section the following language: "; provided, however, that Kronos will be responsible for all shipping and handling charges when shipping the Products to Customer. Customer will be responsible for all shipping and handling charges when shipping the Products to Kronos."

2 Section 8 shall be amended by deleting from the first sentence of this section the words "fifteen (15) days" and replacing them with the words "thirty (30) days".

3 Section 10(a) shall be amended by deleting this section in its entirety and replacing it with the following: "This Agreement shall be governed by Alabama law."

4 The following language shall be added to and made a part of this Agreement as a new Section 10(h): "For the sole purpose of this Agreement, Kronos hereby agrees that the Baldwin County Sheriff's Office will be considered part of Customer's own business and will not be considered a third party for any purposes under this Agreement. The use of the Software by Baldwin County Sheriff's Office will not be deemed to be an assignment provided that the number of employees for which the license fee has been paid includes the number of employees of the Baldwin County Sheriff's Office who will use the Software."

The parties acknowledge and agree that the confidentiality obligations herein are subject to the parties' acknowledgment that Baldwin County is a public entity which is subject to the Alabama Public Records Act (Ala. Code 36-12-1 et seq.) (hereinafter "Act"). Further, however, it is the opinion of the parties that Kronos Confidential Information does not constitute "public writing" as

the term is used under the Act and therefore any Kronos Confidential Information provided to Baldwin County under the Agreements are not subject to disclosure under the Act. For that reason, Baldwin County agrees that it shall deny any public request for disclosure of Confidential Information on that basis, and will not disclose such information unless and until Baldwin County shall be required to disclose such Confidential Information by a final order of a court of competent jurisdiction, not subject to appeal. Baldwin County agrees to give notice to Kronos should it receive any such request to disclose any Confidential Information to enable Kronos to obtain an appropriate protective order.

All other terms and conditions of the Agreements shall remain in full force and effect.

AGREED AND ACCEPTED

CUSTOMER

By:

Name:

Title:

Date:

Wayne A. Gruenloh
WAYNE A. GRUENLOH
Chairman
11-30-06

KRONOS INCORPORATED

By:

Name:

Title:

Date:

Andrea Hayes
Andrea Hayes
OM Specialist
12-1-06

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

DEPOT EXCHANGE SUPPORT AGREEMENT Rev KR-040405

Kronos and Baldwin County Commission ("Customer") hereby agree that Kronos shall provide Depot Exchange Support Services under the following terms and conditions for Customer's Kronos Product(s).

1. TERM

This Agreement has a term of one (1) year commencing upon the expiration of any applicable warranty period, as specified in the Sales, Software License and Services Agreement. The Agreement will be automatically extended for additional one year terms on the anniversary of its commencement date ("Renewal Date"), unless either party has given the other thirty (30) days written notification of its intent not to renew.

2. PAYMENT

Customer agrees to pay the Depot Exchange Support Charges set forth on the Order Form for each Equipment listed ("Product(s)"). Customer agrees that all such Products owned by the Customer will be subject to this Agreement. Customer agrees that if Customer purchases, during the term of this Agreement, any Products beyond those specified on the Order Form, such additional Products shall be subject to this Agreement. Customer agrees to pay a prorated fee for such additional Products and agrees to pay the full annual fee for such additional Products, upon the renewal date.

Kronos will invoice Customer for the annual Depot Exchange support charges each year in advance of the Renewal Date. Customer will pay Kronos within thirty (30) days of receipt of invoice. In addition to Depot Exchange support charges, Customer agrees to pay all taxes, however designated, on this Agreement, and on services rendered, including state and local taxes or excise taxes based on gross revenue, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based upon net income. Customer will pay a late charge of one percent (1%) per month of any overdue amounts, but not in excess of the rate allowed by law.

Kronos may change the Depot Exchange support charges effective at the end of the initial one (1) year term or effective on the Renewal Date, by giving Customer at least thirty (30) days prior written notification. For the initial two (2) renewal years the annual Depot Exchange support fee, for the same products, will not increase by more than 4% over the prior year's annual support fee.

3. DEPOT EXCHANGE SUPPORT SERVICE

Upon the failure of an installed Product, Customer shall notify Kronos' Global Support organization at 1-800-394-4357 of such failure. Global Support will provide remote fault isolation and attempt to resolve the problem. Those failures determined by Global Support to be Product related shall be dispatched to the Depot Repair Center by Global Support. Hours of operation for the Depot Repair Center are Monday through Friday 8:00A.M. to 5:00 P.M. EST, excluding Kronos holidays. Kronos will provide a replacement for the failed Product on an "advanced exchange" basis, utilizing a carrier of Kronos' choice. Replacement Product will be shipped the same day, for next business day delivery to Customer, if such request is received prior to 3:30 P.M., EST. REPLACEMENT PRODUCT(S) MAY BE NEW OR RECONDITIONED. Customer shall specify the address to which the Product is to be shipped, and any special shipping or insurance instructions. All shipments will include a Return Shipping Label designating Kronos Depot, 300 Billerica Road, Chelmsford, Massachusetts 01824, as the recipient. Customer agrees that it shall return failed Products promptly as the failures occur and that it shall not hold failed Equipment and send failed Product to Kronos in "batches" which shall result in a longer turnaround time and surcharge to Customer.

Customer, upon receipt of the replacement Product from Kronos, shall package the defective Product in the materials provided by Kronos, with the return label supplied. Failed Product not received by Kronos within ten (10) calendar days shall be billed to the Customer at the prevailing Kronos List Price. All returned Product becomes the property of Kronos. Failed Product returned between calendar days eleven (11) through thirty (30) will be subject to an additional \$150 processing fee. Kronos will not accept Product after thirty (30) days, and Customer shall not be issued any credit for any attempted return.

4. DEPOT EXCHANGE SUPPORT EXCLUSIONS

Depot Exchange Support service does not include, and Customer agrees to pay on a time and materials basis for, repair of damages resulting from:

- (a) Any cause external to the Products including, but not limited to, electrical work, fire, flood, water, wind, lightning and transportation, or any act of God;
- (b) Customer's failure to continually provide a suitable installation environment including, but not limited to, adequate electrical power;
- (c) Customer's improper use, relocation, refinishing, management or supervision of the Product(s) or other failure to use Products in accordance with Kronos' specifications;
- (d) Customer's use of the Products for purposes other than those for which they are designed or the use of accessories or supplies not approved by Kronos; or
- (e) Customer shall be charged Kronos' then-current time and materials rate for the installation of any Software or firmware upgrades, if available, and if requested by Customer. If such Software or firmware upgrades are available on Kronos' Customer web site, Customer may download such Software or firmware upgrades for no additional charge.

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5. RESPONSIBILITIES OF CUSTOMER

Customer agrees to:

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

6. DELIVERY

All Products shall be delivered to Customer FOB shipping point. Title to and risk of loss for the Products shall pass to Customer upon delivery to the carrier by Kronos. All shipments to Kronos shall be made "freight prepaid" using the Return Shipping Label and shipping instructions as specified by Kronos. Kronos will select the carrier to be utilized under the program.

7. WARRANTY

Kronos warrants that all repairs performed under this Agreement shall be performed in a professional and competent manner.

ALL OTHER WARRANTIES FOR THE REPAIR SERVICES PROVIDED HEREUNDER, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF FITNESS FOR ANY PARTICULAR PURPOSE AND MERCHANTABILITY, ARE EXCLUDED BY AGREEMENT OF THE PARTIES.

8. DEFAULT

Kronos reserves the right to terminate or suspend support service in the event Customer is in default under this or any other Agreement with Kronos, and such default is not corrected within fifteen (15) business days after written notice. In addition, this Agreement will terminate and all charges due hereunder will become immediately due and payable in the event that Customer ceases to do business as a going concern or has its assets assigned by law.

9. LIMITATION OF REMEDIES

The exclusive remedy of Customer and sole liability of Kronos shall be replacement of the repaired Product.

IN NO EVENT SHALL KRONOS OR ITS SUBSIDIARIES OR AFFILIATES BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES.

10. GENERAL

- (a) This Agreement shall be governed by Massachusetts law.
- (b) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (c) Neither party shall assign this Agreement without the prior written consent of the other and any purported assignment, without such consent, shall be void; provided however, that Kronos may assign this Agreement to its parent, affiliate or subsidiary without such written consent.
- (d) Kronos shall not be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Kronos agrees to use its commercially reasonable efforts to minimize the effects of such failures or delays.
- (e) All notices which must be given under this Agreement shall be in writing and sent First Class regular or certified mail, postage prepaid, to the Kronos address on the Order Form, to the attention of the Director of Corporate Customer Service, or if to Customer, to _____ at the billing address on the Order Form.
- (f) No action, regardless of form, may be brought by either party more than two years after the cause of action has arisen.
- (g) This Agreement supersedes all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties.

The Amendment dated November 29, 2006 is attached hereto and made a part hereof.

DATED: 11-30-06

CUSTOMER: Baldwin County Commission

KRONOS INCORPORATED

BY: [Signature]

BY: [Signature]

NAME: Wayne A. Greenleaf

NAME: Andrea Hayes

TITLE: Chairman

TITLE: DM Specialist

12-1-10

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KRONOS SALES, SOFTWARE LICENSE AND SERVICES AGREEMENT Rev KR-080706

Baldwin County Commission ("Customer") and Kronos agree that the terms and conditions set forth: i) in Section A of this Agreement apply to all Equipment and Software specified on a Kronos order form (the "Order Form"); ii) in Section B apply to all Software, firmware (contained in or downloaded to the Equipment), and Training Materials specified on the Order Form; iii) in Section C apply to all Professional Services, if any, specified on the Order Form; iv) in Section D apply to all Software Support Services, if any, and the Kronos KnowledgePass Education Subscription, if any, specified on the Order Form; and v) in Section E of the Agreement apply to all items specified on the Order Form and supplement the terms of Sections A through D. For purposes of this Agreement, the term "Customer" shall include Customer's parent company as well as Customer's wholly owned subsidiaries, if any.

SECTION A. TERMS AND CONDITIONS APPLICABLE TO EQUIPMENT AND SOFTWARE ONLY

1. PAYMENT AND DELIVERY

Payment terms are indicated on the Order Form or other contemporaneous ordering document containing product-specific payment terms signed by the parties. Delivery terms are as stated on the Order Form ("Delivery").

2. ACCEPTANCE

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

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

3. LIMITED WARRANTY

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

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

If Customer is licensing Workforce Payroll Software the following additional warranty exclusions shall apply: i) Customer is solely responsible for the content and accuracy of all reports and documents prepared in whole or in part by using the Software, (ii) using the Software does not release Customer of any professional obligation concerning the preparation and review of such reports and documents, (iii) Customer does not rely upon Kronos, Best Software, Inc. or the Software for any advice or guidance regarding compliance with federal and state laws or the appropriate tax treatment of items reflected on such reports or documents, and (iv) Customer will review any calculations made by using the Software and satisfy itself that those calculations are correct.

4. INDEMNIFICATION

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

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SECTION B. LICENSE TERMS APPLICABLE TO SOFTWARE (INCLUDING SOFTWARE DOCUMENTATION), FIRMWARE AND TRAINING MATERIALS ONLY

GENERAL LICENSE TERMS

Kronos owns or has the right to license the Software. The Software and Software documentation are confidential and may not be disclosed to a third party without Kronos' written consent. The Software contains proprietary trade secret technology. Unauthorized use and copying of such Software is prohibited by law, including United States and foreign copyright law. The price Customer pays for a copy of the Software constitutes a license fee that entitles Customer to use the Software as set forth below. Kronos grants to Customer a non-exclusive, nontransferable, perpetual (except as provided herein) license to use the Software. This license may be terminated by Kronos by written notice to Customer upon any material breach of this Agreement by Customer. This license is subject to all of the terms of this Agreement, including those set forth below:

(a) FEE BASED LIMITATIONS

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

(b) OBJECT CODE ONLY

Customer may use the computer programs included in the Software (the "Programs") in object code form only, and shall not reverse compile, disassemble or otherwise convert the Programs into uncompiled or unassembled code.

(c) PERMITTED COPIES

Customer may copy the Programs as reasonably necessary to load and execute the Programs and for backup purposes only. All copies of the Programs or any part thereof, whether in printed or machine readable form and whether on storage media or otherwise, are subject to all the terms of this license, and all copies of the Programs or any part of the Programs shall include the copyright and proprietary rights notices contained in the Programs as delivered to the Customer.

(d) UPDATES

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

(e) CUSTOMER TERMINATION

Customer may terminate this license at any time by returning to Kronos the original copy of the Software and destroying all other copies of the Software. Upon termination of this license by Kronos, Customer will return the original Software to Kronos and destroy all other copies of the Software.

(f) ISERIES SOFTWARE

If Customer is licensing Kronos iSeries Central Software, the following additional terms shall apply: Upon Customer's request and full payment of all license fees, Kronos shall license to Customer, for Customer's internal use only, the source code for the Kronos iSeries Central application programs licensed to Customer under this license. All of the terms and conditions specified in this Agreement for object code shall also apply to the source code. Customer acknowledges and agrees that the Software, all source code, object code and algorithms relating thereto, all user interface screens generated by the Software and source code, and all copyright, trade secret and other proprietary rights therein, are and shall remain the sole and exclusive property of Kronos. Customer agrees that it shall not disclose or otherwise make the Software available to third parties unless and to the extent such disclosure is necessary for Customer's permitted use of the Software. Furthermore, Customer must obtain Kronos' written consent to any such disclosure and any such third party must agree in writing to be bound by the terms contained herein.

(g) MICROSOFT SQL SERVER SOFTWARE

If Customer is sublicensing Microsoft SQL Server software, the following additional terms shall apply: The Microsoft SQL Server software being sublicensed hereunder ("SQL") as part of the Kronos Software is "Runtime-Restricted Use" software; as such, SQL may only be used to run the Software. SQL may not be used either (i) to develop and/or (ii) in conjunction with, new applications, databases or tables other than those contained in the Software. The foregoing, however, does not prohibit Customer from using a tool to run queries or reports from existing tables, and/or from using a development environment or workbench, which is part of the Software to configure or extend such Software. Notwithstanding any provision of this Agreement, Customer may only transfer SQL as part of the Software. Customer also agrees to use the Microsoft SQL Server software only on the servers, processors or other electronic devices which the Software is permitted to be connected.

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(h) RESTRICTED RIGHTS

Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in subparagraph (c) (1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraph (c)(1)(2) of the Commercial Computer Software Restricted Rights clause at FAR 52.227-19, as applicable. Manufacturer/distributor is Kronos Incorporated, 297 Billerica Road, Chelmsford, MA 01824.

(i) TRAINING MATERIALS

If Customer is licensing Training Materials and/or purchasing the Kronos Train-the-Trainer (KTTT) Program (the "Certification Program"), the following additional terms shall apply: "Training Materials" shall mean the instructor guide(s), student guide(s), job aids, recorded executable files, and/or tutorials developed by Kronos for one or more Kronos products. Kronos grants to Customer a non-exclusive, nontransferable license to use the Training Materials. Customer recognizes and agrees that: i) the Training Materials constitute confidential and proprietary information of Kronos; ii) the Training Materials are copyrighted by Kronos; iii) the license to use the Training Materials is limited, based upon the amount of the license fee paid by Customer; iv) Customer may not copy or reproduce the Training Materials in excess of the number of copies permitted by the applicable license fee; v) Customer may not transmit, distribute or disclose the Training Materials to any third party, unless agreed to in writing by Kronos; vi) Customer's license to use the Training Materials is granted solely for the purpose of permitting Customer to train Customer's employees and no other use of the Training Materials is permitted; and vii) Customer may not edit, modify, revise, amend, change, alter, customize or vary the Training Materials in any manner without the written consent of Kronos. Certification under the Certification Program is valid for two (2) years after successful completion of the Certification Program, applies only to the point release of the Software for which the Certification Program is taken, and covers only the Customer employee who completes the Certification Program.

SECTION C. TERMS AND CONDITIONS APPLICABLE TO PROFESSIONAL SERVICES AND EDUCATIONAL SERVICES ONLY

1. ESTIMATED PROFESSIONAL SERVICES RESOURCES AND HOURS

Customer recognizes and agrees that the Kronos professional services resources ("PS Resources") identified and the hours defined within any Professional Services Estimate "(PSE)", or similar statement of work document that may be provided by Kronos, have been estimated based upon: (i) the preliminary information provided by Customer; and, (ii) Customer fulfilling its obligations as defined in the PSE or similar statement of work document. Additional PS Resources and/or hours may be required to complete the implementation as a result of newly discovered information, Customer's delay in fulfilling its obligations, or a change in the scope of the project. Kronos will review with Customer the PS Resources and the number of hours Kronos anticipates will be required for the completion of the work after assessment of Customer's requirements. Kronos will monitor the PS Resources and hours used as the work progresses, and will advise Customer through a change order if more are required. The applicable rate for each PS Resource is set forth in the PSE and/or the Order Form and shall remain in effect for 12 months from the effective date of the PSE or similar statement of work document. Pricing for professional services associated with the implementation of add-on Software licensed subsequent to an initial PSE will be priced at the then-current Kronos professional service rates.

2. EDUCATIONAL SERVICES/TRAINING POINTS

Customer agrees to purchase the quantity of Kronos "training points" indicated on the Order Form at the rate quoted (the "Training Points"). Purchased Training Points may be redeemed for an equivalent value of instructor-led training sessions offered by Kronos. Available instructor-led sessions are listed at <http://customer.kronos.com> and each session has the Training Points value indicated. Training Points may be redeemed at any time within 12 months of the date of the applicable Order Form, at which time they shall expire. Training Points may not be exchanged for other Kronos products and/or services.

3. PROFESSIONAL SERVICES AND EDUCATIONAL SERVICES PAYMENT

Kronos will invoice Customer for professional services at the PS Resource rates and on the payment terms identified in the PSE and/or the Order Form. Kronos will invoice Customer for the Training Points identified in the Order Form on the payment terms indicated therein.

4. TRAVEL EXPENSES

Customer agrees to reimburse Kronos for all reasonable and necessary travel incurred by Kronos in the performance of any professional and/or educational services, provided that such travel complies with the then current Kronos' Travel and Expense Policies. Customer further agrees to pay any travel expenses such as airfare, lodging, meals and local transportation incurred by Kronos to deliver purchased professional services and/or educational services in accordance with Kronos' Travel and Expense Policies. Customer will be billed by Kronos for such travel expenses and payment thereof shall be due net 30.

5. WARRANTY

Kronos warrants that all professional and educational services performed under this Agreement shall be performed in a professional and competent manner. In the event that Kronos breaches this warranty, and Customer so notifies Kronos within 90 days of completion of the Services, the Customer's sole remedy and Kronos' exclusive liability shall be to re-perform the services which were deficient in a manner so as to conform to the foregoing warranty, at no additional cost to Customer.

6. KRONOS PROFESSIONAL/EDUCATIONAL SERVICES POLICIES

Kronos' then-current Professional/Educational Services Policies shall apply to all Professional and/or Educational Services purchased and may be accessed at: <http://www.kronos.com/Support/ProfessionalServicesEngagementPolicies.htm> ("Professional Services

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Chelmsford, MA 01824
Phone: (978)250-9800

Policies"). In the event of a conflict between the Professional Services Policies and this Agreement, the terms of this Agreement shall prevail.

SECTION D. TERMS AND CONDITIONS APPLICABLE TO SOFTWARE SUPPORT SERVICES ONLY

1. SUPPORT OPTIONS

Customer may select from the following Software support purchase options: Silver, Gold (or Gold Plus), and Platinum (or Platinum Plus) support ("Service Type"), each providing different service coverage periods and/or service offerings, as specified herein ("Service Offerings") and in the Kronos Support Service Policies (see Section 11 below). Customer must purchase the same Service Type for all of the Software specified on the Order Form, (however, if Customer is purchasing support services for Visionware Software, Customer may only purchase Gold Service Type for the Visionware Software.) All Updates shall be provided via remote access. Customer may purchase support services for Equipment under a separate agreement.

2. TERM OF SOFTWARE SUPPORT

Support service shall commence on the Software Delivery date and shall continue for an initial term of one (1) year. Support service shall automatically renew for additional one year terms on the anniversary date of its commencement date, unless either party notifies the other in writing thirty (30) days prior to that anniversary renewal date. After the one year initial term of this Agreement, the Service Offerings provided and the Service Coverage period are subject to change by Kronos with thirty (30) days advance written notice to Customer. For the initial two (2) renewal years the annual support fee, for the same products and service type, will not increase by more than 5% over the prior year's annual support fee.

3. SERVICE OFFERINGS PROVIDED FOR ALL SERVICE TYPES (SILVER, GOLD, GOLD PLUS, PLATINUM OR PLATINUM PLUS)

Customer shall be entitled to receive:

- (a) Updates for the Software (not including any Software for which Kronos charges a separate license fee), provided that Customer's operating system and equipment meet minimum system configuration requirements, as reasonably determined by Kronos. If Customer requests Kronos to install such Service Packs, Point Releases and/or Major Releases (including legislative updates, if available) or to provide retraining, Customer agrees to pay Kronos for such installation or retraining at Kronos' then-current time and materials rate.
- (b) Telephone and/or electronic access to the Kronos Global Support Center for the logging of requests for service during the Service Coverage Period.
- (c) Web-based support including access to Software documentation, live online help, FAQ's, access to Kronos knowledge base, Customer forums, e-case management and e-mail support. Such offerings are subject to modification by Kronos. Current offerings can be found at www.kronos.com/customer.
- (d) Remote diagnostic technical assistance which may be utilized by Kronos to resolve Software functional problems and user problems during the service coverage period.

4. SERVICE OFFERINGS ADDITIONAL TO THOSE SPECIFIED IN SECTION D.3 ABOVE, PROVIDED BY SERVICE TYPE:

- (a) Gold and Platinum: Technical advisories, learning quick tips, brown bag seminars, technical insider tips, SHRM e-Learning, HR Payroll Answerforce and service case studies. Such offerings are subject to modification by Kronos without notice.
- (b) Gold Plus: Customers purchasing Gold support service may purchase, for an additional fee, the Gold Plus services of a dedicated, but not exclusive, Kronos technical account manager ("Technical Account Manager") to provide on-going account management support to Customer. Customer shall designate up to one primary and one secondary backup technical contact ("Technical Contacts") to be the sole contacts with the Technical Account Manager. Customer is required to place primary Technical Contacts through Kronos certification support training for the Software covered under this Agreement at Customer's expense.
- (c) Platinum: Platinum Customers receive a two hour or less response time for all calls placed to Kronos Global Support, regardless of the Priority level.
- (d) Platinum Plus: Customers purchasing Platinum support services may purchase, for an additional fee, the Platinum Plus services of a dedicated, but not exclusive, Kronos Technical Account Manager. Customer shall designate up to two primary and three secondary backup Technical Contacts to be the sole contacts with the Technical Account Manager. Upon request, Customer may designate additional and/or backup Technical Contacts. A one day per year visit to be performed at the Customer location where the Software is installed. During this onsite visit, a Kronos application consultant shall work with Customer to identify ways to help Customer increase functionality or maximize utilization of the Software in Customer's specific environment, provided Customer's annual Software support fee is at least \$5,000 per year. Customer must be utilizing the then-current version of the Software. Travel time and expenses are not included and shall be charged to Customer at Kronos' then-current rate.

Customer is required to place all primary Technical Contacts through Kronos certification support training for the software covered under this Agreement at Customer's expense.

5. PAYMENT

Customer shall pay annual support charges for the initial term in accordance with the payment terms on the Order Form and for any renewal term within thirty (30) days after receipt of invoice. Customer shall pay additional support charges, if any, and time and material charges upon receipt of invoice.

6. ADDITION OF SOFTWARE

Kronos Incorporated
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Chelmsford, MA 01824
Phone: (978)250-9800

Additional Software purchased by Customer during the initial or any renewal term shall be added to this Agreement at the same support option as the then current Software support coverage in place under these terms. Customer agrees to pay the charges for such addition, and any such addition shall be automatically renewed as provided in these terms.

7. RESPONSIBILITIES OF CUSTOMER

Customer agrees (a) to provide Kronos personnel with full, free and safe access to Software for purposes of support, including use of data communication facilities, if required; (b) to maintain and operate the Software in an environment and according to procedures which conform to Kronos' specifications; and (c) not to allow support of the Software by anyone other than Kronos without prior written authorization from Kronos.

8. DEFAULT

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

9. WARRANTY

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

10. LIMITATION OF REMEDIES

Except as provided in Section D.8 above, Customer's exclusive remedy, and the sole liability of Kronos, for any breach of the support service warranty specified above, shall be repeat performance of any support service required under this Agreement. Kronos agrees to be liable for tangible property damage or personal injury caused solely by the negligence or willful misconduct of its support service employees.

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

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

- i. Streaming Short Subject™ sessions streamed to Customer's desktop;
- ii. Tutorials;
- iii. Learning Snippets;
- iv. Job Aids in *pdf form; and
- v. Lunch and Learn information webinars.

The content of these offerings are subject to change by Kronos without notice. Customer may access the KnowledgePass Education Subscription through the Kronos customer web site>>Education>>KnowledgePass.

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

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

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

12. KRONOS SUPPORT SERVICE POLICIES

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

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SECTION E. TERMS AND CONDITIONS APPLICABLE TO ALL ORDERED ITEMS AND SERVICES

1. APPLICABILITY

The terms of this Section E supplement the terms of Sections A through D above and apply to all items specified on the Order Form.

2. APPROVAL

All orders are subject to the approval of Kronos' corporate office in Chelmsford, Massachusetts.

3. TAXES AND OVERDUE AMOUNTS

Customer agrees to pay all applicable taxes levied or based on the products, services or other charges hereunder, including state and local sales and excise taxes, and any taxes or amount in lieu thereof paid or payable by Kronos, exclusive of taxes based on net income.

Customer agrees to pay a late charge of one percent (1%) per month, (but not in excess of the rate allowed by law), on any overdue amounts not the subject of a good faith dispute. If full payment is not made within 90 days of final payment due date, Customer is responsible for all expenses, including legal fees, incurred by Kronos for collection.

4. LIMITATION OF LIABILITY

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

EXCEPT FOR KRONOS' INTELLECTUAL PROPERTY INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION A.4 ABOVE, IN NO EVENT SHALL KRONOS' OR ITS PARENTS', SUBSIDIARIES' AFFILIATES' OR THIRD PARTY LICENSOR'S LIABILITY TO A CUSTOMER, HOWSOEVER CAUSED, EXCEED THE VALUE OF THE ORDER WHICH GIVES RISE TO THE CLAIM, AND IN NO EVENT WILL KRONOS OR ITS PARENTS, SUBSIDIARIES AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR LOST PROFITS, LOST DATA OR ANY OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR CUSTOMER'S SPECIFIC USE OF, OR INABILITY TO SO USE, ANY EQUIPMENT, SOFTWARE OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

5. FUTURE PURCHASES

For two (2) years following the execution of this Agreement Customer may order additional Equipment, Software and Services under the terms and conditions hereof (subject to then applicable pricing) by placing an order which expressly references these terms. Thereafter, the terms and conditions of this Agreement may be renewed for additional one year periods upon the mutual agreement of the parties. This Agreement and the Order Form shall supersede the pre-printed terms of any Customer purchase order or other Customer ordering document, and no such Customer pre-printed terms shall apply to the Equipment, Software and/or Services ordered.

6. CONFIDENTIAL INFORMATION

Confidential Information means any information of one party that is clearly marked as "confidential" and that is disclosed to the other party pursuant to this Agreement. Additionally, the terms, conditions and pricing contained in this Agreement and the Order Form, the Software (and Software documentation), and the Specifications shall be deemed to be Kronos' Confidential Information. Each party shall protect the Confidential Information of the other party with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which such party utilizes for its own information of similar character that it does not wish disclosed to the public. Neither party shall disclose to third parties (except the parent company or the wholly owned subsidiaries of the disclosing party who have a need to know) the other party's Confidential Information, or use it for any purpose not explicitly set forth herein, without the prior written consent of the other party. The obligation of confidentiality shall survive for three (3) years after the disclosure of such Confidential Information.

This Agreement imposes no obligation upon either party with respect to the other party's Confidential Information which the receiving party can establish by legally sufficient evidence: (a) was rightfully possessed by the receiving party without an obligation to maintain its confidentiality prior to receipt from the disclosing party, (b) is generally known to the public without violation of this Agreement; (c) is obtained by the receiving party in good faith from a third party having the right to disclose it without an obligation with respect to confidentiality; (d) is independently developed by the receiving party without use of the disclosing party's confidential information, which can be shown by tangible evidence; or (e) was required to be disclosed by applicable law; provided that the receiving party notifies the disclosing party of such requirement prior to disclosure, and provided further that the receiving party makes diligent efforts to limit disclosure. Customer agrees that Kronos may use Customer's name as part of Kronos' published customer lists.

Kronos Incorporated
297 Billerica Road
Chelmsford, MA 01824
Phone: (978)250-9800

7. GENERAL

- (a) This Agreement shall be governed by Massachusetts law.
- (b) The invalidity or illegality of any provision of this Agreement shall not affect the validity of any other provision. The parties intend for the remaining unaffected provisions to remain in full force and effect.
- (c) Customer shall not assign this Agreement or the license to the Software without the prior written consent of Kronos and any purported assignment, without such consent, shall be void.
- (d) Neither party shall be liable for failures or delays in performance due to causes beyond its reasonable control, including war, strikes, lockouts, fire, flood, storm or other acts of God. Both parties agree to use their best efforts to minimize the effects of such failures or delays.
- (e) All notices given under this Agreement shall be in writing and sent postage pre-paid, if to Kronos, to the Kronos address on the Order Form, or if to Customer, to the billing address on the Order Form.
- (f) Customer understands that any export of the Equipment or Software or related documentation or information may require an export license and Customer assumes full responsibility for obtaining such license. Customer must obtain Kronos' prior written consent before exporting the Software.
- (g) No action, regardless of form, may be brought by either party more than two (2) years after the cause of action has arisen.
- (h) The section headings herein are provided for convenience only and have no substantive effect on the construction of this Agreement.
- (i) This Agreement and any information expressly incorporated herein (including information contained in any referenced URL), together with the applicable Order Form, constitute the entire agreement between the parties for the products and services described herein and supersede all prior or contemporaneous representations, negotiations, or other communications between the parties relating to the subject matter of this Agreement. This Agreement may be amended only in writing signed by authorized representatives of both parties. Customer understands and acknowledges that while Kronos may disclose to customers certain confidential information regarding general product development direction, potential future products and/or product enhancements under consideration, Customer is not entitled to any products or product enhancements other than those contained on the Order Form. Customer has not relied on the availability of any future version of the Software or Equipment identified on an Order Form, not any other future product in executing this Agreement.

The Amendment dated November 29, 2006, is attached hereto and made a part hereof.

DATED: 11-30-06

CUSTOMER: Baldwin County Commission

BY: [Signature]

NAME: Wayne A. Gruenloh

TITLE: Chairman

KRONOS INCORPORATED

BY: [Signature]

NAME: Andrea Hayes

TITLE: OM Specialist

12-1-06