



# Epicor HCM Statement of Work

Consulting Services Estimate for Epicor HCM

## City of Grand Island

Submitted by

***David Madison***

Effective Date

***8<sup>th</sup> July 2014***

***5<sup>th</sup> August 2014***

***26<sup>th</sup> August 2014***

**EPICOR®**

## Project Budget

This consulting estimate represents an estimate based on our experience in similar implementations and is meant to define project scope rather than specific project details. Please review this document to ensure your requirements are fully understood.

The services listed below are at a rate of \$150.00 (USD) per hour. Services are billed as incurred.

Item	Epicor HCM Services	Hours	Cost
1	Project Control Center Setup	Fixed	\$1,200.00
2	Business Analysis and Planning	38	
3	Project Management	42	
4	Data Conversion	48	
5	Health and Welfare Implementation	24	
6	Absence Tracking Configuration	16	
7	Employee Self Service Analysis and Configuration	8	
8	On-Line Benefit Enrollment	16	
9	Manager Self Service Analysis and Configuration	8	
10	Training and Development Analysis and Configuration	12	
11	System Configuration	10	
12	Test System Delivery and Project Review	14	
13	Live System Delivery and Project Review	14	
14	Go Live Support	6	
15	End User Training	32	
16	Interface – Epicor HCM to MUNIS	40	
	<b>Total Cost</b>	<b>328</b>	<b>\$50,400.00</b>

Item	Epicor HCM Services – Optional	Hours	Cost
17	Project Management	2	
18	Interface – MUNIS to Epicor HCM – Accumulators	16	
	<b>Total Cost – Optional</b>	<b>18</b>	<b>\$2,700.00</b>

Item	Epicor HCM Services – Customizations/Reports	Hours	Cost
19	Project Management	3	
20	Product Customization – Pay Steps	8	

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21	Report Creation – Absences Report	12	
	<b>Total Cost – Customizations /Reports</b>	<b>23</b>	<b>\$3,450.00</b>

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## Project Expenses

Travel and other expenses for Epicor personnel are not included in this proposal and will be billed separately. Typical travel and other expenses include the following:

<b>Expense Description</b>	<b>Amount</b>
Material & Expenses	Actual
Travel Time	1/2 Rate
Meals Perdiem	\$50.00/Day (USD) in the United States \$70.00/Day (USD) outside the United States
Mileage	Mileage will be reimbursed at the standard Mileage Rate established by the IRS in effect at the time the mileage is incurred
Car Rental	Actual
Airport Parking/Taxi	Actual
Hotel	Actual
Airfare	Actual

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## Services Description

### 1) Project Control Center Setup

The Readiness Coordinator services clients by providing the guidance and tools necessary to launch a successful implementation project.

#### Activities Included

- Conducts a welcome call with the client
- Serves as the client's primary contact until the Kick Off Meeting
- Creates the Project Control Center website for the project which allows the client and Epicor team access to all project documentation, tools, and other project materials
- Creates the Project Control Center users and trains the client on usage
- Conducts Epicor team preparation activities

### 2) Business Analysis and Planning

This vital service defines project scope and Epicor service deliverables for phase one of the implementation. This service is comprised of four key elements:

#### Analysis Preparation

Preparing your goals, understanding your objectives, and identifying/documenting your business processes are key elements to ensure a successful analysis visit. Your Epicor consultant will send our analysis preparation documents covering information related to your key business processes and implementation objectives. These documents must be returned to Epicor at least one week prior to your analysis for productive working sessions to occur.

#### Analysis

This meeting is comprised of your primary project manager, key implementation related decision makers, subject matter experts, and any IT personnel involved in the project.

- Location/Duration
  - Client Site – 2 ½ days
- Epicor Participants
  - 1 implementation consultant
- Content Discussed
  - Meeting foundations and general business overview
  - HR business process analysis for core product functional areas
  - Module analysis time is included in the module line item quotes, and can be performed during this visit if necessary.
  - Discuss and define high level timeline objectives

#### On-Site Follow-up and Deliverables

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Upon completion of the analysis visit your Epicor implementation team will refine outstanding requirements that were incomplete or required additional discussion and provide the following items as final deliverables:

- Detailed analysis document presenting the decisions made during the visit
- Project plan that includes resource identification and timelines

#### On-going Analysis

As your project progresses, time has been allocated to continue to refine outstanding or additional requirements.

- 8 hours

### **3) Project Management**

An average of four hours per week will be spent by your Epicor project manager to ensure your implementation is managed effectively. The client's project manager has responsibility for all aspects of the project with the Epicor project manager working in conjunction with them to ensure a successful project implementation.

Project management involves ongoing reviews of the project plan to ensure time frames, scope and resources are managed effectively. The customer project manager will work closely with the Epicor Project Manager to:

- Ensure overall project objectives are met
- Ensure project timelines are met
- Ensure budgets are adhered to
- Follow-up on past due tasks as required
- Report on project status to steering committee
- Identify overall project resource requirements
- Track all project costs (planned vs. actual)
- Represent the project team at executive meetings
- Track planned vs. actual objectives, timelines, and expenses
- Track unresolved issues and special topics
- Facilitate project wide communication among project team members as needed
- Ensures that the team is on track following the project time line
- Monitor results vs. objectives, assist team members as needed

### **4) Data Conversion**

Epicor will electronically convert data into Epicor HCM from the data sources and functional areas listed below.

#### Activities Included

- Discuss data conversion process
- Review client provided data
- Map client data elements to HCM

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- Perform one test and one live data conversion

#### Data Source

- MUNIS

#### Current and historical data will be converted into the following Epicor HCM functional areas

- Personal Demographic (name, address, phone, birthdate, national ID)
- Status and Termination History
- Job History
- Base Pay History
- Location History (department, location, supervisor, etc.)
- Employee Benefit Enrollments (current only)
- Dependent Benefit Enrollments (current only)
- Dependents
- Absence Enrollments (time off plans, current year only)
- Absence Occurrences (current year only)
- Code Lists (associated to the converted information above)

#### Service Assumptions

- No new Epicor HCM data structures must be created to convert data (unless specifically noted)
- Acceptance testing and data verification is the responsibility of the client
- The client must extract the data out of the existing systems
- Fabricating data due to missing records or other reasons is not included
- Data conversion activities will be performed at Epicor

The client is required to provide quality data for the conversion. Below are a list of common data quality issues and other items that may increase final data conversion costs:

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#### Issue

Data source file format/structure changes between test and live conversions

Duplicate records within data source

Data in the source file must be transformed (using formulas or manually) before import

Orphaned person or code records

Missing primary/foreign key data elements

Inability to match data between two different sources

Terminated employees that don't have complete status history

Historical records that have effective dates prior to the employee's original hire date

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## 5) Health and Welfare Implementation

This service includes the configuration of your organization's benefit plans within Epicor HCM. We will work with you to review and document your plans and to help you understand the Epicor HCM benefit tracking functionality.

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During the review and analysis of your benefit structure we will determine the best method of implementing your benefit plans within Epicor HCM. Epicor HCM uses pre-defined benefit functions to calculate premiums, coverage and eligibility, unless specifically noted.

#### Activities Included

- Setup of up to 20 benefit plans with up to 4 options, and eligibility rules.
- Testing of eligibility and contribution calculations

#### Service Assumptions

- Configuration for open / new enrollment / Life Events is not included in this service.
- Your Benefit calculations fit Epicor HCM's standard calculation formulas

### **6) Absence Tracking Configuration**

This service includes the configuration of your organization's absence plans within Epicor HCM. We will work with you to review and document your plans and to help you understand the Epicor HCM absence tracking functionality. Some typical absence categories include Vacation, Sick, PTO, Jury Duty, Bereavement, and Floating Holiday.

#### Activities Included

- Setup of up to 12 accruing absence plans with up to 15 levels of accrual rates based on years of service using one of the standard service dates.
- Setup of up to 8 non-accruing absence plans.
- Testing and Documentation
- Leave Tracking analysis and configuration (6 hours)

#### Service Assumptions

- Setup of related employee and manager self-service components or routing is not included
- Your Absence plan accrual rules fit Epicor HCM's standard calculation formulas

### **7) Employee Self Service Analysis and Configuration**

This service includes an analysis discussion and configuration work intended to facilitate the implementation of the Employee Connect module. The following items are included:

#### Analysis

- Identify, analyze and provide solutions for employee user business event processes
- Discuss routing, approvals, and communication

#### Configuration

- Employee Portal: configure one employee security role based on the analysis performed
- Routing: configure for up to 4 employee data maintenance tasks with up to 3 levels of routing using the standard Epicor HCM recipients.

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- Self-sufficiency: train one HR user on the creation/modification of basic content components (e.g. announcements) and modifying the standard employee role by adding/removing components and tabs

#### Exclusions

- Pay stub layout

### **8) On-Line Benefit Enrollment**

This service includes an analysis discussion and configuration work intended to facilitate the implementation of online Benefit enrollment, including Open enrollment, New Hire enrollment, and Life events:

#### Analysis

- Identify, analyze and provide solutions for employee user business event processes
- Discuss routing, approvals, and communication

#### Configuration

- Configure the On-Line Benefit components of one employee self-service security role
- Routing: Configure New Enrollment and Life Events including up to 3 levels of routing using the standard Epicor HCM recipients.
- Self-sufficiency: Train one HR user on configuring and administering the on-line benefit enrollment process.
- New Enrollment: Training and configuration for new enrollment templates.
- Open Enrollment: Training and configuration for Open enrollment templates.
- Life Events: Training and configuration for Life Event process.

### **9) Manager Self Service Analysis and Configuration**

This service typically involves an analysis discussion and configuration work intended to facilitate the implementation of the Manager Self Service functionality. The following items are included:

#### Analysis

- Identify, analyze and provide solutions for manager user business event processes
- Discuss routing, approvals, and communication

#### Configuration

- Manager Portal: configure one manager security role based on the analysis performed
- Configure up to 3 tasks by utilizing standard task editor tools.
- Routing: configure for up to 3 manager data maintenance tasks with up to 3 levels of routing using the standard Epicor HCM recipients.
- Self-sufficiency: train one HR user on the creation/modification of basic content components (e.g. announcements) and modifying the manager role by adding/removing components and tabs

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## 10) Training and Development Analysis and Configuration

This service typically involves an analysis discussion and configuration work intended to facilitate the implementation of the training and development functionality. The following items are included:

### Analysis

- Evaluate training tracking needs and requirements
- Determine employee training process and evaluate impact on current manager and employee self-service capabilities
- Discuss routing, approvals, and communication

### Configuration

- Configure the Training & Development components of the employee and manager security roles
- Tailor the standard training roles using base system capabilities based on the inclusions and assumptions below
- Configure system wide Training & Development settings
- Configure 1 training program with up to 15 requirements (client will be responsible for providing the content for each)
- Configure up to 2 corporate and employee goals using the standard Epicor HCM goal types
- Routing configuration for the Edit My Class Enrollments task that includes up to 3 levels of routing using the standard Epicor HCM recipients
- Self-sufficiency: train one HR user on the configuration of basic Training and Development components and modifying the manager and employee roles by adding/removing components and tabs
- System Variables: configure Training & Development related system wide settings

### Service Assumptions

- Manager and employee self-service have already been implemented
- Training related data will not be converted

## 11) System Configuration

Epicor HCM will perform the following HCM system configuration items based on the results of the implementation analysis performed. Once specific requirements are identified, a more precise estimate can be provided.

### System Security

- Row security rules: Create 2 row security rules based on 1 – 2 standard Epicor HCM fields
- Security roles: Includes creating or modifying 2 security roles for users that have specialized access restrictions

### System Variables

Epicor will configure the relevant system wide settings and variables (global constants) that define user and administrator interactions with the system.

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#### Checklist Setup

Epicor will create 1 checklist in Epicor HCM. Includes up to 3 steps either: Generated by an alert, Assigned to employees (performed by the client), or Associated to a task

#### Exclusions

- User Creation
- Code Table filtering

### **12) Test System Delivery and Project Review**

This service includes the following activities necessary for the successful delivery and test launch of Epicor HCM.

#### Test System Restoration

The Epicor HCM implementation team will restore your Epicor HCM system containing the service items performed during the implementation.

#### Test System Review

Epicor will perform a project review and UAT discussion. This meeting should be comprised of your primary project manager and any key subject matter experts relevant to the service items being discussed.

- Location
  - Remote
- System Review
- User Acceptance Training
- Project Plan Review

### **13) Live System Delivery and Project Review**

This service includes the following activities necessary for the successful delivery and live launch of Epicor HCM.

#### Live System Restoration

The Epicor HCM implementation team will restore your Epicor HCM system containing the service items performed during the implementation.

#### Project Review

Epicor will perform a project review and go live discussion. This meeting should be comprised of your primary project manager and any key subject matter experts relevant to the service items being discussed.

- Location
  - Client Site
- System Review
- Introduction to Product Support

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- Project Plan Review

#### Project Closure

Epicor HCM will provide related documentation to obtain final acceptance for services provided.

### **14) Go Live Support**

After delivery and launch of the live Epicor HCM system, a stabilization period occurs. It is expected the regularly scheduled conference calls will continue for a two to four week period. During this period, Epicor HCM will provide information and assistance related to the service items delivered. If the stabilization period extends beyond the anticipated duration then additional charges will apply.

### **15) End User Training**

#### Delivery Methods

These three classes can be delivered by the following methods. Your Epicor HCM consultant will work with you to determine the best mix for your particular needs.

- Client Site
  - An Epicor University Trainer or HCM Consultant will travel to your site to provide the training
  - Up to 6 students are included. Additional students, up to 10, can be accommodated at a cost of \$200 per training day for each students over 6
- Virtual Client Site
  - An Epicor University Trainer will provide the training virtually over the internet
  - Up to 4 students are included. Additional students, up to 10, can be accommodated at a cost of \$200 per training day for each participant over 4

#### Training classes

- HCM: User Basics – 1 day (8 Hours)
- HCM: Administrator – 2 days (16 Hours)
- HCM: Basic Report Writer – 1 day (8 Hours)

### **16) Interface – Epicor HCM to MUNIS**

Epicor will create a Link template to export the information noted below to a file that can be imported into a payroll system. The export template can be operated manually or processed on a pre-defined schedule.

Link is a data transfer module that allows you to export data from Epicor HCM to other workforce-related systems or vendors. This service includes the following activities:

- Analyzing and documenting the export file and field requirements
- Configuring and programming the Link export template
- File, field, and scenario testing
- Delivery to a test and/or live Epicor HCM system

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- End user training on interface operation

### Payroll System

- MUNIS

### Specifications and Estimate

No specifications have been provided for this interface. Once the full requirements have been defined and specifications obtained or defined, the estimate will be reviewed and adjusted if necessary. The estimate provided is based on our prior experience interfacing to various proprietary payroll systems and efforts to define interface requirements for generic payroll export files.

### Export Files Included

*Employee Data File – one record per employee*

HCM Table Name	HCM Field Name	Payroll Field Name
USysLnkExportPersonHist	ExportGroup	Payroll Company
USysLnkExportPersonHist	UniquelD	Payroll ID
tPerson	FirstName	Employee First Name
tPerson	LastName	Employee Last Name
tPersonNationalID	NationalID	Social Security Number
tPersonAddress	Address	Address Line 1
tPersonAddress	Address2	Address Line 2
tPersonAddress	City	City
tPersonAddress	StateProvinceCode	State Postal Code
tPersonAddress	PostalCode	Zip Code
tPersonPhone	AreaCode	Home Area Code
tPersonPhone	Phone	Home Phone Number
tPersonal	BirthDate	Birth Date
tPersonal	FamilyStatusCode	Actual Martial Status
tPersonal	GenderCode	Gender
tPersonal	EthnicGroupCode	EEO Ethnic Code
tJob	EEOCategoryCode	EEO Occupation Code
tPersonBasePayHist	PersonBasePayPayrollFrequencyCode	Pay Frequency Code
tPersonBasePayHist	PersonBasePayStartDate	Primary Rate Effective Date
tPersonBasePayHist	PersonBasePayFrequencyCode	Rate Type
tPersonBasePayHist	PersonBasePayAmount	Rate 1 Amount
tJob	OvertimeStatusCode	FLSA Code
tPersonLocationHist	DepartmentCode	Home Department
tPersonJobHist	JobCode	Job Title
tPersonLocationHist	DepartmentCode	Department
tPersonLocationHist	DivisionCode	Division
tPersonLocationHist	SectionCode	Section
tPersonLocationHist	ShiftCode	Shift
tPersonStatusHist	LatestHireDate	Hire Date

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tPersonStatusHist	StatusCode	Employee Status
tPersonStatusHist	SeniorityDate	Seniority Date
tPersonStatusHist	PersonStatusStartDate	Leave of Absence Start Date
tPersonStatusHist	PersonStatusEndDate	Leave of Absence Return Date
tPersonTermination	EffectiveDate	Termination Date
tPersonTermination	TerminationReasonCode	Termination Reason
tPersonStatusHist	NormalHoursPerWeek	Standard Hours
tPersonStatusHist	LatestHireDate	Rehire Date
tJob	WorkersCompensationCode	Workers Comp Code
tPersonUnionHist	UnionCode	Union Code
tPersonTax	FederalFilingStatus	Federal Marital Status
tPersonTax	FederalTaxExemptions	Federal Exemptions
tPersonTax	FederalAdditionalWithholding	Federal Extra Tax \$
tPersonTax	SUI/SDITaxCode	SUI/SDI Tax Jurisdiction Code

*Deduction Data File – one record per employee benefit*

HCM Table Name	HCM Field Name	Payroll Field Name
USysLnkExportPersonHist	ExportGroup	Payroll Company
USysLnkExportPersonHist	UniqueID	Payroll ID
tBenefitPlanOption	BenefitPlanCode	Deduction Code
tPersonBenefitContributionHist	EmployeeContributionAmount	Deduction Amount
tPersonBenefitContributionHist	EmployeeContributionAmount	Deduction Factor

*Direct Deposit Data File – one record per employee direct deposit*

HCM Table Name	HCM Field Name	Payroll Field Name
USysLnkExportPersonHist	ExportGroup	Payroll Company
USysLnkExportPersonHist	UniqueID	Payroll ID
tPersonDirectDeposit	DirectDepositAccountTypeCode	Bank Deposit Deduction Code
tPersonDirectDeposit	AccountNumber	Bank Deposit Account Number
tPersonDirectDeposit	ABARoutingNumber	Bank Deposit Transit/ABA
tPersonDirectDeposit	DeductionAmount	Bank Deposit Deduction Amount
tPersonDirectDeposit	PrimaryDepositFlag	Bank Full Deposit Flag

Service Assumptions

- The Link software module must be licensed by the client
- The files generated are comma delimited with a header record denoting the field name
- The files generated contain only data that has been changed
- The client is required to perform user acceptance testing
- The total number of payroll companies does not exceed 5
- Deduction codes within multiple payroll companies must be identical
- Changes to the fields listed above may incur additional charges

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- **The client is responsible for ensuring there is an import routine or mechanism that can import the export file produced by Epicor HCM**

### Project Notes

Before commencing with the interface project, please verify all requirements and scenarios are understood. Ensure all internal departments affected are part of the decision to commence with the project and are involved in defining the methodology employed. Below is a list of common items that can increase the final cost of an interface project:

Issue	Example
Field additions or changes after specifications have been finalized	Change source value for Home Department to Cost Center Code from Department Code
End user training must be repeated	Go live was delayed, project team additions or turnover
Project go live or user acceptance testing delays beyond one month after delivery	Project was put on hold due to de-prioritization
New data scenarios discovered after specifications have been finalized	Specification did not include how to handle the deletion of Address Line 2
Poor data quality	Template is configured to send Department and 20% of employees are assigned to the incorrect department

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## Services Description – Optional

### 17) Project Management

See item #3 above.

### 18) Interface – MUNIS to Epicor HCM – Accumulators

This user initiated interface will leverage the Data Import Utility to import payroll accumulators into Epicor HCM on a per pay period basis. Accumulators such as YTD gross pay, QTD net pay, MTD hours worked, or other earnings, deductions or hours worked can then be viewed or reported on. The interfaced data will be available from the Year-To-Date Earnings page. The interfaced data will be overwritten each time the interface is run, only the final year-end figures are retained in history.

The Data Import Utility provides a two-step process to ensure errors are caught before applying the data to the database.

- Step 1: Import and review activity report
- Step 2: Commit to database

The activity report displays both the data that will be successfully imported along with any error records that will be excluded.

#### Service Includes

- Installation of the Data Import Utility
- Review of the client provided import file
- Configuration specific to an accumulator import
- Import of associated accumulator codes
- Testing and delivery
- Train one HR user on interface operation and associated activity report

The required interface file format is described below:

- Accepted file is a Tab Delimited ASCII file
- The file must contain one (1) record per Employee, per Accumulator Code, per As Of Date
- File must be provided in the following format

Field Name	Maximum Length	Comments
Payroll Company/Group Code	15	
Unique ID/Payroll ID/Employee ID/Person ID	15	Unformatted
Accumulator Code	15	

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Accumulator Amount	8	
As of Date	11	MM/DD/YYYY

### Import Details

- 1 file with the following information:
  - Employee payroll accumulators
- Epicor HCM destination:
  - tPersonYearToDateEarnings

### Notes

- Although Epicor can accommodate alternative file formats, changes to the pre-defined custom import routine will be required and additional charges will apply.
- This service includes configuration for up to 4 payroll companies (or import groups) with each payroll company having up to 150 accumulator codes.

### Project Notes

Before commencing with the interface project, please verify all requirements and scenarios are understood. Ensure all internal departments affected are part of the decision to commence with the project and are involved in defining the methodology employed. Below is a list of common items that can increase the final cost of an interface project:

Issue	Example
Field additions or changes after specifications have been finalized	Original specifications should have included employee personal email address
End user training must be repeated	Go live was delayed, project team additions or turnover
Project go live or user acceptance testing delays beyond one month after delivery	Project was put on hold due to de-prioritization
New data scenarios discovered after specifications have been finalized	Specification did not include how to handle the import of transfers
Poor data quality	Import is configured to receive Department and 20% of employees are assigned to the incorrect department

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## Services Description – Customizations/Reports

### 19) Project Management

See item #3 above.

### 20) Product Customization – Pay Steps

Epicor will enhance the Epicor HCM product capabilities with the new/modified features noted below.

#### Customization Description

On the Hire Person and Enter Personnel Action tasks, new functionality will be added that allows the user to select the appropriate pay step from a drop down list and the pay rate will automatically fill in the Base Pay Amount value.

#### Activities Included

- Analyze and document requirements
- Architectural review
- Develop the customization
- Perform testing, including relevant scenarios
- Deliver to a test and/or live Epicor HCM system
- Create user documentation
- Train end user on customization operation

#### Service Assumptions

- Although Epicor's customization methodology limits the risk of customizations being adversely affected during upgrades, customizations are not guaranteed to upgrade to future versions without assistance, and may incur additional cost.
- Modifications to standard reports, reporting views, on-line help, or other Epicor HCM objects are not included unless specifically noted.
- Until further detail is determined, the task hours are a high level estimate only.

#### Project Notes

Below is a list of common items that can increase the final cost of a customization project:

Issue	Example
Changes to specifications after requirements have	Three additional fields are requested after the estimate is provided and

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been finalized	programming has commenced
Unexpected data scenarios	Two new data entry scenarios were discovered after requirements were completed, programming needs changed
End user training must be repeated	Go live was delayed, project team additions or turnover
Project go live or user acceptance testing delays beyond one month after delivery	Project was put on hold due to reprioritization
More than 2 deliveries to a client system	Test system was refreshed from production and the customization was overwritten before testing was completed

## 21) Report Creation – Absences Report

Epicor will enhance the Epicor HCM product capabilities with the new reports noted below.

### Reports Description

- Epicor will create an Absences report that displays a list of employees and their absences within a date range. The report will limit to show only those employees that have reached a threshold of absences taken during that date range (e.g. 70% of days have time off).

### Epicor's Report Creation Methodology

- Analyze and document requirements
- Develop the report
- Perform testing, including relevant filter scenarios
- Deliver to a test and/or live Epicor HCM system
- Create user documentation

### Service Assumptions

- Although Epicor's report creation methodology limits the risk of reports being adversely affected during upgrades, custom reports are not guaranteed to upgrade to future versions without assistance and may incur additional cost.
- Modifications to other standard reports, reporting views, on-line help, or other Epicor HCM objects are not included unless specifically noted.
- Until further detail is determined, the task hours are a high level estimate only.

### Project Notes

Below is a list of common items that can increase the final cost of a report creation project:

Issue	Example
Changes to specifications after requirements have been finalized	Three additional fields are requested after the estimate is provided and programming has commenced
Unexpected data scenarios	A calculated field on the report sums up bonus amounts, counts the number of bonuses, and averages them by department, subsequent investigation finds large volumes of records with zero bonus amounts, thus affecting the

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	final results
End user training must be repeated	Go live was delayed, project team additions or turnover
Project go live or user acceptance testing delays beyond one month after delivery	Project was put on hold due to reprioritization
More than 2 deliveries to a client system	Test system was refreshed from production and the report was overwritten before testing was completed

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## Assumptions

1. This estimate is based on our current understanding of your requirements to date. The details in this document were used to develop our time and cost estimates. If any of these details change, our time and cost estimates may also change.
2. Requests by the client for Epicor to provide services that are outside the scope of this engagement will be defined through Epicor's change control process and will be charged at standard Epicor hourly rates.
3. This proposal expires 90 days after the effective date.
4. Costs for upgrading to a new version are not included if a new release becomes available during your implementation.
5. This estimate does not include custom solutions or interfaces unless specifically identified in this document.
6. Unless specifically noted, conditional routing is not included.
7. Manager security is based on the standard Epicor HCM organization structure (the supervisor field).
8. Extensive Re-engineering of your business processes may incur additional costs.
9. Travel time and expenses for Epicor personnel are not included in Epicor's fees in the Project Budget.
10. Project delays may incur additional costs.
11. The client will allow remote access to its server/environment for troubleshooting.
12. Invoicing is twice a month for services incurred during that time period. Invoices are Due Upon Receipt.
13. Implementation work tasks and deliverables such as designs, data conversion rules, etc. are expected to be reviewed and approved by the customer in a timely manner. Failure to do so will impact the project budget and timeline.
14. This document does not include any down time and/or expenses derived from project team members not attending or being late to pre-established work appointments.
15. This document assumes the client will be deploying the software as remote hosted or SAAS, if the client elects to deploy on-premise, additional charges for installation will be required.

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# Roles and Responsibilities


Defining your implementation team is essential. The roles, responsibilities and skill sets listed below are your guide in assembling your team.

Roles	Responsibilities	Skill Set
<b>Project Manager</b> <ul style="list-style-type: none"> <li>Acts as team leader, facilitator and coordinator. Organizes all activities relating to the implementation. Makes decisions regarding the implementation process.</li> </ul>	<ul style="list-style-type: none"> <li>Planning, coordinating, and overseeing the installation and implementation of the software</li> <li>Monitoring overall progress of the project within the organization</li> <li>Serving as the primary point of contact with Epicor HCM Human Resource Systems Corporation</li> <li>Communicating project status and assignments to the implementation team</li> <li>Arranging for the definition, review and implementation of data mapping, data conversion, customizations, and definitions of business rules for Epicor HCM</li> <li>Approving specification documents</li> <li>Scheduling activities and coordinating services</li> <li>Review system upgrade/service pack features</li> <li>Assessing the need and developing specifications for customizations and enhancements to the system.</li> </ul>	<ul style="list-style-type: none"> <li>Preferably someone who has been through a system conversion</li> <li>Highly organized</li> <li>Makes decisions regarding the implementation process</li> <li>General understanding of client HR Practices</li> <li>Ability to train others</li> <li>Skilled in such areas as requirements definition, business process design, etc.</li> </ul>
<b>Senior HR Executive</b> <ul style="list-style-type: none"> <li>Serves as overall project sponsor and approves the implementation project</li> </ul>	<ul style="list-style-type: none"> <li>Allocating resources to the project</li> <li>Ensuring representation from each functional area of the Human Resource department</li> <li>Ensuring management support prior to and throughout the project</li> <li>Budget approval</li> </ul>	
<b>Human Resource System Administrator</b> <ul style="list-style-type: none"> <li>Acts as the daily operational resource for the functional HR aspects of system implementation and use.</li> </ul>	<ul style="list-style-type: none"> <li>Assuring that the system meets HR requirements</li> <li>Performing security setup and alterations for new or existing users</li> <li>Performing procedure setup and alterations for new or existing users</li> <li>Creating advanced queries and reports that satisfy Information management requirements                             <ul style="list-style-type: none"> <li>Serving as the primary support regarding system functionality within the organization</li> <li>Specifying required outputs and contents, such as reports, interfaces, files, or data feeds to other systems</li> </ul> </li> <li>Assuring that codes and processes meet functional requirements</li> </ul>	<ul style="list-style-type: none"> <li>Someone with an aptitude for systems / understands database structures</li> <li>Strong experience with HR systems</li> <li>Skilled in troubleshooting</li> <li>Preferably someone who has been through a system conversion</li> <li>Skilled in such areas as testing, configuration, documentation, etc.</li> </ul>
<b>Database Administrator</b> <ul style="list-style-type: none"> <li>Represents and makes decisions on behalf of the Information Technologies or Information Services department. Provide technical system administration for SQL Server and the operation system.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring the network environment and all other hardware specifications are met and that each hardware item is installed and performs as required.</li> <li>Installing and operating both the client and server software</li> <li>Installing upgrades and service packs</li> <li>Ensuring each workstation accessing the HRIS meets the technical specifications and performs as required</li> </ul>	<ul style="list-style-type: none"> <li>PC support experience</li> <li>Knows where the data resides / can extract the data</li> <li>May be able to answer questions regarding data mapping / data usage</li> <li>Knows the ins and outs of the interfaces</li> <li>This may be multiple people based upon experience</li> </ul>
<b>Human Resource Subject Matter Experts</b> <ul style="list-style-type: none"> <li>Represents each functional area with HR.</li> </ul>	<ul style="list-style-type: none"> <li>Assuring that each area of the functional needs are met</li> <li>Performing data entry</li> <li>Specifying business rules and processes to be accommodated</li> </ul>	<ul style="list-style-type: none"> <li>Knows their data and where it is in current HR system</li> <li>Knows and understands their workflows / processes</li> <li>Can answer questions regarding data mapping / data usage</li> </ul>
<b>External Vendor Contacts</b>	<ul style="list-style-type: none"> <li>Provides file specifications</li> <li>Coordinates interface testing within their organization</li> </ul>	

Initials

# Signatures

We appreciate this opportunity to assist your team in completing the project described in this document. Please indicate your agreement with the services, terms, and conditions outlined in this Statement of Work by signing in the space indicated below and returning a copy of this document.

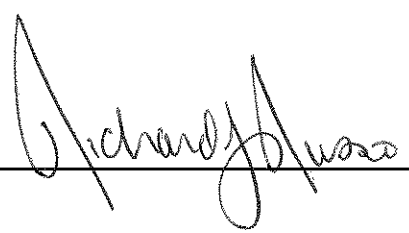
**Client**  
Agreed and Accepted by:  (signed)

Name: Jay Varricek

Title: Mayor - City of Grand Island

Date: 8-27-14

PO#: \_\_\_\_\_

**Epicor**  
By: 

Name: Richard Russo  
VP & Worldwide Controller  
Epicor Software Corporation

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

Date: 8/28/14

Confidentiality: This proposal has been prepared to provide information on Epicor Software and its approach to implementing proprietary Epicor Software products. The information contained herein is considered confidential and proprietary and is intended solely for the use in the evaluation of Epicor Software and its products. The information contained herein shall not be disclosed, in whole or part, to any third party including other employees not participating in the review or performance of this SoW. The data shall be maintained with the same degree of care the above named customer company uses to maintain its own confidential information.

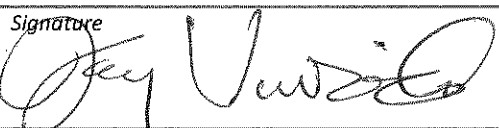
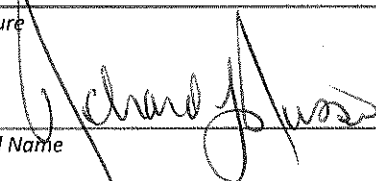
Initials 

THIS MASTER CUSTOMER AGREEMENT (the "Agreement") is made and entered into by and between Epicor Software Corporation or its Affiliate identified below ("Epicor") and the undersigned customer ("Customer") as of the date signed by Epicor ("Effective Date").

This Agreement includes the Epicor Master Customer Agreement – General Terms ("Terms") accompanying this document and each Addendum hereto, which Terms and Addenda will form part of the Agreement. The following terms and conditions also apply to this Agreement:

- Choice of Law; Additional Dispute Resolution.** Except as otherwise provided herein, the internal laws of the State of Texas govern this Agreement. Any arbitration under the Section headed "Dispute Resolution" in the Terms will be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures, in a location selected by the party initiating the arbitration. The parties acknowledge that this Agreement evidences a transaction involving interstate commerce. Notwithstanding any provisions herein with respect to applicable substantive law governing this Agreement, the agreement to arbitrate and any arbitration conducted pursuant thereto shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. Each party submits to the non-exclusive jurisdiction and venue of the state or federal courts located in Travis County, Texas, for purposes of permitted applications of injunctive or other provisional relief, and for any litigation ancillary to arbitration, including without limitation, litigation or to compel arbitration or enforce an arbitral award. Each party waives right to jury trial in connection with any Dispute.

BY EXECUTING THIS AGREEMENT, EACH PARTY ACKNOWLEDGES THAT IT HAS REVIEWED THE TERMS AND AGREES TO BE LEGALLY BOUND BY THE SAME.

Customer	Epicor
<i>Name of entity and address</i> <b>City of Grand Island</b> 100 E 1st Street Grand Island NE 68801 US  ("Customer")	<i>Name of entity and address</i> <b>Epicor Software Corporation</b> 804 Las Cimas Parkway Austin, TX 78746  ("Epicor")
<i>Signature</i> 	<i>Signature</i> 
<i>Printed Name</i> Jay Varricek	<i>Printed Name</i> Richard Russo
<i>Title</i> Mayor	<i>Title</i> VP & Worldwide Controller Epicor Software Corporation
<i>Date</i> 8-27-14	<i>Date</i> 8/28/14





MASTER CUSTOMER AGREEMENT – CLIENT SERVICES ORDER FORM

Product: Epicor HCM

This Client Services Order Form is incorporated by reference into and governed by the Master Customer Agreement ("Agreement") between Customer and Epicor. Capitalized terms not defined herein have the meanings given in the Agreement.

Order Date August 1, 2014 Sales Rep Mmuckala
Customer No. Site ID
Customer City of Grand Island
Customer Address 100 E 1st Street
City Grand Island State/Prov NE Postal Code 68801 Country US
Contact Brenda Sutherland Title Human Resources Director
Phone 308-389-0119 Fax Email bsutherland@grand-island.com

The prices set fort below are exclusive of taxes.

Client Services Pricing table with columns for description and price. Includes rows for Implementation Services (369 hours at \$150.00 per hour) for \$55,350.00 and a fixed fee for Project Control Center Setup for \$1,200.00. Total estimated at \$56,550.00.

See Attachment, if any, for a more detailed description of the Products/Services to be delivered.

This estimate does not include Epicor's reasonable travel, lodging, or other out-of-pocket costs. The estimate is valid for sixty days from the Order Date. After signing this Agreement, Customer must request each listed Product/Service within nine months.

Estimated Completion Date: (scheduled after Customer accepts Agreement).

Estimate Expiration Date: September 30, 2014
Customer: City of Grand Island
Officer Signature: [Handwritten Signature]
Printed Name: Jay Vavricek
Title: Mayor
Date: 8-27-14

# EPICOR

## MASTER CUSTOMER AGREEMENT – HOSTING SERVICES ORDER FORM

Product: Epicor HCM Hosted Deployment

This Hosting Services Order Form is incorporated by reference into and governed by the Master Customer Agreement Hosted Deployment ("Agreement") between Customer and Epicor. Capitalized terms not defined herein have the meanings given in the Agreement.

Order Date August 1, 2014 Sales Rep Mmuckala  
Customer No. \_\_\_\_\_ Site ID \_\_\_\_\_  
Customer City of Grand Island  
Software Location Address Epicor's Co-Location Facility  
City \_\_\_\_\_ State/Prov \_\_\_\_\_ Postal Code \_\_\_\_\_ Country \_\_\_\_\_  
Shipping Address 100 E 1st Street  
City Grand Island State/Prov NE Postal Code 68801 Country US  
Billing Address 100 E 1st Street  
City Grand Island State/Prov NE Postal Code 68801 Country US  
Shipping Contact Brenda Sutherland Billing Contact Brenda Sutherland  
Title Human Resources Director Title Human Resources Director  
Phone 308-389-0119 Phone 308-389-0119  
Fax \_\_\_\_\_ Fax \_\_\_\_\_  
E-Mail bsutherland@grand-island.com E-Mail bsutherland@grand-island.com

The prices set forth below are exclusive of taxes.

### Monthly Hosting Service Fees

Initial Epicor HCM version: \_\_\_\_\_ Initial Term: 5 Years End of Initial Term: \_\_\_\_\_

	Monthly Fee
Minimum Active Employee Record Count: <u>800</u>	Minimum active Employee Monthly Fee: \$ <u>1,371.15</u>
Other: _____	Minimum Candidate Connect (self service) Monthly Fee *: \$ <u>-</u>
_____	\$ <u>(371.15)</u>
_____	
_____	
_____	
_____	
_____	
_____	


Minimum Monthly Total \$ 1,000.00

\* Candidate Connect (self-service) Fees commence in month 4.  
Please Note:  
OrgPublisher is a desktop product and cannot be hosted by Epicor.

Order Expiration Date: September 30, 2014

Customer City of Grand Island

Officer Signature



Printed Name

Jay Valricek

Title

Mayor

Date

8-27-14



MASTER CUSTOMER AGREEMENT – SOFTWARE ORDER FORM

Product: Epicor HCM

This Software Order Form is incorporated by reference into and governed by the Master Customer Agreement ("Agreement") between Customer and Epicor. Capitalized terms not defined herein have the meanings given in the Agreement.

Order Date August 1, 2014 Sales Rep Mmuckala

Customer No. Site ID

Customer City of Grand Island

Software Location Address Epicor's Co-Location Facility

City State/Prov Postal Code Country

Shipping Address 100 E 1st Street

City Grand Island State/Prov NE Postal Code 68801 Country US

Billing Address 100 E 1st Street

City Grand Island State/Prov NE Postal Code 68801 Country US

Shipping Contact Brenda Sutherland Billing Contact Brenda Sutherland

Title Human Resources Director Title Human Resources Director

Phone 308-389-0119 Phone 308-389-0119

Fax Fax

E-Mail bsutherland@grand-island.com E-Mail bsutherland@grand-island.com

The prices set forth below are exclusive of taxes.

Table with 6 columns: Product, Version Number, Number of Named Users, Number of Active Employee Records, License Fees, Annual Support Fees. Rows include Epicor HCM, Additional HR/Manager Users, Employee Connect Module, Link Module, Training & Development Module, One-Time Discount, and TOTAL.

Order Expiration Date: September 30, 2014

Customer City of Grand Island

Notes: [Empty box for notes]

Officer Signature [Signature] Printed Name Jay Vavricek Title Mayor Date 8-27-14



## MASTER CUSTOMER AGREEMENT – GENERAL TERMS

### 1. Certain Definitions

- 1.1. **"Addendum"** means an addendum to the Agreement that sets out additional terms and conditions applicable to a Product offering, which expressly incorporates the Agreement by reference.
- 1.2. **"Affiliate"** means any entity that directly or indirectly, Controls, is Controlled by, or is under common Control with the subject entity.
- 1.3. **"Control"** or **"Controlled"**, for purposes of this definition, means direct or indirect ownership or control of more than 50% of the voting interest in the applicable entity.
- 1.4. **"Customer"** means the entity named as the Customer on the signature page to these Terms.
- 1.5. **"Customization"** means a specific software-based Deliverable that includes new code or an adaptation (e.g., a change to source code) to the base Software and/or product embedded customized objects, which Deliverable has been furnished as part of a Services Statement of Work.
- 1.6. **"Customization Support"** means the maintenance and support services Epicor provides for a Customization then subscribed to an annual Customization Support plan as described in a "Support" Addendum, where available.
- 1.7. **"Deliverables"** means Epicor's proprietary (e.g., non third party) Products and Documentation, and any tangible and intangible materials, including reports, studies, base cases, drawings, findings, manuals, procedures and recommendations that are prepared by Epicor or its subcontractors in the course of furnishing the Products and Documentation.
- 1.8. **"Documentation"** means Epicor's standard read-me and online help materials, user documentation and training materials normally made available by Epicor in connection with a specific Product.
- 1.9. **"Hardware"** means equipment sold by Epicor pursuant to an Order.
- 1.10. **"Malicious Code"** means a virus, worm, time bomb, Trojan horse or any other similar harmful or malicious code.
- 1.11. **"Order"** means Epicor's standard order form documentation for ordering certain Products.
- 1.12. **"Products"** means, collectively, Software, Support, Services, Customizations, Customization Support, Subscription Services and/or Hardware.
- 1.13. **"Services"** means the professional services to be furnished by Epicor to Customer as specified in a Statement of Work.
- 1.14. **"Software"** means the specific application software product or modules set forth in an Order.
- 1.15. **"Software Update"** means a patch, workaround, improvement, correction, modification or derivative to the Software that is made generally available by Epicor as part of a Support subscription.
- 1.16. **"Statement of Work"** means Epicor's standard form for ordering Services or Subscription Services Products from Epicor.
- 1.17. **"Subscription Services"** means software delivered on a software as a service (SaaS) basis and application management or similar services performed on subscription or recurring basis as set forth in an Order or Statement of Work.
- 1.18. **"Support"** means the maintenance and support services Epicor provides for the Software licensed hereunder as described in a "Support" Addendum.
- 1.19. **"Support Term"** has the meaning given in the "Software Support" Addendum.
- 1.20. **"Third Party Software"** means Software that is licensed by Customer directly from a third party vendor under a separate end user license agreement and/or maintenance and support agreement (as denoted on an Order), even if Epicor arranges for the license of such third party software to Customer and invoices Customer for such third party software.

### 2. Software License

- 2.1. **Grant of License.** Subject to the terms and conditions herein and any limitations set forth in an Order, Epicor grants Customer a worldwide, personal, non-transferable, and non-exclusive license for the use of the Software described in an Order ("**License**"). The License is also perpetual, subject to Epicor's right to terminate in accordance with this Agreement. The License is for the object code (run-time) version of the Software and Documentation together with such Software Updates as may hereafter be provided by Epicor to Customer. Risk of loss for any Software media licensed hereunder shall pass to Customer upon delivery by Epicor to Epicor's designated carrier.
- 2.2. **Internal Use.** The License purchased herein is granted solely to Customer for its internal data processing and data management needs. Customer agrees that the License does not permit Customer to: (i) use the Software for a timesharing or service bureau application, (ii) provide access to the Software or Documentation to third parties without Epicor's prior written consent, which may be withheld in its sole discretion, or (iii) sublicense or encumber the Software and Documentation except as otherwise permitted herein.
- 2.3. **Third Party Software.** Customer's use of Third Party Software is subject to the terms and conditions of the license agreement that accompanies the Third Party Software. The Third Party Software may only be used in conjunction with Software supplied by Epicor, except as otherwise denoted on an Order. The Third Party Software is warranted, and where applicable subject to indemnification, by the manufacturers/licensors thereof. Accordingly, Epicor makes no warranties of any kind, express or implied, nor offers any indemnification with respect to Third Party Software.

- 2.4. License Fees.** The Software is licensed for a onetime license fee listed on an Order, except as otherwise set forth therein.
- 2.5. Copies.** Customer may make a reasonable number of copies of the Software and Documentation solely for its own data archival or disaster recovery purposes. Customer shall not permit any third party to copy the Software or Documentation.
- 2.6. License Type Descriptions.** The Software is licensed to you subject to the associated license type(s) designated on an Order and/or the related Documentation.
- 2.7. Software Warranties and Disclaimers**
- 2.7.1.** Epicor warrants for a period of 180 days following the date the Software is initially shipped or made electronically available to Customer that: (i) the Software, when used in an operating environment specified in its Documentation, will substantially conform to its Documentation under normal use, (ii) any media upon which the Software is supplied will be free from defects in design, material or workmanship, and (iii) the Software as originally delivered does not contain any Malicious Code.
- 2.7.2.** Epicor does not warrant that the functions contained in the Software will meet Customer's requirements or needs, or that the operation of the Software will be uninterrupted or error free.
- 2.7.3.** Except as provided in Section 11, Epicor's entire liability and Customer's sole and exclusive remedy for the breach of any warranty made in Section 2.7.1 is to use commercially reasonable efforts to provide fixes with respect to any error or Malicious Code in the Software in a timely manner; provided that Epicor is not responsible to correct, cure or otherwise remedy any error in the Software resulting from (a) an alteration, addition, adjustment or repair that is not performed by Epicor or its Affiliates or (b) misuse, damage or unlicensed use of the Software by Customer or a third party.
- 2.7.4.** This Section 2.7 does not apply with respect to the Third Party Software, which is governed by any warranties included in the license agreement that accompanies the Third Party Software.
- 2.8. Escrow.** The source code for Epicor's proprietary Software is deposited in escrow. Customer may subscribe to the Epicor's master escrow arrangement at any time upon agreeing to its terms and paying the applicable fees therefor.
- 2.9. U.S. Government Restricted Rights.** The Software is deemed to be commercial computer software as defined in FAR 12.212 and subject to restricted rights as defined in FAR Section 52.227-19 "Commercial Computer Licensed Software - Restricted Rights" and DFARS 227.7202, "Rights in Commercial Computer Licensed Software or Commercial Computer Licensed Software Documentation", as applicable, and any successor regulations. Any use, modification, reproduction release, performance, display or disclosure of the Software by the U.S. Government shall be solely in accordance with the terms of this Agreement.
- 3. Software Support; Customization Support.** Epicor's delivery of Support and Customization Support (where available) is subject to the additional terms and conditions contained in a separate "Support" Addendum.
- 4. Professional Services.** The following are the terms and conditions under which Epicor provides Services:
- 4.1. Scope of Service.** Any Services to be performed by Epicor will be described in separately executed Statements of Work.
- 4.2. Changes in Scope.** Any changes to the scope contemplated in a Statement of Work must be made by a written change order or amendment to the Statement of Work signed by an authorized representative of each party.
- 4.3. Services Fees and Expenses.** Except as otherwise set forth in a Statement of Work, Services are billed on a time and materials basis periodically as work is performed with payment rendered by Customer under the terms described in the applicable Statement of Work. Epicor reserves the right to withhold Services while any Services fees remain overdue, to the extent such fees are not the subject of a bona fide dispute communicated to Epicor in writing. Customer will reimburse Epicor for reasonable out-of-pocket expenses incurred in performance of the Services, which include but are not limited to travel expenses, per diem and mileage as specified in a Statement of Work. The parties shall confer from time to time as needed before and during a Services engagement to discuss and agree upon any reasonable expense parameters for the particular engagement.
- 4.4. Hours of Service.** Services will be performed during normal local business hours, Monday through Friday, excluding holidays, or as otherwise set forth in the Statement of Work. Customer may request in writing extended hours of Services at the prevailing surcharge rates.
- 4.5. Customizations.** Epicor will perform Customizations as set out in a Statement of Work, when applicable, in which case Customer will have the same license usage rights to the Customizations as it has to the Software licensed hereunder. Customizations are not covered by Support. Customization Support is separately available pursuant to the terms of a separate "Support" Addendum.
- 4.6. Services Warranties.** Epicor represents and warrants that (i) the Services will be provided by qualified personnel with reasonable skill and care in accordance with generally accepted industry standards, (ii) in performing the Services it will not introduce Malicious Code into Customer's system(s), and (iii) each Customization will substantially conform to the agreed specification for a period of 90 days following delivery of the Customization to Customer. In the case of Epicor's breach of the aforementioned warranties, Epicor's obligation and Customer's remedy is for Epicor to re-perform the affected Services and/or repair the affected Customization, as the case may be, at no additional cost to Customer.

- 4.7. **Customer Responsibilities.** During a Services engagement Customer will provide Epicor with reasonable access to requested resources such as: (i) Customer's personnel, facilities, equipment, hardware, software, network and information for Services to be performed on-site, and (ii) timely decision-making, notification of relevant issues or information and granting of approval or permissions as reasonably necessary for Epicor to perform the Services.
5. **Subscription Services.** Epicor's delivery of Subscription Services, if any, is subject to the additional terms and conditions contained in a separate "Subscription Services" Addendum.
6. **Hardware.** The following are the terms and conditions under which Epicor resells Hardware:
- 6.1. **Purchase Price.** Customer shall pay all Hardware fees listed in an Order pursuant to the terms listed therein.
- 6.2. **Risk of Loss/Security Interest.** Except as otherwise provided in an Order, risk of loss for Hardware purchased hereunder shall pass to Customer upon delivery by Epicor to Epicor's designated carrier. For shipments within the United States, title to the Hardware will also pass to Customer upon delivery by Epicor to Epicor's designated carrier; provided that Customer grants Epicor a security interest in the Hardware and any replacements or proceeds thereof until full payment has been made to Epicor and authorizes Epicor to take reasonable steps to perfect its security interest thereunder. For shipments to destinations located outside the United States (i) title to the Hardware remains with Epicor and shall not pass to Customer, and Customer may not transfer such Hardware without Epicor's prior written consent until Epicor receives the purchase price in full, and (ii) Epicor shall have the authority to repossess, sell or otherwise deal with and/or dispose of the Hardware and any replacements or proceeds thereof and to take any other reasonable steps to protect its interest thereunder if any part of the purchase price becomes overdue. At Customer's request, Epicor will insure the Hardware against risk of loss and damage while in transit and will add the costs of such insurance to Customer's invoice for payment. Until full payment for the Hardware is made, Customer must, and must cause its transferees to, notify Epicor in writing in advance of any transfer of the Hardware and the resulting location thereof.
- 6.3. **Preparation.** Customer is responsible for all preparation of its facilities as necessary to operate the Hardware.
- 6.4. **Operating System Software License.** The Hardware purchased hereunder may require certain operating system software, which is furnished to Customer subject to the license terms furnished by the third party hardware or software supplier ("**Manufacturer's Software**").
- 6.5. **Warranty and Indemnification Disclaimer.**
- 6.5.1. **Epicor Proprietary Hardware.** Epicor warrants that its (or its Affiliates') proprietary Hardware purchased under this Agreement will be free of defects in materials and workmanship for a period of 1 year from the date shipped. If any such Hardware is discovered to contain a defect in material or workmanship and Customer reports the defect to Epicor in writing during the warranty period, Epicor will, at its option, repair or replace the defective Hardware within a reasonable period of time. If Epicor is unable to repair or replace the defective Hardware, Epicor will refund to Customer the purchase price paid by Customer for such Hardware. The foregoing is Customer's sole and exclusive remedy for Epicor's breach of the warranty set forth in this Section.
- 6.5.2. **Third-party Sourced Hardware.** Third-party sourced Hardware purchased and/or Manufacturer's Software licensed under this Agreement is warranted, and where applicable subject to indemnification, by the suppliers and/or licensors thereof. Accordingly, and unless otherwise provided herein, Epicor makes no warranties of any kind, express or implied, with respect to the third party-sourced Hardware or Manufacturer's Software. Epicor agrees to pass through to Customer and otherwise make available to Customer any and all warranties and indemnification in force and available by the manufacturers of such Hardware or Manufacturer's Software.

## 7. Payments

- 7.1. **Pricing; Payment Terms.** Except as otherwise set forth in an Order or Statement of Work all payments are due within 14 days following the date invoiced without any setoff or reduction.
- 7.2. **Taxes.** All prices are exclusive of all applicable country, provincial, state and local sales, use, value added, excise, privilege, franchise and similar taxes ("**Taxes**"). Customer shall be responsible for all Taxes however designated or levied, against the sale, licensing, delivery, or use of the Products (other than Taxes based upon Epicor's net income).

## 8. Confidentiality

- 8.1. **Confidential Information.** As used herein, "**Confidential Information**" means all information disclosed by a party ("**Disclosing Party**") to the other party ("**Receiving Party**") in connection with this Agreement. Confidential Information includes, without limitation, the Deliverables, copies or abstracts made thereof as well as any modules, samples, prototypes or parts thereto and the details of the employees of the parties or their Affiliates and Customer's data. Confidential Information does not include any information that (i) is already known to the Receiving Party or received by the Receiving Party from a third party, free of any obligation to keep it confidential; (ii) becomes publicly known through no wrongful act of the Receiving Party; (iii) is independently developed by the Receiving Party without the use of the Disclosing Party's Confidential Information; or (iv) is approved for release by written authorization of the Disclosing Party.
- 8.2. **Confidentiality.** The Receiving Party shall not disclose or use any Confidential Information of the Disclosing Party for any purpose outside the scope of this Agreement without the Disclosing Party's prior written permission.
- 8.3. **Protection.** The Receiving Party agrees to keep confidential all Confidential Information disclosed to it by the Disclosing Party, and to protect the confidentiality thereof in the same manner as it protects the confidentiality of its own, but no less than reasonable care.

- 8.4. **Compelled Disclosure.** If the Receiving Party is compelled by law to disclose Confidential Information of the Disclosing Party, it shall provide the Disclosing Party with prior notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at Disclosing Party's cost, if the Disclosing Party wishes to contest the disclosure.
- 8.5. **Return.** Receiving Party will return all originals, copies and summaries of the Confidential Information upon termination or expiration of this Agreement or upon Disclosing Party's request, or in the alternative, destroy the same and certify in writing to Disclosing Party that all such Confidential Information has been destroyed.
- 8.6. **Duration.** The obligations with respect to Confidential Information will continue until such time it ceases to be considered confidential under Section 8.1.

#### 9. Proprietary Rights; Restriction on Use

- 9.1. **Deliverables.** Epicor retains exclusive ownership in all Deliverables developed, created or furnished by Epicor hereunder and will own all intellectual property rights, title and interest in any ideas, concepts, know how, documentation or techniques developed by Epicor under this Agreement. All rights not expressly granted in this Agreement are reserved by Epicor and its suppliers.
- 9.2. **Trademark and Copyright Notices.** Customer shall not remove, alter or destroy any proprietary, trademark or copyright notices placed upon or contained within any Deliverables. Customer does not and shall not acquire any rights of any kind in or to any trademark, trade name, logo or product designation under which a Deliverable was or is marketed and may not make any use of the same for any purposes.
- 9.3. **Usage Restrictions.** Except to the extent permitted by law without the possibility of contractual waiver, Customer may not reverse engineer, modify, decrypt, extract, disassemble, or decompile any Deliverable, or permit anyone else to do so (a "**Prohibited Action**"). Before Customer exercises any legal right to conduct a Prohibited Action it must provide Epicor with reasonable prior written notice and will not unreasonably refuse to accept any alternative course of action that Epicor proposes to satisfy Customer's legal rights in lieu of conducting a Prohibited Action. Customer may not disclose any Deliverable to an Epicor competitor or disclose results of any benchmark test of the Deliverable to any third party without Epicor's prior written approval, which may be withheld in Epicor's sole discretion. For the avoidance of doubt, an Epicor authorized partner is not deemed an Epicor competitor for purposes of this clause.
- 9.4. **High Risk Use.** The Products are not fault-tolerant and are not designed or intended for use in hazardous environments, including without limitation, in the operation of aircraft or other modes of human mass transportation, nuclear or chemical facilities, life support systems, implantable medical equipment, motor vehicles or weaponry systems, or any other application in which failure of the Products could lead to death or serious bodily injury of a person, or to severe physical or environmental damage (each, a "**High Risk Use**"). Epicor and its suppliers expressly disclaim any express or implied warranty or representation of fitness for High Risk Use.

#### 10. Additional Express Warranties; Disclaimers

- 10.1. **Additional Express Warranty.** In addition to the Product-specific express warranties granted herein or in an Addendum hereto, Epicor hereby warrants that it is authorized to enter into this Agreement and supply the Deliverables hereunder.
- 10.2. **General Disclaimer.** EXCEPT AS EXPRESSLY PROVIDED HEREIN, INCLUDING SECTIONS 2.7.1, 4.6, 6.5.1 AND 10.1, NEITHER EPICOR, NOR ITS SUPPLIERS, SUBCONTRACTORS OR AGENTS MAKE ANY REPRESENTATIONS AND WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AND EPICOR AND ITS SUPPLIERS, SUBCONTRACTORS AND AGENTS SPECIFICALLY DISCLAIM ALL IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF SATISFACTORY QUALITY, REASONABLE SKILL AND CARE, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

#### 11. Indemnity

##### 11.1. By Epicor

11.1.1. Subject to the terms and conditions contained herein, Epicor will, at its own expense, defend Customer and its Affiliates, and their directors, officers and employees (each, an "**Customer Indemnified Party**") against any claim, demand, suit, proceeding or action (each, a "**Claim**"), and shall indemnify Customer Indemnified Parties against any damages, costs (including but not limited to reasonable attorney fees and costs) finally awarded against them or amounts agreed to in a monetary settlement arising out of or in connection with such Claim to the extent the Claim is made or brought by or on behalf of a third party alleging that the Products furnished by Epicor hereunder infringe any copyright or patent, or misappropriate any trade secret, of such third party issued, honored or enforceable under U.S. laws or the laws of any other country where Epicor or its Affiliates have business operations ("**Customer Claim**"). Epicor has no obligation under this Section or otherwise to the extent a Customer Claim is based on any use of (i) the Products not in accordance with the Agreement or the applicable Documentation, (ii) the Products in combination with other products not contemplated hereunder or in the applicable Documentation to the extent the infringement is caused by such combination, (iii) or modification to the Products other than by or at Epicor's direction, (iv) a superseded Software version if a corrective Software Update has been made available to Customer for no additional license fee, or (v) a Customization to the extent based on Customer supplied intellectual property, materials or information. Further Epicor has no obligation under this Section with respect to Customer Claims involving third-party sourced Hardware (including Manufacturer's Software) and Third Party Software.

11.1.2. If a Customer Claim occurs, or if Epicor reasonably believes a Customer Claim may occur, Epicor may at its sole discretion and at no cost to Customer (i) modify the Product so that it no longer infringes or misappropriates, (ii) secure for Customer the right to continue using the Products in accordance with this Agreement, or (iii) if (i) and (ii) are not commercially and reasonably feasible, terminate this Agreement with respect to the Product(s) that are or may be subject to the Customer Claim and refund to Customer, as applicable, (a) where Software or a Customization is or may be the subject of a Customer Claim, the depreciated value of the license fees paid for such Software or Services fees paid for such Customization (in either case based on a 5-year straight line depreciation schedule commencing on the date such Software or Customization was first delivered) and (b) where Support, Services (other than involving a Customization) or Subscription Services are the subject of the Customer Claim, the fees paid for the applicable Product during the then preceding 12-month period. This Section provides Epicor's entire liability and Customer's sole and exclusive remedy for infringement and misappropriation Claims.

11.1.3. Epicor's obligations under this Section 11.1 are conditioned on the Customer Indemnified Party providing the following: (i) prompt notice of any Claim for which indemnification is sought, (ii) sole control of the defense and settlement of such Claims or the appeal of any award, and (iii) reasonable assistance and cooperation at Epicor's expense; provided however that Epicor may not enter into any settlement imposing any liability or obligation on the Customer Indemnified Party without the Customer Indemnified Party's consent, not to be unreasonably withheld or delayed.

## 11.2. By Customer

11.2.1. Customer will, at its own expense, defend Epicor and its Affiliates, and their directors, officers and employees (each, an "**Epicor Indemnified Party**") against any Claim, and shall indemnify Epicor Indemnified Parties against any damages, costs (including but not limited to reasonable attorney fees and costs) finally awarded against them or amounts agreed to in a monetary settlement arising out of or in connection with such Claim to the extent the Claim (any of the following, an "**Epicor Claim**") (a) is made or brought by or on behalf of a third party in connection with (i) any Customer supplied intellectual property, materials or information, or (ii) Customer's use of the Products not in accordance with, or as contemplated by, this Agreement or applicable Documentation or in violation of any law, rule or regulation or (b) results from Customer's use of the Subscription Services whereby Customer (i) uses the Subscription Services to store or transmit any Malicious Code, (ii) interferes with or disrupts the integrity of the Subscription Services, or (iii) gains unauthorized access to the Subscription Services or their related Epicor systems or networks.

11.2.2. Customer's obligations under this Section 11.2 are conditioned on the Epicor Indemnified Party providing the following: (i) prompt notice of any Claim for which indemnification is sought, (ii) sole control of the defense and settlement of such Claims, and (iii) reasonable assistance and cooperation at Customer's expense; provided however that Customer may not enter into any settlement imposing any liability or obligation on the Epicor Indemnified Party without the Epicor Indemnified Party's consent, not to be unreasonably withheld or delayed.

## 12. Exclusion and Limitation of Liability

12.1. **Exclusion of Certain Damages.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR (i) ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND, OR (ii) DAMAGES FOR LOSS OF USE, LOSS OF BUSINESS, LOSS OF PROFITS OR REVENUE, OR LOSS OF BUSINESS INFORMATION OR OTHER DATA (IN EACH CASE WHETHER DIRECT OR INDIRECT), AND CLAIMS AGAINST A PARTY BY ANY THIRD PARTY ARISING IN CONNECTION WITH THIS AGREEMENT WHETHER ARISING IN LAW OR IN EQUITY, IN CONTRACT, IN TORT, IN STRICT OR PRODUCT LIABILITY, BREACH OF STATUTORY DUTY, OR IN ANY OTHER FORM OF ACTION, AND WHETHER OR NOT THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE OR WHETHER SUCH EXCLUSION CAUSES ANY REMEDY TO FAIL OF ITS ESSENTIAL PURPOSES.

12.2. **Limitation of Liability.** The parties hereto specifically agree that except for amounts properly payable to Epicor hereunder, the total liability of a party to the other for damages under this Agreement with respect to an affected Product will be limited to direct damages and shall not exceed the sum of (i) Software license fees paid by Customer to Epicor, (ii) maintenance and support fees paid by Customer to Epicor for the then current Support Term, and/or (iii) Services or Subscription Services fees paid by Customer to Epicor during the immediately preceding 12-month period; as the case may be for the affected Product(s) giving rise to the applicable cause(s) of action. Notwithstanding the foregoing, Epicor's total liability to Customer for damages relating to Third Party Software or Hardware will not exceed the license and/or Hardware fees, as the case may be, paid by Customer to Epicor therefore.

12.3. **Exceptions.** Paragraphs 12.1 and 12.2 do not apply to (i) claims arising out of death or personal injury or damage to tangible property, caused by a party's negligence, (ii) a party's breach of its obligations under Sections 8 (Confidentiality), 9 (Proprietary Rights; Restrictions in Use), , or 13 (Regulatory Provisions), or (iii) Section 11 (Indemnification).



**12.4. Reliance.** Epicor and Customer have not relied upon and agree they will have no remedy arising from any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to this Agreement or not) other than as expressly set out in this Agreement.

### **13. Regulatory Provisions**

**13.1. Export.** Certain of the Deliverables and derivatives thereof may be subject to export laws and regulations of the United States and other jurisdictions. Each party agrees to comply with all international and national laws and regulations that apply to the Deliverables and such derivatives. These laws include U.S Export Administration Regulations, and importation, end user, end-use and destination restrictions issued by the U.S. and other governments.

**13.2. Anti-Corruption.** Customer has not, and upon each submission of an Order or Statement of Work shall have not, received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from any of Epicor's employees or agents in connection with this Agreement.

**13.3. Personal Data.** It is acknowledged that from time to time, you may provide or make available to Epicor certain data which represents data which is personal to individual persons ("**Personal Data**") (such as name, surname, title, address, contact telephone numbers and email addresses as well as any other data which is treated as "personal data" under applicable laws on personal data). Customer agrees that Epicor may use such Personal Data, which is provided or made available by Customer, and may transfer such data to any of Epicor's Affiliates or suppliers for them to use such data, for the sole purpose of administering and performing Epicor's obligations and services under this Agreement. Customer agrees that it will obtain all necessary consents which may be required to enable Customer to provide Epicor with any such Personal Data and which may be required for Epicor to be able to use such Personal Data in accordance with this clause above and will provide Epicor with confirmation of such consents upon Epicor's request.

**14. Non-Solicitation.** Subject to applicable law, so long as Epicor is performing Support, Services or Subscription Services hereunder and for 12 months thereafter, each party agrees that it and its Affiliates will not, without the other party's consent, directly or indirectly solicit for employment (or as an independent contractor) or hire as a result of such solicitation any employee or independent contractor of the other party or its Affiliates for a period of 6 months after the date such person's employment or services contract was terminated. This Section will not restrict the right of a party or its Affiliates to: (i) solicit or recruit generally in the media or online, or (ii) hire or engage the other party's or its Affiliates' employees or independent contractors who answer any general advertisement or who otherwise voluntarily apply for hire or engagement without having been initially personally solicited or recruited by or on behalf of the other party. If a party or its Affiliate hires an employee or engages an independent contractor of the other party or its Affiliates in contravention of this Section, then such party shall pay to the other party an amount equal to the salary or fees paid to that person over the last 12 months of their engagement with the other party or its Affiliate, such amount being a genuine pre-estimate by the parties of liquidated damages and not a penalty.

**15. Audit.** On Epicor's written request, no more frequently than annually, Customer shall provide Epicor with a signed written certification (i) verifying that the Deliverables have been used in complete compliance with the terms of this Agreement, including any user limitations and (ii) listing the locations at which the Deliverables are being used. Customer agrees to grant Epicor reasonable access to all relevant locations and provide reasonable co-operation, upon prior notice during normal business hours, to allow Epicor to audit Deliverable usage, and confirm the information provided by Customer in its signed written certification.

### **16. Term; Termination**

**16.1. Termination for Cause.** Either party may terminate this Agreement, a License, Order and/or Statement of Work for cause upon 30 days written notice of a material breach by the other party of its obligations under this Agreement or the affected License, Order or Statement of Work, if such breach remains uncured at the expiration of such period.

**16.2. Effects of Termination.** Upon termination of this Agreement, a License, Order and/or Statement of Work, as the case may be, for any reason: (i) all rights and obligations of the parties under this Agreement and/or such License, Order or Statement of Work will automatically terminate except for rights of action accruing prior to termination, (ii) all amounts due thereunder shall continue to be due on their due dates (including the remainder of any annual fee paid on a periodic basis), and (iii) Epicor will promptly refund to Customer any non-applied, prepaid Services fees. Upon termination of a License Customer shall immediately return or destroy the applicable Deliverables and all portions and copies thereof and, if requested by Epicor, shall certify in writing as to the destruction or return of the same. Termination of one or more Licenses, Orders and/or Statements of Work will not terminate the Agreement.

**16.3. Surviving Provisions.** Those provisions that by their nature should survive termination of the License or this Agreement, as the case may be, will survive termination. These include, without limitation: The provisions included on the signature page to the Agreement respecting Choice of Law and Alternative Dispute Resolution and Sections 1, 2.3, 2.4, 2.7.2 to 2.7.4, 2.9, 4.3, 6.1, 6.2, 6.4, 6.5, 7, 8, 9, 10.2, and 11 through 19 of these Terms and any payment-related obligations under an Addendum.

**17. Dispute Resolution.** Except for debt recovery actions by Epicor for amounts due to it hereunder or indemnity claims under Section 11, in the event of any dispute, claim, or controversy arising out of, relating to, or in connection with this Agreement (whether based in contract, in tort, upon a statutory provision, or otherwise), including, without

limitation, the formation, performance, breach, termination, enforcement, interpretation or validity thereof (a "Dispute"):

- 17.1. **Negotiation/Mediation.** Customer and Epicor will first attempt to resolve the Dispute through confidential negotiation either through negotiations between designated executives with authority to resolve the Dispute, or if mutually agreed, through confidential mediation, utilizing a mutually agreeable mediator. If the parties are unable to resolve the Dispute through negotiation or mediation within 30 days following the initial notice of a Dispute (or such longer period as is agreed in writing), the Dispute shall be finally resolved through arbitration.
- 17.2. **Arbitration.** If Customer and Epicor are unable to resolve the Dispute in accordance with Section 17.1 the Dispute shall be fully and finally settled through arbitration administered pursuant to the rules and in the location designated in the Additional Dispute Resolution provision set forth on the signature page to these Terms before a single arbitrator. Any award rendered in such arbitration proceedings will be executory, final, and binding on each of the parties. To the extent permitted by law (i) each party to the arbitration will pay its own costs and expenses (including attorney's fees) in connection with the arbitration, (ii) the arbitrator's fees and the administrative expenses of the arbitration will be paid equally by the parties thereto, and (iii) the arbitrator will not have the power to award punitive damages. The parties shall treat as confidential, and except as required by law no party may disclose the existence, contents, or results of an arbitration brought in accordance with this Agreement, or the documents presented and evidence produced by its opposing parties, or any analysis or summaries derived from such evidence.
- 17.3. **Enforcement.** The award rendered by the arbitrator may be recognized and enforced by any court having jurisdiction, and any necessary applications may be made to such courts for judicial acceptance of the award and an order of enforcement. Such court proceedings will disclose only the minimum amount of information concerning the arbitration as is required to obtain such recognition, enforcement, acceptance or order.
- 17.4. **Equitable Relief; Right to Termination.** Notwithstanding the terms of this Section 17, each party shall have the right to seek immediate injunctive or other provisional relief, in any court of competent jurisdiction, against or from any ongoing or impending injury or damage, which mediation or arbitration would not in the party's reasonable opinion avoid and each party shall at all times have the right to exercise any contractual right it may have to withhold the performance of its obligations and/or terminate this Agreement, an Order and/or Statement of Work as permitted hereunder.
- 17.5. **Conflict.** To the extent the terms of this Section 17 are modified by or conflict with Additional Dispute Resolution provision on the signature page to this Agreement, the terms of the Additional Dispute Resolution provision shall modify this Section 17 to the extent of the modification or conflict.
- 17.6. **UN Convention on Contracts Not Applicable.** This Agreement is not to be governed by the United Nations Convention on Contracts for the International Sales of Goods.
18. **Assignment.** Customer may not assign, license, sublicense or otherwise transfer this Agreement or any rights under this Agreement, whether voluntarily or by operation of law, without Epicor's prior written consent. Without limiting the scope of the previous sentence any sale or transfer of assets, stock or any interest in Customer, or any merger, consolidation restructuring, or other business reorganization, which, by operation of law, transfers this Agreement and such rights, is to be considered a transfer covered by the previous sentence. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Epicor may assign this Agreement upon written notice to Customer if the assignee agrees to be bound in writing by Epicor's obligations hereunder.
19. **General**
  - 19.1. **Headings.** Headings contained in this Agreement are for convenience only and are not part of this Agreement and do not in any way interpret, limit or amplify the scope, extent or intent of this Agreement or any of the provisions hereof.
  - 19.2. **Complete Agreement.** This Agreement, including any Order, Statement of Work, Addendum or a supplement or an amendment hereto, constitutes the entire Agreement between the parties on the subject hereof and supersedes all other prior or contemporaneous agreements, negotiations, representations and proposals, written or oral. Each party acknowledges that in entering into this Agreement, it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty other than as expressly set out in this Agreement. In the event of a conflict between this Agreement and any Order or Statement of Work entered into in connection herewith, this Agreement will control except as expressly provided otherwise in the applicable Order or Statement of Work. This Agreement does not operate as an acceptance of any conflicting terms and conditions and shall prevail over any conflicting provision of any purchase order or any other instrument of Customer, it being understood that any purchase order issued by Customer shall be for Customer's convenience only.
  - 19.3. **Severability.** If any provision of the Agreement is deemed to be illegal, invalid or unenforceable, the remaining provisions will remain in full force and effect and the parties will promptly amend the Agreement to give effect to the stricken provision to the maximum extent possible.
  - 19.4. **Modifications and Waiver.** No modification of, or amendment or addition to this Agreement is valid or binding unless set forth in writing signed by a representative of each party; provided that an Order becomes valid and binding against Customer once signed and submitted by Customer. The waiver or failure of either party to exercise in any respect any right or remedy provided herein shall not be deemed a waiver of any future right or remedy hereunder.
  - 19.5. **Electronic Signatures.** The parties consent to electronic signatures for the purpose of executing this Agreement by e-mail or other electronic means, subject to compliance with any applicable laws, rules or regulations. In no

event shall the electronic execution expand such assent to include any terms other than those explicitly set forth in this Agreement.

- 19.6. **Force Majeure.** Neither party will be responsible for its failure to timely perform under this Agreement when its failure results from any cause beyond its reasonable control.
- 19.7. **Relationship.** The parties are independent contractors. This Agreement does not create a joint venture or partnership between the parties; and no party is by virtue of this Agreement authorized as an agent, employee or representative of the other party.
- 19.8. **Business Contact Information.** Customer agrees to allow Epicor and its Affiliates to store and use Customer's business contact information, including names, business phone numbers, and business e-mail addresses, anywhere they do business. Such information will be processed and used solely in connection with the parties' business relationship.
- 19.9. **Notice.** Notices hereunder shall be sent to the addresses on the face of this Agreement, or to such other address(es) as specified by a notice complying herewith, and shall be deemed delivered (i) on the date shown on the postal return receipt or on the courier or facsimile with confirmation of delivery, or (ii) within 5 days after deposit in first class mail or registered post.
- 19.10. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and taken together will constitute a single instrument.



## MASTER CUSTOMER AGREEMENT – SOFTWARE SUPPORT ADDENDUM

Product: Epicor HCM

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*This Software Support Addendum (“Addendum”) is incorporated by reference into and governed by the Master Customer Agreement (“Agreement”) between Customer and Epicor. Capitalized terms not defined herein have the meanings given in the Agreement.*

The following are the terms and conditions under which Epicor provides “standard” maintenance and support services (“Support”) during the Support Terms:

- 1.1. Support Centers.** Epicor will provide telephone and e-mail support to Customer to answer general Software product questions and to identify and diagnose Software issues during the normal local business hours of the regional support center that services the Software licensed by Customer hereunder, Monday through Friday. Premium and/or after-hours support is separately available for an additional charge at Epicor’s then standard rates.
- 1.2. Web Portal.** Epicor will provide Customer unlimited access to its Support self-service Web portal, where available.
- 1.3. Software Updates.** Epicor will make available to Customer (for no additional license fees) all Software Updates to Software licensed by Customer hereunder, if and when commercially released.
- 1.4. On-site Support.** Epicor’s delivery of onsite Support, if any, is subject to the additional terms and conditions contained in a separate addendum.
- 1.5. Initial Support Term.** The Support term for Software initially licensed by Customer begins on the date such Software is shipped or electronically furnished by Epicor and ends 12 complete calendar months thereafter (“Initial Term”).
- 1.6. Renewal.** After the Initial Term, Support will automatically renew on the terms and conditions set forth herein from year to year (each, a “Support Term”) unless terminated by Customer upon written notice given at least 90 days prior to the expiration of the then current Support Term.
- 1.7. Co-Terminus Support.** Support for Software licensed after the first day of the Initial Term shall begin on the date such Software is shipped or made electronically available to Customer by Epicor and shall end at the end of the then current Support Term. The Support fees applicable thereto will be prorated ratably on an annualized basis over the remainder of the Support Term.
- 1.8. Maintenance and Support Fees.** Customer shall pay all maintenance and support fees listed (i) on an Order pursuant to the terms listed therein and (ii) on a renewal invoice prior to beginning of the next Support Term, unless terminated in accordance with Section 1.6 of this Addendum. Epicor reserves the right to withhold Support while any maintenance and support fees remain overdue. Epicor may increase the annual maintenance and support fees applicable to the ensuing Support Term (as denoted in a renewal invoice); provided that in no event may the annual percentage increase to Epicor’s standard rate with respect to Epicor’s proprietary Software exceed the sum of (i) the year-over-year percentage increase in the regional consumer price index generally used by Epicor for purposes of this computation, plus (ii) 2%.
- 1.9. Support Limitations.** Customer acknowledges that it may need to update to a then more current Software Update release in order to obtain Software fixes (e.g., bug fixes or service pack releases (SCR) or similar releases) or other Support. Epicor is not responsible for Software errors that result from alterations, additions, adjustments or repairs made by third parties other than at Epicor’s direction.
- 1.10. Support Warranties.** Epicor warrants that it will use commercially reasonable efforts to perform Support and that the Support furnished pursuant to Section 1.1 herein will be provided by qualified personnel in a professional and workmanlike manner.
- 1.11. Microsoft Embedded Maintenance.** Customer’s subscription to the Microsoft Embedded Maintenance program as indicated on an Order entitles Customer to receive new product versions to certain Microsoft Software products supplied by Epicor, if and when commercially released by Microsoft Corporation, during the applicable coverage period.
- 1.12. Third Party Software Support.** Epicor is not responsible to perform Support for certain Third Party Software, as denoted on an Order, in which case the maintenance and support services, if any, will be available from the third party supplier.



Master Customer Agreement – General Terms  
Epicor HCM Hosted Deployment

**1. Introduction.**

- a. Under this Agreement, Epicor agrees to provide Customer with the non-exclusive use of the necessary hardware, operating system software, Internet access, and hosting services required to host Customer's Epicor HCM human resource information system at Epicor's third party co-location site.
- b. Customer acknowledges that it must provide its Epicor HCM users with the required version of a supported Web browser and also contract with a third party Internet service provider ("ISP") or other carrier to provide Internet connectivity to Epicor's co-location site.
- c. Customer has or will license the Epicor HCM software and other Epicor or third-party software, if any, under a separate software license agreement(s). Customer acknowledges that in a hosted setting, the Epicor HCM product is subject to certain restrictions and limitations as compared to a self-hosted license of the Epicor HCM software.

**2. Fees and Taxes.**

- a. Customer agrees to pay Epicor the applicable fees specified on Exhibit(s) A. These fees will be invoiced monthly, in advance, and are due on or before the first day of each month. At Epicor's discretion, past due invoices shall bear interest at the rate of 1½% per month or at the highest legal rate, whichever is less. In addition, Epicor reserves the right to deny access to Customer's Epicor HCM system(s) if any invoice is more than fifteen days past due.
- b. The fees specified on Exhibit(s) A shall be payable based on the minimum active employee record count, any increases in active employee records, and the number of named users (user ID/password log-ons) for Customer's Epicor HCM system(s) hosted by Epicor. Epicor will take the active employee record and other required counts on or about the fifteenth day of each month. Customer hereby authorizes Epicor to access its Epicor HCM software and data to determine the correct invoicing under this Agreement and other written agreements with Epicor. At the end of each term of this Agreement, Epicor may change the applicable fees upon sixty days advance written notice to Customer.
- c. Customer acknowledges that the pricing on Exhibit(s) A is based on the term of this Agreement and certain penalties may apply if Customer terminates the Agreement early. (See Article 10.)
- d. The fees applicable to this Agreement do not include any customs fees, duties, sales, use, value added, or other excise taxes based on or measured by the charges due and payable pursuant to this Agreement. Any such taxes, other than Epicor's employment or income taxes, now or hereafter imposed under the authority of a federal, state or local taxing jurisdiction relating to this Agreement and any penalties or interest thereon due to acts or omissions of Customer, shall be payable to Epicor by Customer, or in lieu thereof, Customer shall provide Epicor with a tax exemption certificate acceptable to Epicor and such taxing authorities.

**3. Licensing of the Epicor HCM Software.**

Customer shall license Epicor HCM by signing the Epicor HCM Software License Agreement. Each of Customer's associated Affiliates shall also have the option to license copies of Epicor HCM or access an Affiliate's copy of Epicor HCM by signing additional Exhibits A to the Epicor HCM Software License Agreement and/or the Epicor HCM Hosting Services Agreement.

**4. Hardware, Operating System Software, and Internet Access.**

- a. Epicor agrees to provide Customer with the non-exclusive use of the necessary computer hardware, operating system software, and one or more Internet Protocol ("IP") addresses required to permit Customer to gain Internet access to its Epicor HCM software hosted by Epicor.
- b. Epicor agrees to install and test such hardware, operating system software, and IP addresses prior to providing Customer with its initial password and user ID.

**5. Hosting Services.**

- a. **Installation.** Epicor agrees to install and test Customer's Epicor HCM software and provide Customer with one initial password and log-on ID. Data conversions, customizations, and other implementation services are available, and are priced and provided under a separate agreement.
- b. **Maintenance and Epicor HCM Updates.** Maintenance for Customer's Epicor HCM system is required during the term of this Agreement. Maintenance will be provided to Customer under the terms, conditions and pricing of Epicor's Maintenance Agreement. Epicor intends to install major updates and new versions of the Epicor HCM software within one year of their release. Within the one year timeframe, Epicor will work with Customer to determine a mutually acceptable time for the implementation of upgrades. Customer acknowledges that any customizations to its Epicor HCM system may not be compatible with future releases of the standard software products. With Customer's approval (e-mail is acceptable), Epicor will perform the required modifications to Customer's customizations at Epicor's hourly rate.
- c. **Database and Operating System Administration.** Epicor agrees to perform necessary administration for the ongoing maintenance of the database and the operating system. Customer shall have limited system administration and database administration rights and responsibilities. Therefore, any process or procedure that requires "backend" SQL Server access is not available.
- d. **Access and Uptime.** Customer's Epicor HCM software is scheduled to be available for access and use on a 7 x 24 x 365 basis, except for scheduled hardware, software, and access maintenance periods. "Uptime" is defined as the percentage of time, on a daily basis, that Customer's Epicor HCM software is operational on the hardware and available for access and use. Epicor agrees to provide a minimum of 95% Uptime for Customer's Epicor HCM software, not including scheduled maintenance. Notwithstanding the prior sentence, Epicor will strive to achieve a goal of 99% Uptime, not including scheduled maintenance. The Uptime guarantee does not apply to factors beyond Epicor's control, such as power outages, interruptions of Internet access, "crashes," or system failures caused by Customer, et cetera.

- e. **Penalty.** If Epicor fails to meet the 95% Uptime guarantee, upon Customer's written request, Epicor will credit Customer's next monthly invoice one day for each instance that the guarantee was not met.
- f. **Monitoring.** Epicor agrees to use monitoring software to monitor vital statistics of the Epicor HCM system(s), operating system software, and bandwidth utilization.
- g. **Virus Protection.** Epicor agrees to install and maintain reputable virus protection software to monitor Customer's Epicor HCM system.
- h. **Firewall.** Epicor agrees to install and maintain reputable firewall software at Epicor's Internet access point.
- i. **Epicor HCM Back-ups.** Epicor agrees to back-up Customer's data once a day to a separate, secure location.
- j. **Restoration of Back-ups.** In the event of a hardware/system failure, Epicor agrees to respond to the need to restore a back-up within four business hours. Epicor agrees to complete any such restoration within 24 hours of the time Epicor begins the restoration. Restorations made at Customer's request that are unrelated to a hardware/system failure will be completed within two business days and will be performed and billed at Epicor's hourly rate.

#### 6. Customer's Obligations.

- a. **Internet Access.** Customer is responsible for connectivity between its location(s) and Epicor's IP address.
- b. **Hardware/Software.** Customer is responsible to provide and maintain suitable personal computer(s) and associated software for Customer's users in accordance with Epicor's then current Epicor HCM Technical Operating Specifications.
- c. **Data.** Customer shall own and be responsible for the accuracy of the data stored in its Epicor HCM system(s). Although Epicor will take reasonable precautions to prevent the loss of Customer's data, Epicor does not guarantee against such loss. Epicor advises Customer to maintain copies of all source documents of the data entered into its Epicor HCM system(s).
- d. **Virus Protection.** Customer agrees to use commercially reasonable efforts to keep its hardware and software virus free and to avoid the transmission of software viruses to Epicor's hardware and software.
- e. **Security.** Customer agrees that it will not violate or attempt to violate the security of Epicor's facilities, the Epicor HCM software, hardware, operating system software, or telecommunications facilities, and will not attempt to gain access to, or otherwise interfere with, any copies of Epicor HCM that are not licensed to Customer.
- f. **Spamming.** Customer agrees that it will not use Epicor's hardware, software, or telecommunications facilities to send unsolicited e-mail, "spam," "chain letters," or other communications to third parties (other than Customer-approved communications to Customer's own employees or associates).
- g. **Privacy.** Customer shall be responsible for complying with all laws and regulations governing privacy with regard to its use of the Epicor HCM system. Customer shall defend and indemnify Epicor against all claims arising from Customer's failure to comply with any such laws or regulations.

#### 7. Confidentiality.

- a. **Retention of Proprietary Rights in Confidential Information.** The parties recognize that in the course of fulfilling this Agreement each party may disclose to the other information concerning its employees, applicants, trade secrets, business plans, product designs, product plans, systems, and other proprietary information. Such information individually and collectively constitutes "Confidential Information." All such Confidential Information disclosed by either party shall remain the sole property of the party disclosing the same, and the receiving party shall have no interest or rights with respect to such information except as set forth in this Agreement or other written agreements between the parties.
- b. **Confidentiality.** Each party agrees to maintain the Confidential Information of the other party in trust and confidence to the same extent that it protects its own confidential information, and further agrees to take all reasonable precautions to prevent any unauthorized disclosure of such information. The parties acknowledge that in the event of any breach of this subsection, the other party will not have an adequate remedy in money or damages. Therefore, in addition to any other remedies, the party seeking protection shall be entitled, immediately upon request, to obtain an injunction against such breach from any court of competent jurisdiction.
- c. **Information Not Protected.** The commitments in subsections (a) and (b) above shall impose no obligation on the receiving party with respect to any portion of the received information that: (i) through no act or failure to act on the part of the receiving party is now, or hereafter becomes, generally known or available; (ii) is furnished to others by the disclosing party without restriction on disclosure; (iii) is hereafter furnished to the receiving party by a third party as a matter of right and without restriction on disclosure; (iv) is known to the receiving party at the time of receiving such information; or (v) is immaterial or frivolous.

#### 8. Warranty.

- a. Epicor warrants that it will provide effective operation of the Epicor HCM software, hardware, operating system software, Internet access, and hosting services to Customer under this Agreement.
- b. Epicor warrants that the operating system software provided by Epicor under this Agreement shall be properly licensed when Customer uses the Epicor HCM software and operating system software in accordance with their intended use, and in accordance with the Epicor HCM Software License Agreement and this Agreement.
- c. EXCEPT AS OTHERWISE STATED IN THIS AGREEMENT, CUSTOMER EXPRESSLY AGREES THAT USE OF THE HARDWARE, OPERATING SYSTEM SOFTWARE, INTERNET ACCESS, AND HOSTING SERVICES IS AT CUSTOMER'S SOLE RISK. EPICOR DOES NOT WARRANT THAT THESE ITEMS WILL BE UNINTERRUPTED OR ERROR FREE AND EPICOR PROVIDES NO WARRANTY REGARDING THE USE, OPERATION, PERFORMANCE, OR SECURITY OF THE INTERNET.
- d. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

#### 9. Limitation of Liability.

- a. THE PARTIES AGREE THAT EPICOR'S LIABILITY FOR ANY AND ALL CLAIMS OF ANY KIND, FOR ANY LOSS OR DAMAGE ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FROM EPICOR'S PERFORMANCE OR BREACH THEREOF, SHALL NOT EXCEED THREE TIMES THE MONTHLY FEE PAID BY CUSTOMER TO EPICOR UNDER THIS AGREEMENT FOR THE ONE MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT THAT CAUSED THE LOSS OR DAMAGE.

- b. IN NO EVENT SHALL EPICOR BE LIABLE FOR INDIRECT, GENERAL, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES (EVEN IF EPICOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE OF PRODUCT, ANY ASSOCIATED EQUIPMENT AND/OR SOFTWARE, OR COST OF SUBSTITUTE FACILITIES, EQUIPMENT, SOFTWARE OR SERVICES.

**10. Term and Termination.**

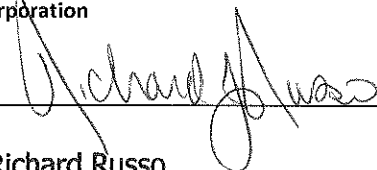
- a. This Agreement shall become effective when it is executed by both parties. The initial term of this Agreement is shown on Exhibit(s) A. The term shall automatically renew for the same period(s) of time until either party provides at least sixty days written notice to the other, prior to the expiration of the current term, of its desire to terminate at the end of the stated term.
- b. Customer acknowledges that the pricing under this Agreement is based on the stated term of the Agreement. In the event of early termination by Customer without cause, or in the event of early termination by Epicor for cause, Customer agrees to pay Epicor an early termination charge equal to the following percentages of the remaining monthly minimum and variable recurring charges: i) 75% of the charges that would have otherwise been applicable under the Agreement for the next twelve months remaining in the agreed upon term; and ii) 50% of the charges that would have otherwise been incurred during any remaining months in the agreed upon term. Any variable monthly recurring charges that are based on active employee records or the number of named users will be payable using the highest number of active employee records and named users in Customer's Epicor HCM system(s) during the twelve months prior to the early termination.
- c. Either party may terminate this Agreement upon written notice to the other party if the other party materially breaches any obligation and fails to cure such breach within thirty days after receiving notice. Termination of this Agreement automatically terminates all Exhibits A. However, termination of one Exhibit A has no effect on the remaining Exhibits A or this Agreement, so long as the defaulting party complies with this Agreement and the remaining Exhibits A. Each party is entitled to all legal and equitable remedies, including injunctive relief.
- d. Termination of this Agreement due to Customer's breach shall not affect any sums due to Epicor. All of Customer's rights shall immediately terminate, and all unpaid charges shall become immediately due and payable.
- e. If requested by Customer within thirty days of the termination of this Agreement or an Exhibit A, and provided that Customer is in good financial standing with Epicor, Epicor shall provide Customer with a copy of the most recent back-up of Customer's applicable Epicor HCM software and data.
- f. After termination, Epicor shall retain title to and/or use of all hardware and operating system software; and shall be permitted to reassign any IP addresses previously assigned to Customer.

**11. Miscellaneous.**


- a. **Prohibition Against Assignment.** Customer may not assign this Agreement without Epicor's express written consent. Epicor shall not withhold its consent if Customer merges or consolidates into another entity or otherwise transfers or sells all or substantially all of its assets to a third party.
- b. **Force Majeure.** Neither party shall be liable, nor shall any credit allowance or other remedy be extended, for any failure of performance, equipment, or software due to causes beyond such party's reasonable control, including, but not limited to: acts of God, fire, flood or other catastrophes; any law, order, regulation, direction, action, or request of any governmental entity or agency, or any civil or military authority; or national emergencies, insurrections, riots, or wars.
- c. **Notices.** Any notice required to be sent under this Agreement shall be sent by certified mail to Epicor, c/o Contract Administration, or to Customer at the respective address set forth in this Agreement and shall be effective when received.
- d. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- e. **Entire Agreement.** This Agreement contains the full and exclusive statement of the parties with respect to the subject matter and supersedes all previous communications and negotiations, written and oral, between the parties.
- f. **Severability.** If any provision of this Agreement is held to be invalid, such provision shall be deleted from the Agreement and the remaining provisions shall remain in full force and effect.
- g. **No Waiver.** No waiver or modification of any of the provisions of this Agreement shall be binding unless made in writing and signed, by the waiving party if a waiver, and both parties if a modification.
- h. **Purchase Orders.** The terms and conditions of Customer's purchase order(s), if any, whether issued before or after this Agreement is signed, shall not be binding between the parties.
- i. **Legal Proceedings/Collection Costs.** In the event of any legal proceeding between the parties to enforce any rights arising out of or relating to this Agreement, the prevailing party in such legal proceeding shall be entitled to recover its reasonable costs and attorneys' fees. Each party agrees to pay any reasonable collection costs that the other party incurs.

**ACCEPTED AND AGREED TO BY:**

Epicor Software Corporation

Signature   
 Name Richard Russo  
 Title VP & Worldwide Controller  
Epicor Software Corporation  
 Date 8/28/14

Customer

City of Grand Island  
 Signature   
 Printed Name Jay Vavricek  
 Title Mayor  
 Date 8-27-14



Amendment to Master Customer Agreement

This Amendment to Master Customer Agreement ("Amendment") is made and entered into as of the date signed by Epicor below, by and between Epicor Software Corporation ("Epicor") and City of Grand Island ("Customer").

RECITALS

A. Customer and Epicor are entering into a Master Customer Agreement (the "Agreement") pursuant to which Customer may obtain certain products and services from Epicor.

B. Epicor and Customer desire to amend the Agreement as provided herein.

NOW THEREFORE, in consideration of the above recitals and the mutual covenants and conditions contained below, Epicor and Customer hereby agree as follows:

1. In Section 1 of the signature page to the Agreement replace "State of Texas" with "State of Nebraska"; replace "Travis County, Texas" with "Travis County, Texas and Hall County, Nebraska"; and delete the last sentence.

2. In Section 7 of Agreement - General Terms, replace "14" with "45".

3. Respecting the Agreement - General Terms (Epicor HCM Hosted Deployment), references to "Exhibit(s) A" means the Hosting Services Order Form(s) entered into from time to time, including that Hosting Services Order dated August 1, 2014.

Except as provided herein the terms and conditions of the Agreement shall remain in full force and effect. All terms not defined in this Amendment shall have the meanings ascribed to them in the Agreement.

IN WITNESS WHEREOF, the undersigned parties have executed this Amendment as of the date first above written.

City of Grand Island
By: [Signature]
Print Name: Jay Vauricek
Title: Mayor
Date: 8-27-14

Epicor Software Corporation
By: [Signature]
Print Name: Richard Russo
Title: VP & Worldwide Controller
Epicor Software Corporation
Date: 8/28/14







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City of Grand Island

By: [Signature]

Print Name: Jay Vavricek

Title: Mayor

Date: 8-27-14

Epicor Software Corporation

By: [Signature]

Print Name: Richard Russo

Title: VP & Worldwide Controller

Date: 8/28/14

