

Terms of Service (“TOS”)

This Terms of Service Agreement (“Agreement”) is effective on the date you effectively accept its terms as recorded in our electronic logs (the “Effective Date”), is by and between you, the User (“Client”) and Outsourcing Solutions International, LLC (hereinafter “OSI”), a limited liability corporation organized under the law of the Commonwealth of Puerto Rico, with its principal office at Hereter Street, Manomanca Sector, Rincon Block, Gurabo, Puerto Rico 00778, for the procurement of Services (as defined in Section 1 Services below) from OSI in accordance with this Agreement.

All references herein to “Client” shall refer to Client, its affiliates and/or End Users that are receiving the OSI Products and Services (as those terms are defined in Section I. GENERAL TERMS, pursuant hereto.

These Terms of Service may change. The most current version of the Terms of Service shall always be available via OSI Website <https://www.alchavo.com/terminos-de-servicio-tos/>

RECITALS

WHEREAS, OSI is a corporation dedicated to providing software and service solutions in the field of payroll and accounting;

WHEREAS, OSI offers its clients access, through the Internet, a proprietary software which End Users utilize to facilitate their accounting needs (hereinafter “Software as a Service” or “SaaS”);

WHEREAS, Clients may also secure optional outsourcing services (hereinafter “OOS”);

WHEREAS, both parties have agreed to enter into this Agreement for the provision of selected SaaS and/or OOS.

- I. GENERAL TERMS (For BOTH SaaS and OOS)
 - a. OSI Products and Services. OSI Products and Services shall mean all SaaS and OOS.
 - i. SaaS – Software as a Service. The Software used by OSI is known as **AlChavo.com., a register trademark of OSI**. Alchavo.com includes the following modules, which Client shall select and approve each of the modules it desires to access: (i) Bank; (ii) Payments; (iii) Payroll; (iv) Receivables; (v) Financials; and (vi) Tasks.

AlChavo.com is an accounting and payroll software programmed and maintained by OSI. Both the software and the Client data reside at OSI’s servers. End Users access the software and the Client data through an Internet encrypted connection to OSI’s servers.

- ii. OOS – Optional Outsourcing Services. Client shall select and approve each service it desires to receive. OSI has the following services available for Client selection and use: (i) Data Entry; (ii) Bank Reconciliations; (iii) Payment Processing to Employees and Payees; (iv) Preparation of Financial Statements; (v) Payroll Deposits to Regulatory Agencies and Tax Filing; and (vi) Business Consulting; (vii) Equipment for Data Collection.

If Client is receiving any of the Services that requires OSI, as part of such Services, to impound funds from Client’s bank account to pay any Client’s third-party payment obligations (e.g., EDI, ACH, Tax Filing Services,

Payee Tax Withholding) ("Payment Services"), Client shall have sufficient, collected funds in Client's account within the deadline established by OSI to satisfy such third-party payment obligations in their entirety. OSI may commingle Client's impounded funds with other clients' funds, OSI's, or OSI-administered funds of a similar type. All amounts earned on such funds while held by OSI will be for the sole account of OSI.

b. End-Users. End Users shall be named and authorized, in writing, by Client. End Users for the purposes of this Agreement are defined as: i) Client's authorized employees, consultants, agents, contractors or temporary employees who use the OSI Products or Services; ii) Client's customers or visitors who have an authorized access to Client's system utilizing OSI Products or Services; iii) such other persons as OSI may authorize in writing. Client certifies that the execution of this Agreement is made and entered into by a duly authorized officer of Client and said execution warrants that any use by Client or any End User shall be made under the terms and conditions of this Agreement. Client may designate multiple End Users under Client's account, which will correspond to the level of services provided to or accessed by Client. Each End User shall have its unique username and password to access OSI Products or Services. The license to access provided herein is strictly subject to Client's compliance with the terms of this Agreement as well as by all End Users and all other users of Client's account. Client is ultimately responsible for administering and safeguarding any

passwords created to control access to OSI's Products or Services.

c. License Rights. OSI hereby grants Client a non-exclusive, non-transferable license to use the OSI Products or Services in Puerto Rico, any state of the United States of America, US Virgin Islands during the Term of this Agreement and in the manner contemplated by this Agreement. The right to use the OSI Products is granted to Client for the sole purpose of utilizing the Services described herein. Any license or right to access the OSI Products shall automatically terminate upon termination of this Agreement and/or OSI when ceases to provide Client with related Services.

d. Use of OSI Products and Services. OSI Products and Services include confidential and proprietary information. Client shall use OSI Products and Services only for the internal lawful business purposes of Client. Client shall not provide, directly or indirectly, any of OSI Products or Services, or any portion thereof, to any party other than the Client. Client shall not provide service bureau or other data processing services that make use of OSI Products or Services, or any part thereof, without the express written consent of OSI. Client represents that it has duly verified the identity of each of the employees and/or payees to whom it will make payments using OSI Products or Services through appropriate documentation provided by such employee or payee (e.g., I-9 documentation). Client shall be responsible for ensuring that its employees, plan participants and any other persons authorized by Client to access or use the OSI Products or Services comply with all the terms of this

Agreement. Client shall not damage, disable, overburden or materially impair OSI Products or Services.

- e. Protection of Client Files. OSI maintains appropriate security measures to protect the personal information of Client's customers, employees and payees consistent with applicable state and federal laws. Additionally, OSI will employ commercially reasonable storage (including backup, archive and redundant data storage, on-site and off-site) and commercially reasonable precautions to prevent the loss of, or alteration to, Client's data files and/or Client Content (as defined in Section 1 Client Content) in OSI's possession, but OSI does not undertake to guarantee against any such loss or alteration. OSI is not, and will not be, Client's official record keeper. Accordingly, Client will, to the extent it deems necessary, keep copies of all source documents of the information delivered to OSI (including maintaining printouts or electronic copies of Client Content input into any OSI Internet Service (as defined in Section 1 Client Content)).
- f. Client Content. "Client Content" shall mean: (i) payroll, payees, customer information, and similar information provided by Client or its End Users, including transactional information, as well as (ii) Client's trademarks, trade names, service marks, logos and designs provided by Client, (the "Authorized Marks"); which OSI includes, either directly as part of its setup services or through Client or any of its employees or payees, in any web-based OSI Product. Client shall be solely responsible for obtaining all required rights and licenses

to use and display the Client Content and for updating and maintaining the completeness and accuracy of all Client Content. Client grants OSI a right to use the Client Content for the sole purpose of providing OSI Products and Services.

- g. OSI Content. OSIPR.com and AlChavo.com are web-based portals that provide a point of access to OSI online solutions and resources related to accounting and payroll matters. Client understands that OSI may include informational content, forms and tools, banner advertisements for OSI and/or third-party products and services, on the client self-administration portion of OSI's AlChavo.com as well as the customer, payee and/or employee self-service portion of OSI's AlChavo.com. Upon written request by Client, OSI will remove banner advertisements that OSI has posted to OSI's AlChavo.com, which represent offers or promotions from OSI or OSI partners.
- h. No Transfer, Modification, etc. Client shall not, and shall not cause or permit others to assign, loan, sublicense, alter, modify, adapt, reproduce, duplicate, copy, sell, trade, resell or exploit for any commercial purposes, all or any portion of the OSI Products or Services, including Internet Services or any access or use thereof. Client will not write or modify interfaces or reports to any OSI Products, Services, or Internet Service except as expressly authorized by OSI. CLIENT WILL NOT RECOMPILE, DISASSEMBLE, REVERSE ENGINEER, OR MAKE OR DISTRIBUTE ANY OTHER FORM OF, OR ANY DERIVATIVE WORK FROM, OSI'S ALCHAVO.COM OR ANY OSI PRODUCT OR SERVICE.

- i. Password Protection. Client and End User agree to maintain the privacy of user names and passwords associated with OSI Products, Services or Internet Services. Client is fully responsible for all activities that occur under Client's or End Users, password or Internet account. Client agrees to: (i) immediately notify OSI of any unauthorized use of Client's password or Internet account or any other breach of security; (ii) immediately notify to OSI, in writing, if any End User account must be cancelled or inactivated and request written confirmation when maintenance is completed; and (iii) ensure that Client exits ("log off") from Client's Internet account at the end of each session. OSI shall not be liable for any damages incurred by Client or any third party arising from Client's failure to comply with this section.
- j. Links to Third Party Sites. The Site(s) may contain links to other Internet sites. Links to and from a Site to other third-party sites do not constitute an endorsement by OSI or any of its subsidiaries or affiliates of such third-party sites, an acceptance of responsibility for the content on such sites or any data transfer to such sites.
- k. Transmission of Data. In the event that Client requests that OSI provide any Client Content or customer, payee or employee information to any third party or to any non-U.S. Client location, Client represents that it has acquired any consents or provided any notices required to transfer such content or information and that such transfer does not violate any applicable international, federal, state or local laws and/or regulations.
- l. Indemnity. Client agrees to defend, indemnify and hold OSI harmless from and against any and all claims, losses, liability costs and expenses including, but not limited to, attorneys' fees arising from its violation of this Agreement, state or federal laws or regulations, or any third party's rights including, but not limited to, infringement or violation of any copyright, or any proprietary right and/or invasion of any privacy rights.
- m. Duty to Consult. Client shall be responsible for consulting OSI with relation to any determinations on the use of the SaaS or OSS. If such consult is not made, any guarantee or responsibility under the limitation on liabilities of this Agreement will be withdrawn and will not be valid.
- n. Accuracy of Client Information. All Services provided hereunder will be based upon information provided to OSI by Client (including but not limited to proof of federal, state, and local tax identification numbers). Upon receipt from OSI, whether electronically or otherwise, and within a term of 5 working days, Client shall review all disbursement records and other reports prepared by OSI for validity and accuracy according to Client's records and shall report, in writing, any discrepancies (in any case before distributing any paychecks or payee payments or relying on any such disbursement records or reports). To help prevent employee or payee fraud, Client shall designate someone other than its designated payroll or payee contact to review its disbursement reports. A prompt and thorough review allows Client to identify and correct errors and inconsistencies. OSI will not be

responsible for the accuracy, correctness or propriety of the documents or information provided by Client. Client shall be responsible for reviewing the accuracy, correctness and propriety of the documents and information that OSI processes and posts. If OSI receives any instructions authorized by Client and the instructions are erroneous in any way or form, OSI shall have no obligations or liability for such error. In addition, OSI will not be responsible for any missing information or lost documents. Information or instructions not posted or processed and received by OSI's software will not be the responsibility of OSI and OSI does not represent it will process or post said information if the same was not provided in accordance with this Agreement, the Addendums and the instructions presented to Client.

- o. Compliance with Laws. Client acknowledges that the OSI Products and Services are designed to assist Client in complying with applicable laws and governmental regulations, but that Client, **and not OSI**, shall be solely responsible for: (i) compliance with all laws and governmental regulations affecting its business, and (ii) any use Client may make of the OSI Products and/or Services, including any reports and worksheets produced in connection therewith, to assist it in complying with such laws and governmental regulations. Client will NOT rely solely on its use of the OSI Products and/or Services in complying with any laws and governmental regulations. Client will be responsible for complying with all requirements of applicable law or regulation, that affect its business generally or regarding security breaches

and suspected security breaches involving personal information that is stored on the computer systems. Payment Services are subject to the operating rules of the National Automated Clearing House Association ("NACHA"). OSI and Client each agree to comply with the NACHA rules applicable with respect to Payment Services.

- p. Disclaimer. OSI IS NOT A CERTIFIED PUBLIC ACCOUNTING OR LEGAL FIRM. OSI DOES NOT WARRANT THE PROVISION OF ANY LEGAL OR CERTIFIED ACCOUNTING ADVICE. Client acknowledges and agrees that OSI will not be deemed to be providing legal, financial, benefits, or tax advice to Client as a result of the OSI Products or Services provided herein. Any consulting provided by OSI is considered guidance to Client. Under the OSI Products or Services, any decisions and actions taken by Client are the ultimate responsibility of Client and OSI does not represent any guarantee or responsibility for the same.
- q. Duty to Revise. All of OSI's determinations and actions are mere recommendations on the services selected and requested by Client. All determinations, actions and filings (other than "Payroll Deposits to Regulatory Agencies and Tax Filing") shall be revised and approved by Client before final execution.

II. FEES, PAYMENTS AND TAXES

- a. Fees. Client shall pay OSI for the OSI Products and Services at the rates specified in the Service Rates published at OSI's web site, for the term set forth therein or, if applicable, the executed Proposal. Client shall pay OSI for the OSI

Products and Services additionally requested by Client after the Effective Date of this Agreement at OSI's then prevailing rates for such OSI Products and Services. OSI may increase rates for the OSI Products and Services at any time upon at least thirty (30) days prior written notice to Client, if such change is part of a general price change by OSI.

- b. Payments. OSI will electronically debit on or before the 5th of each month a Minimum Monthly Fee to be set and/or agreed upon in the Price Agreement or the executed Proposal. During the first week following each month of service, OSI will issue a detailed invoice, if additional transactions or services were rendered. Invoice will be delivered electronically by e-mail and shall be electronically collected on or before the 20th of that month.

Client shall reimburse OSI for any expenses incurred, including interest and reasonable attorney fees, in collecting amounts due to OSI hereunder that are not under good faith dispute by Client. THE MINIMUM MONTHLY FEE IS NON REFUNDABLE. C. Taxes. Client shall be responsible for payment of all taxes (excluding those on OSI's net income) relating to the provision of OSI Products and Services.

III. INTELLECTUAL PROPERTY (For BOTH SaaS and OOS)

- a. Ownership and Proprietary Rights. All OSI Products and Services, including but not limited to: (i) service codes and documentation, (ii) manuals or user information, (iii) the design and format of the input and output screens, (iv) graphical user interface, and printable form, reports and other hard copy output

incorporated in or generated by OSI, (v) and all additions, enhancements, revisions, updates, customizations or other modifications to the Products and Services or any part thereof are owned and control by OSI licensed to Client hereunder are the licensed and/or owned property of, and embody the proprietary trade secret technology of OSI and/or its licensor(s) and are protected by copyright laws, international copyright treaties, as well as other intellectual property laws, that among other things, prohibit the unauthorized use and copying of any OSI Products and Services. Client receives no rights to any OSI Products and Services or any intellectual property of OSI or its licensors, except as expressly stated herein, and nothing in this Agreement shall transfer any ownership rights to Client or End User.

- b. Use of Client's Authorized Marks. In the event that OSI makes available branding of any materials, cards and/or websites associated with OSI Products and Services and Client requests such branding, Client grants OSI, the card issuers and/or any third-party service providers designated by OSI the right to display Authorized Marks, subject to Client's right to review and approve the copy prior to the use of such Authorized Marks.

IV. NON DISCLOSURE (For BOTH SaaS and OOS)

- a. Non Disclosure. Client agrees to protect and hold and to cause all End Users to protect and hold all Confidential Information in strict confidence and to take all reasonable steps necessary to protect the Confidential Information from unauthorized and/or inadvertent disclosure. All Confidential Information

(as defined below) disclosed hereunder will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose the Confidential Information of the disclosing party and will use at least the same degree of care, discretion and diligence in protecting the Confidential Information of the disclosing party as it uses with respect to its own confidential information, but in no case less than reasonable care. The receiving party will limit access to Confidential Information to its affiliates, employees and authorized representatives in a need to know basis and will instruct them to keep such information confidential. Notwithstanding the foregoing, the receiving party may disclose Confidential Information of the disclosing party: (i) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it; (ii) as appropriate and with prior notice where practicable, to respond to any summons or subpoena or in connection with any litigation, and (iii) relating to a specific employee, to the extent such employee has consented to its release. Upon the request of the disclosing party, the receiving party will return or destroy all Confidential Information of the disclosing party that is in its possession.

Notwithstanding the foregoing, OSI may retain information for regulatory purposes or in back-up files, provided that OSI's confidentiality obligations hereunder continue to apply. For purposes of this Section, "Confidential Information" shall mean: all information of a confidential or proprietary nature,

including pricing and pricing related information and all personally identifiable payroll and employee-level data, provided by the disclosing party to the receiving party for use in connection with OSI Products or Services, or both. It will not include: (i) information that is already known by the receiving party; (ii) information that becomes generally available to the public other than as a result of disclosure by the receiving party in violation of this Agreement; and (iii) information that becomes known to the receiving party from a source other than the disclosing party on a non-confidential basis. The obligations of OSI set forth in this Section 5 shall not apply to any suggestions and feedback for product or service improvement, correction, or modification provided by Client in connection with any present or future OSI product or service, and, accordingly, neither OSI nor any of its clients or business partners shall have any obligation or liability to Client with respect to any use or disclosure of such information. Client and End Users will not export, re-export, divert, transfer or disclose, directly or indirectly, the Software or any related technical information, documents or materials, or any direct product thereof, to any person without the prior written approval of OSI. The obligations of this Section will survive the termination of this Agreement.

- V. TERM AND TERMINATION; DEFAULT (For BOTH SaaS and OOS)
 - a. Term. The term of this Agreement shall be for one quarter, commencing on the execution date of this Agreement. A quarter is defined as a 3-month period.

b. Termination\Suspension. This Agreement will automatically renew each natural quarter up to the end of said quarter (up to March 31, June 30, September 30 and December 31). Subject to the terms of any Price Agreement, OSI or Client may terminate this Agreement or any Service(s) provided hereunder without cause with a thirty (30) day prior written notice before said quarter's end (for example, to terminate the agreement as of September 30th, written notice must be received prior to August 31). Either party may also suspend performance and/or terminate this Agreement immediately upon written notice at any time if: (i) the other party is in material breach of any material warranty, term, condition or covenant of this Agreement and fails to cure that breach within thirty (30) calendar days after written notice is given thereof; (ii) the other party ceases business operations; or (iii) the other party becomes insolvent, generally stops paying its debts as they become due or seeks protection under any bankruptcy, receivership, trust deed, rearrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other and is not dismissed within ninety (90) calendar days after commencement of one of the foregoing events. OSI may also suspend performance and/or terminate this Agreement immediately without prior written notice in the event Client, its employee(s), End User or any other third party: (i) includes in any OSI Internet Service any Client Content which is obscene, offensive, inappropriate, threatening, or malicious; (ii) which violates any applicable law or regulation

or any contract, privacy or other third party right; (iii) which otherwise exposes OSI to civil or criminal liability; or (iv) wrongfully uses or accesses the OSI Products or Services used in the performance of its obligations under this Agreement. Additionally, OSI Products and Services may be immediately suspended or terminated by OSI without prior written notice if: (i) OSI has not received timely funds from Client as required by OSI; (ii) a bank notifies OSI that it is no longer willing to originate debits from Client's account(s) and/or credits on Client's behalf for any reason; (iii) the authorization to debit Client's account is terminated or OSI reasonably believes that there is or has been fraudulent activity on the account; (iv) OSI reasonably determines that Client no longer meets OSI's credit/financial eligibility requirements for such Services; or (v) Client has any material adverse change in its financial condition.

c. Post-Termination. In the event that the use of any OSI Products or Services is or may be terminated by OSI pursuant to the Term and Termination Section, OSI shall be entitled to allocate any funds remitted or otherwise made available by Client to OSI in such priorities as OSI (in its sole discretion) deems appropriate, including reimbursing OSI for payments made by OSI to a third party on Client's behalf. If any OSI Products or Services are terminated by either party, Client will immediately: (i) become solely responsible for all of its third-party payment obligations covered by such OSI Products or Services, including, for Payroll Deposits to Regulatory Agencies and Tax Filing, all related penalties and interest

then or thereafter due; (ii) reimburse OSI for all payments made by OSI to any third party hereunder on Client's behalf; and (iii) pay any and all fees and charges invoiced by OSI to Client relating to OSI Products or Services. If following the termination of this Agreement, OSI solely determines to provide OSI Products or Services to Client such services shall be billed and paid on an hourly basis until termination of such services. No action, claim, proceeding or cause of action arising under or in connection with this Agreement, regardless of the form, may be brought by Client later than sixty (60) days after termination or suspension of this Agreement or the use of OSI Products and Services.

VI. DISCLAIMER OF WARRANTIES (For SaaS)

- a. Online Access. Certain OSI Products or Services may be accessed by Client and its authorized customers, payees and employees through the Internet at a website provided by OSI or on behalf of OSI, including those hosted by OSI on behalf of Client (a"Site"). Client acknowledges that the security of transmissions over the Internet cannot be guaranteed. OSI is not responsible for: (i) Client's access to the Internet; (ii) interception or interruptions of communications through the Internet; or (iii) change or loss of data through the Internet. If a breach of security is suspected, in order to protect Client's data, and without prior written notice, OSI may immediately suspend Client's, End User's or third parties' Internet use of the OSI Products or Services.
- b. Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL

EQUIPMENT AND SOFTWARE PROVIDED BY OSI OR ITS SUPPLIERS IS PROVIDED "AS IS" AND OSI AND ITS LICENSORS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS, VIRUSES OR ANY OTHER MALICIOUS CODE WITH RESPECT TO THE SERVICES, THE OSI PRODUCTS, ANY CUSTOM PROGRAMS CREATED BY OSI OR ANY THIRD-PARTY SOFTWARE DELIVERED BY OSI. OSI AND ITS LICENSORS FURTHER DISCLAIM ANY WARRANTY THAT THE RESULTS OBTAINED THROUGH THE USE OF THE OSI PRODUCTS AND SERVICES, ANY CUSTOM PROGRAMS CREATED BY OSI OR ANY THIRD-PARTY SOFTWARE DELIVERED BY OSI WILL MEET CLIENT'S NEEDS. THE OSI PRODUCTS AND SERVICES ARE NOT A SUBSTITUTE FOR A PROFESSIONAL ACCOUNTANT AND ANY INFORMATION PRESENTED DOES NOT CONSTITUTE ACCOUNTING ADVICE. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY CLIENT FROM OSI OR THROUGH THE SERVICES SHALL CREATE ANY WARRANTY NOT EXPRESSLY STATED HEREIN.

OSI shall make its best efforts to maintain and protect client's data and accessibility to OSI's Products and Services. However, OSI does not make any warranties of any kind with respect to loss or corruption of data, loss or damage to equipment and/or Software, System response times, telecommunication lines or other communication devices, quality,

availability, reliability, security access delays or access interruptions, nor computer viruses, bugs or errors. OSI does not make any warranties that the Products and Services will not be interrupted or error free or as to the results that may be obtained from the use of the Products and Services and OSI assumes no responsibility. OSI, and its Affiliates, and their respective shareholders, directors, officers, employees, agents and other representatives are not liable, and expressly disclaim any liability for the content of any data transferred either to, or from, Client or stored by Client via the software provided.

- c. No Consequential Damages. NEITHER OSI NOR CLIENT WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR OTHER SIMILAR DAMAGES INCLUDING, WITHOUT LIMITATION, ANY LOSS OF PROFIT, DAMAGES FOR BUSINESS INTERRUPTION OR, LOSS OF INFORMATION, THAT THE OTHER PARTY MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE OSI PRODUCTS OR SERVICES, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- d. Infringement. If OSI receives notice of an infringement claim or otherwise concludes that the Products or Service may infringe the proprietary rights of a Third Party, Client will allow OSI to: (i) procure a Client's right to continue using the Software; (ii) modify or replace the Software to make it non-infringing, without adversely affecting its operating

specifications; or (iii) if OSI determines that neither (i) nor (ii) is practicable, terminate this Agreement and thus End User's right to use the infringing Software and accept its return. OSI will have no obligation to Client under the above section if the copyright or trade secret infringement claim is based on: (i) a modification of the Software not made or authorized by OSI; (ii) the combination of the Software with an item not supplied by OSI; or (iii) use of the Software in a manner not intended by this Agreement.

VII. LIMITATION ON LIABILITY (For OSS)

- a. Client Responsibility. Client shall comply with all terms and conditions under this Agreement including, but not limited to, up to date payment for the selected OSI Products and Services. All warranties are subject to Client's full compliance with this Agreement and the Payments of the selected OOS and the Addendums. Client shall be liable for, and shall indemnify OSI, and its Affiliates, and their respective shareholders, directors, officers, employees, agents and other representatives against, any loss, liability, claim, damage or exposure arising from or in connection with, the use of OSI Products or Services for any fraudulent or criminal acts of Client, Client's employees, users or payees. Additionally, Client shall reimburse OSI, and its Affiliates, and their respective shareholders, directors, officers, employees, agents and other representatives for: (i) actual damages incurred by OSI as a direct result of the criminal or fraudulent acts or willful misconduct of Client or any of its employees, Users and/or payees; (ii) any penalty imposed against OSI as a result of

an error or omission made by Client under this Agreement; or (iii) any interest assessed against OSI as a result of an error, misuse, misconduct or omission made by Client, Client's employees, users and/or payees as a result of its use of the OSI Products or Services under this Agreement. OSI and its Affiliates, and their respective shareholders, directors, officers, employees, agents and other representatives shall have no liability to Client for any third-party software that may be accessed by Client.

b. OSI Responsibility. The limitation on liability provided by OSI to Clients shall be based on the OOS selected by Client and are described in the Addendums to the Products or Services selected.

i. Full Liability – OSI shall correct any Client report, data or tax agency filings, as the case may be, produced incorrectly as a result of an OSI error, at no charge to Client. Additionally, OSI shall reimburse Client for: (i) actual damages incurred by Client as a direct result of the criminal or fraudulent acts or willful misconduct of OSI or any of its employees; (ii) any penalty imposed against Client as a result of an error or omission made exclusively by OSI in performing in its performance of the Payroll Deposits to Regulatory Agencies and Tax Filing ; or (iii) any interest assessed against Client as a result of OSI withholding Client tax funds past the applicable due date due as a result of an error or omission made by OSI in its performance of the Payroll Deposits to Regulatory Agencies and Tax Filing.

Notwithstanding anything to the contrary contained in this Agreement

(other than and subject to Section 6 Ownership and Proprietary Rights), OSI's aggregate liability under this Agreement during any calendar year for damages (monetary or otherwise) under any circumstances for claims of any type or character made by Client, End User or any third party arising from or related to OSI Products or Services, will be limited to the lesser of: (i) the amount of actual damages incurred by Client; (ii) the amount paid by OSI to Client during the three (3) month period preceding the event giving rise to the action; or (iii) ten thousand dollars (\$10,000). OSI will issue Client a credit(s) equal to the applicable amount and any such credit(s) will be applied against subsequent fees owed by Client.

ii. Partial Liability – OSI shall render assessment services for the determination of the liability at no cost to Client. OSI shall not reimburse Client for any direct or indirect cost to Client for the assessed error. Client shall pay any additional services under this liability on an hourly basis.

iii. No Liability – The assessment services under this liability shall be paid by Client on an hourly basis.

c. Scope of Liabilities. OSI shall not be responsible under any liability if Client fails to: (i) only use SaaS; (ii) notify OSI precise and accurate information; (iii) notify OSI of changes in tax and payroll status; (iv) have readily available funds as required by OSI; (v) follow OSI's operational instructions, guidance or agreements; (vi) follow legal or regulatory requirements. OSI shall have no liability to Client for any government third-party

software that may not be accessed by OSI for the provision of OSI Products and Services, or as a result of any government agency error.

- d. Funding. Client shall be liable for debits properly initiated by OSI hereunder. Client unconditionally promises to pay OSI the amount of any unfunded payroll file including any debit that is returned to OSI because of insufficient or uncollected funds or for any other reason plus any associated bank fees or penalties, upon demand and pay interest on the unfunded payroll amount at the rate of 1.5% per month (or the maximum allowed by law if less) plus a penalty fee of at least \$50. Also, if any debit to an employee or other payee's account reversing or correcting a previously submitted credit(s) is returned for any reason, Client unconditionally promises to pay the amount of such debit upon demand and interest thereon at the rate set forth in this Section. Client agrees to cooperate with OSI and any other parties involved in processing any transactions hereunder to recover funds credited to any employee as a result of an error made by OSI or another party processing a transaction on behalf of OSI.

VIII. MISCELLANEOUS (For BOTH SaaS and OOS)

- a. Inducement. Client has not been induced to enter into this Agreement by any representation or warranty not set forth in this Agreement.
- b. Third-Party Beneficiaries. With respect to the OSI Products and Services, OSI suppliers, vendors and referral partners may enforce the same disclaimers and limitations against Client as OSI may under this Agreement. Other than OSI

suppliers, vendors, and referral partners who are intended third-party beneficiaries, nothing in this Agreement creates, or will be deemed to create, third-party beneficiaries of, or under, this Agreement. OSI has no obligation to any third party, including Client's employees and/or any taxing authority, by virtue of this Agreement.

- c. Force Majeure. Any party hereto will be excused from complying with its obligations under this Agreement for any period of time that the party is prevented from performing its obligations hereunder as a result of an act of God, war, utility or communication failures, or other cause beyond the party's reasonable control. Both parties will use reasonable efforts to mitigate the effect of a force majeure event.
- d. Non-Hire. During the term of this Agreement and for the twelve (12) calendar months thereafter, neither Client nor OSI, shall knowingly solicit or hire for employment or as a consultant, any employee or former employee of the other party.
- e. Relationship of the Parties. The parties hereto expressly understand and agree that each party is an independent contractor in the performance of each and every part of this Agreement. Each party is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith.
- f. Governing Law. This Agreement is governed by the laws of the Commonwealth of Puerto Rico giving effect to its conflict of law provisions.
- g. Limitation of Claims. No action, claim, proceeding or course of action, arising

- under, or in connection with this Agreement, regardless of the form, may be brought by Client more than sixty (60) days after Client becomes aware of or should reasonably have become aware of the occurrence of events giving rise to the cause of action.
- h. Use of Agents. OSI may designate any agent or subcontractor to perform such tasks and functions to complete any services covered under this Agreement. However, nothing in this clause shall relieve OSI from responsibility for performance of its duties under the terms of this Agreement.
 - i. Age Requirement. The User registering to use OSI Products and Services must be of Minimum Age (as defined below) or older. "Minimum Age" means eighteen (18) years old for the United States and its Territories. However, if law requires that User must be older for OSI to lawfully provide the Services to the User (including collection, storage and use of User information) the Minimum Age is such older age.
 - j. Notices. Notices to Client from OSI may be made by either e-mail, regular mail or by displaying notices or links to notices to Client on the web site. Notices from Client to OSI shall be made by certified mail, return receipt requested to the respective addresses of the parties as contained in this Agreement.
 - k. Waiver. The failure of either party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure by the other party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other party.
 - l. Headings. The headings used in this Agreement are for reference only and do not define, limit or otherwise affect the meaning of any provisions hereof.
 - m. Severability. If any part of this Agreement turns out to be invalid or unenforceable for some reason, then it will be replaced with a provision that, as closely as possible, achieves the same purpose as the original, and the remainder of the Agreement will still be binding. In the event that any provision hereof is held to be illegal, invalid or unenforceable by final unappealable order, decree or judgment of any court, such provision shall be deemed to be separate from all of the other provisions hereof and the remaining provisions shall remain in full force and effect as if such illegal, invalid or unenforceable provision were not a part hereof.
 - n. Entire Agreement and Conflicts Clause. This Agreement contains the entire agreement of the parties with respect to its subject matter and supersedes and overrides all prior agreements on the same subject matter, and shall govern all disclosures and exchanges of Confidential Information made by the parties previously hereto. This Agreement shall not be modified except in writing signed by OSI and Client. In the event of a conflict between the terms of this Agreement and any additional terms, the terms of this Agreement shall control, unless an Addendum to this Agreement is executed simultaneously herewith or subsequently hereto, in which case the terms of such Addendum shall control.

IX. Information captured by Data Collection Devices

- a. OSI establishes this policy related to the information that is collected and transmitted to OSI as a result of OSI Client's use of data collection devices (e.g. Timeclock, HandPunch, etc.) (the "Timeclock Equipment"). This is an optional service (OOS), as defined in this Agreement. Clients are responsible for maintaining their own data collection, disclosure, retention, and storage policies as may apply to them under applicable law.
- b. OSI's clients are responsible for compliance with applicable law and for adopting their own data privacy policies. OSI's clients agree that, they must: (a) Inform the employee in writing that the data is being collected, stored, and used; (b) Indicate the specific purpose(s) for collecting the data and length of time for which it is being collected, stored, and used; and (c) Receive a written release from the employee (or his or her legally authorized representative) of the data authorizing the client, OSI and/or the licensor of OSI time and attendance software to collect, store, and retain the employee biometric data utilized by the Timeclock Equipment, and authorizing the Client to provide such data to OSI and the licensor of OSI time and attendance software. OSI will not sell, lease or trade any data that it receives from its Clients as a result of their use of Timeclock Equipment.
- c. OSI shall use a reasonable standard of care to store, transmit and protect from disclosure any paper or electronic biometric data collected, and shall store, transmit, and protect from disclosure all

data in a manner that is the same as or more protective than the manner in which OSI stores, transmits, and protects other personal information that can be used to uniquely identify an individual or an individual's account or property, such as genetic markers, genetic testing information, account numbers, PINs, driver's license numbers, and social security numbers.

X. Timeclock Equipment Agreement

- a. Time and Attendance Products. OSI agrees to provide Client with Timeclock Equipment, time and attendance module and related services (collectively, the "Time Products") described in the Sales Order.
- b. Installation. Client shall provide the place and install all power, wiring and cabling required for the installation of any Timeclock Equipment. Client shall also pay an installation and setup fee for each unit of Timeclock Equipment if such equipment is installed on Client's premises by OSI.
- c. Use of Timeclock Equipment and Right to Inspect. Regarding Timeclock Equipment provided on a subscription basis only, Client shall not make any alterations or attach any device not provided by OSI to the Timeclock Equipment, nor shall Client remove the Timeclock Equipment from the place of original installation without OSI prior consent. Upon reasonable written notice to Client, OSI shall have the right to enter Client's premises to inspect the Timeclock Equipment during normal business hours.
- d. Title to the Timeclock Equipment shall at all times remain in OSI unless Client has chosen the purchase option and has paid

- OSI in full the purchase price. Except if so purchased and paid for by Client, the Timeclock Equipment is and at all times shall remain, a separate item of personal property notwithstanding its attachment to other Timeclock Equipment or real property.
- e. Return of Timeclock Equipment. Upon termination or cancellation of this Agreement, Client shall, at its expense, return the Timeclock Equipment to OSI in accordance with OSI's instructions. The Timeclock Equipment shall be returned in as good condition as received by Client, except for normal wear and tear. In the event the Timeclock Equipment is not returned within thirty (30) days, Client agrees to purchase it at the prevailing manufacturer's suggested retail price. If timely payment for the Timeclock Equipment is not made by Client, OSI shall have the right to take immediate possession of such equipment. The terms of this shall not apply if prior to the time of such termination or cancellation Client already purchased and paid for the Timeclock Equipment in full.
 - f. Warranty. OSI warrants to Client that the Timeclock Equipment shall be free from defects in material and workmanship at the date such Timeclock Equipment is shipped and for ninety (90) days thereafter. OSI's sole obligation in case of any breach of any warranty contained herein shall be to repair or replace, at OSI's option, any defective items. The foregoing is the extent of OSI's liability with respect to all claims related to Timeclock Equipment, including without limitation, contract and negligence claims and shall constitute Client's sole remedy.
 - g. Maintenance Fees. Maintenance services for the Timeclock Equipment apply automatically to Timeclock Equipment obtained under the subscription option (and any charges therefore are already included in the monthly time and attendance subscription fees). The costs for maintenance services for Timeclock Equipment under the purchase option are not included in the purchase price for such equipment; a separate annual maintenance fee applies (\$250.00). Client, under the purchase option, may terminate its receipt of maintenance services by providing written notice to OSI no less than thirty (30) days prior to the end of the then current annual coverage period. OSI is not required to rebate to Client any maintenance fees relating to a current or prior coverage period. (NOTE: If Client selects the purchase option but opts not to receive (or terminates) maintenance services hereunder by executing a waiver of maintenance services, any such services provided by OSI at Client's request will be subject to OSI's then current charges for such services.) No Timeclock Equipment maintenance is done at the Client site. Client shall bear all delivery/shipping costs and all risk of loss during shipment/delivery of Timeclock Equipment relating to maintenance services.
 - h. Maintenance Services. OSI will maintain the Timeclock Equipment to be free from defects in material and workmanship as follows: Any parts found to be defective (except as specifically excluded below) shall be replaced or repaired, at OSI's or

its designee's option, without charge for parts or labor, provided that the Timeclock Equipment has been properly installed and maintained by Client and provided that such equipment has been used in accordance with this Agreement and any online or shrink-wrap terms or license, or other accompanying documentation including, but not limited to, Client's Sales Order provided by OSI or its designee and has not been subject to abuse or tampering. The foregoing repairs and replacements may be made only by OSI or its designee, and will be made only after OSI or its designee is notified of a problem, receives delivery from Client of the Timeclock Equipment at issue and determines that it results from defective materials or workmanship. Notwithstanding the foregoing, OSI may deliver a temporary replacement item for Client's use while such determination is being made with respect to the Timeclock Equipment in question. Repairs and replacements required as a result of any of the following shall not be included in the foregoing maintenance services and shall be charged at OSI's then current rates: (i) damage, defects, or malfunctions resulting from misuse, accident, neglect, tampering, unusual physical, or electrical stress, or causes other than normal or intended use; (ii) failure of Client to provide and maintain a suitable installation environment; (iii) any alterations made to or any devices not provided by OSI attached to the Timeclock Equipment; and (iv) malfunctions resulting from use of badges or supplies not approved by OSI.

- i. Upgrades. In order to keep the Time Products current, OSI may from time to time perform maintenance fixes and other upgrade to the Time Products Client is then receiving. OSI will perform these upgrades on Client's behalf for all hosted products. For non-hosted products, Client will be required to install the upgrade provided by OSI in accordance with the written notice provided to Client.