

**TimeClock Plus OnDemand
Master SaaS Agreement**

THIS AGREEMENT is entered into as of 11/14/2017 | 2:19 PM PST ("Effective Date"), by and between Data Management, Inc., a Texas corporation with its principal office located at 1 Time Clock Drive, San Angelo, TX 76904 ("DMI"), and Palouse Prairie Charter School, located at 1500 S. Levitts Way Idaho 83843, with its principal office ("Client").

WHEREAS, DMI and Client desire to enter into this Agreement for the provision of hosted services by DMI to Client, as provided herein.

NOW, THEREFORE, in reliance on the mutual covenants and promises, representations and agreements set forth herein, the parties agree as follows:

1. Definitions.

1.1 "Affiliate" means with respect to Client, any parent or subsidiary corporation, and any corporation or other business entity controlling, controlled by or under common control with Client.

1.2 "DMI Technology" means the computer hardware, software and other tangible equipment and intangible computer code contained therein used by DMI in the provision of the TCP Services.

1.3 "TCP Services" means the hosted TimeClock Plus software application hosted by DMI in accordance with DMI's then-current hosting environment and including the ancillary services described in this Agreement.

1.4 "Client Equipment" means the computer hardware, software and other tangible equipment and intangible computer code employed by Client in its use of the TCP Services.

1.5 "Client Data" means Client's information or other data processed, stored or transmitted by, in or through the TCP Services.

1.6 "Designated Users" means the number of identifiable unique persons who are authorized by Client at any one time to use the TCP Services as set forth in the Order Form.

1.7 "Use Fees" means the fees set forth on the applicable Order Form or Invoice.

1.8 "Internet Data Center(s)" means any of the facilities used by DMI to provide the TCP Services.

1.9 "Maintenance And Support Services" means the services and related terms and conditions as provided in the Maintenance And Support Terms attached as Exhibit A.

1.10 "Order Form" means a written document mutually agreed upon and executed by the parties for ordering products and/or services, and which expressly incorporates the terms of this Agreement.

1.11 "Term" means the meaning set forth in Section 14.

1.12 "Unsecured Client Data" means Client Data that has not been rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of at least 128 bit encryption technology.

1.13 "Employee" means Customer's individual employee or contractor for whom Customer has paid the required fee under this Agreement.

1.14 "Active Employee" means a Customer Employee that has not been marked as either terminated or suspended within the TimeClock Plus OnDemand system.

1.15 "Monthly Employee Fee" means DMI's then current fee for each of Client's Employees to access and use the Services, measured over the course of each calendar month, no matter the term of this Agreement.

2. Provision of Services. Subject to the other terms and conditions of this Agreement, DMI grants to Client and its Affiliates only for their Designated Users a nonexclusive right and subscription license and to access and use the TCP Services during the Term only for internal business purposes of processing, storing and maintaining Client Data. DMI shall provide the TCP Services during the Term in accordance with the terms and conditions of this Agreement.

3. Security. As part of the TCP Services, DMI shall implement reasonable security procedures consistent with industry best standards to protect Client Data from unauthorized access, including without limitation (i) 128-bit encryption of data at rest within DMI's servers, movable computing devices, and data communications, (ii) firewalls, (iii) virus detection and anti-virus software, (iv) authentication techniques, such as user names and passwords, or authorization formats, which limit access to particular users; and (v) additional security controls consistent with SOC 2 reporting standards (the "Security Standard"). In addition, DMI shall not host or archive Client Data outside the United States. Client agrees that DMI shall not, under any circumstances, be held responsible or liable for situations where the security, stability, or availability of the TCP Services is compromised by Client or a Designated User.

4. Breaches of Security. DMI shall implement reasonable and appropriate security procedures consistent with prevailing industry standards to protect Client Data from unauthorized access by physical and electronic intrusion; provided, however, unless resulting from the failure of DMI to perform the forgoing obligations, the parties agree that DMI shall not, under any circumstances, be held responsible or liable for situations (i) where data or transmissions are accessed by third parties through illegal or illicit means, or (ii) where the data or transmissions are accessed through the exploitation of security gaps, weaknesses, or flaws unknown to either party at the time. DMI will promptly report to Client any unauthorized access to Client Data promptly upon discovery. DMI will use diligent efforts to promptly remedy any breach of security that permitted such unauthorized access. In the event notification to persons included in such Client Data is required, DMI will provide reasonable assistance to Client; however, Client shall be solely responsible for any and all such notifications at its expense.

5. Lost Data; Recovery. DMI shall undertake commercially reasonable efforts to backup Client Data. The parties agree, however, that DMI shall not be responsible for (i) the accuracy and adequacy of any Client Data or (ii) for maintaining procedures other than the TCP Services for reconstruction of lost data.

6. Relocation of DMI Supplied Equipment. In the event that DMI deems it necessary to relocate the DMI Technology to another Internet Data Center operated by or for DMI, Client will cooperate in good faith with DMI to facilitate such relocation. DMI shall be solely responsible for any costs and expenses incurred by DMI in connection with any such relocation and will use commercially reasonable efforts, in cooperation with Client, to minimize and avoid any interruption to the TCP Services.

7. Restriction on Use. Client covenants and agrees that its use of the TCP Services will be in a manner consistent with this Agreement and with all applicable laws and regulations, including

trade secret, copyright, trademark, and export control laws. Without limiting the generality of the foregoing, Client shall not, nor shall it permit or assist others, to:

- 7.1 abuse or fraudulently use the TCP Services;
- 7.2 obtain or attempt to obtain TCP Services by any fraudulent means or device with intent to avoid paying the Use Fees;
- 7.3 allow access to the TCP Services other than by the Designated Users;
- 7.4 permit any third party that is not an Affiliate to use or access the TCP Services;
- 7.5 process or permit to be processed the data of any third party that is not an Affiliate;
- 7.6 Clause removed;
- 7.7 attempt to copy, reverse-engineer, decompile, disassemble, create a derivative work from, or otherwise attempt to derive the source codes of any part of the DMI Technology; or
- 7.8 access, alter, or destroy any information of another customer of DMI by any fraudulent means or device, or attempt to do so.

8. Cooperation With Authorities. If either party is requested to disclose all or any part of any Confidential Information (defined in Section 19) under a subpoena or inquiry issued by a court of competent jurisdiction or by a judicial or administrative agency or legislative body or committee, the receiving party shall (i) immediately notify the disclosing party of the existence, terms and circumstances surrounding such request; (ii) consult with the disclosing party on the advisability of taking legally available steps to resist or narrow such request and cooperate with the disclosing party on any such steps it considers advisable; and (iii) if disclosure of the Confidential Information is required or deemed advisable, exercise its best efforts to obtain an order, stipulation or other reasonably acceptable assurance that the Confidential Information or part thereof required to be disclosed shall retain its confidentiality and remain otherwise subject to this Agreement. Although DMI will not systematically monitor the Client Data, DMI reserves the right, upon prior written notice to Client, to remove access to Client Data to comply with applicable law, provided, however, that access to such Client Data will be restored upon a mutual determination of the parties that such Client Data is in compliance with, or has been modified to be in compliance with, applicable law.

9. Clause removed.

10. Supplemental Services; Master Agreement.

10.1 DMI may provide to Client supplemental services in accordance with a Statement of Work and a separate services agreement.

10.2 Client may elect to purchase additional products and services via Order Forms from time to time. The parties agree that this Agreement is a master agreement such that additional transactions will be governed by the terms and conditions hereof. Pricing for additional transactions shall be in accordance with DMI's then-current pricing schedule. Client agrees that, absent DMI's express written acceptance thereof indicated by execution by an officer of DMI, the terms and conditions contained in any purchase order or other document issued by Client to DMI for the purchase of additional services, shall not be binding on DMI to the extent that such terms and conditions are additional to or inconsistent with those contained in this Agreement.

11. Use Fees.

11.1 In consideration for the performance of the TCP Services, Client shall pay DMI the Use Fees. During the Term, Client will be billed in advance an amount equal to the annual charges as indicated in the applicable Order Form. All other charges approved by Client for TCP Services received and expenses incurred during a month (e.g., additional data storage fees and travel expenses) will be billed at the end of the month in which the TCP Services were provided. Payment by Client for all fees is due upon receipt of each DMI invoice, and in no event shall payment be received by DMI later than thirty (30) days after the invoice date. All payments will be made to DMI at its offices in San Angelo, Texas, in U.S. dollars.

11.2 Subsequent to the initial term specified in the applicable Order Form, DMI may increase the Use Fees at any time effective thirty (30) days after providing notice to Client; provided, however, that any such increase will not occur more than once in a consecutive twelve (12) month period and such increase shall not exceed five (5)%.

11.3 Charges will be equal to the number of total Employees multiplied by the Monthly Employee Fee. Client is responsible for Monthly Employee Fees for the total number of Active Employees who are made active during any calendar month. Client may add additional Employees as desired each month, by paying the Monthly Employee Fees on the next billing cycle.

11.4 Employees added at any time during a calendar month will be charged in full for that billing period. Because you are billed in advance for Services, if Client increases their Active Employee count during a calendar month, Client's next statement and charges will reflect the increased employee count with overage charges incurred from the previous month and prorated over the number of months remaining in the term.

Please select your preferred billing/payment cycle: Annual Prepay

Please select your preferred billing/payment method: Net Terms

12. Taxes. Client, if not a tax exempt entity, shall, in addition to the other amounts payable under this Agreement, pay all sales, use, value added or other taxes, whether federal, state or local, however named, arising out of the transactions contemplated by this Agreement, except that Client shall not be liable for taxes based on DMI's aggregate income.

13. Non-Payment. If Client is delinquent in its payments, DMI may, upon written notice to Client, (i) modify the payment terms to require full payment before providing any TCP Services; (ii) may require other assurances by Client to secure Client's payment obligations hereunder; or (iii) suspend the provision of TCP Services until the earlier of (a) Client's payment of all such amounts and interest thereon or (b) this Agreement is terminated pursuant to Section 15.

14. Term; Guaranteed Payment.

Check one:

Annual Agreement

Monthly Agreement

If Annual Agreement:

This Agreement commences on the Effective Date and, unless terminated earlier in accordance with Section 15, will remain in effect for the initial term of one (1) year (“Initial Term”), and then shall automatically renew for subsequent one (1) year terms thereafter, unless either party gives written notice of non-renewal at least ninety (90) days prior to the end of the then current term (the Initial Term and subsequent renewal terms being referred to as the “Term”). Except for a termination of this Agreement by Client for cause under Section 15 or Exhibit B, Section 10 (Termination Option For Chronic Problems), in the event of any termination of this Agreement for any reason prior to the expiration of the Initial Term, the entire balance of unpaid Use Fees for the remainder of the Initial Term shall accelerate and become due and payable immediately in a lump sum.

If Monthly Agreement:

This Agreement commences on the Effective Date and, unless terminated earlier in accordance with Section 15, will remain in effect for the initial term of one (1) month (“Initial Term”), and then shall automatically renew for subsequent one (1) month terms thereafter, unless either party gives written notice of non-renewal at least thirty (30) days prior to the end of the then current term (the Initial Term and subsequent renewal terms being referred to as the “Term”). Except for a termination of this Agreement by Client for cause under Section 15 or Exhibit B, Section 10 (Termination Option For Chronic Problems), in the event of any termination of this Agreement for any reason prior to the expiration of the Initial Term, the entire balance of unpaid Use Fees for the remainder of the Initial Term shall accelerate and become due and payable immediately in a lump sum.

Term Start Date: 11/15/17

Enter the starting *day* of your organization’s workweek (used for calculating overtime). Example, if your workweek runs from Mon – Sun, enter Monday as the start day.

Workweek Start Day: Sunday

15. Termination for Cause. A party may terminate this Agreement for cause if (i) the other party breaches any material term or condition of this Agreement and fails to cure such breach within thirty (30) days after receipt of written notice of the same, or in the case of failure to pay Use Fees, five (5) days; (ii) the other party becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation or composition for the benefit of creditors; or (iii) the other party becomes the subject of an involuntary petition in bankruptcy or any involuntary proceeding relating to insolvency, receivership, liquidation or composition for the benefit of creditors, and such petition or proceeding is not dismissed within sixty (60) days of filing. Client may also terminate this Agreement as provided in Exhibit B, Section 10. Notwithstanding the foregoing, if a material breach by Client, by its nature, cannot be cured, DMI may terminate this Agreement immediately.

16. Effect of Termination. Without prejudice to any right or remedy of a party with respect to the other party’s breach hereunder, upon the effective date of any termination of this Agreement:

16.1 DMI’s obligation to provide the TCP Services shall immediately terminate;

16.2 any and all payment obligations of Client under this Agreement for TCP Services provided through the date of termination will immediately become due;

16.3 promptly after such termination, DMI shall provide Client Data to Client in a database document format reasonably requested by Client; provided, however that the fees for

the creation and delivery of the Client Data database shall be capped at 1/12th of the annual Use Fees per month; and

16.4 within thirty (30) days of such termination, each party will return all additional Confidential Information of the other party in its possession and will not make or retain any copies of such Confidential Information except as required to comply with any applicable legal or accounting record keeping requirement.

17. Transition Services. Except for termination by DMI for voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation or composition for the benefit of creditors, upon receipt by DMI of Client's final payment for TCP Services, for a period of time not to exceed six (6) months following DMI's receipt of such final payment (the "Termination Assistance Period"), DMI will provide the TCP Services and any and all assistance reasonably requested by Client to allow the TCP Services to continue without interruption or adverse effect and to facilitate the orderly transfer of Client to a successor service provider or solution. During the Termination Assistance Period, Client shall continue to pay DMI fees equivalent to the then-current Use Fees, such fees to be pro-rated and payable on a monthly basis. In addition, Client will pay DMI fees for activities associated with the transition to a successor service provider or solution that are not within the scope of the TCP Services, such additional fees to be payable on a time and materials basis at DMI's then-current hourly rates, and such activities to include DMI's provision of Client Data in a database document format reasonably requested by Client; provided, however that the fees for the creation and delivery of the Client Data database shall be capped at 25% of the annual Use Fees.

18. Clause Removed.

19. Confidential Information.

19.1 Each party (the "Receiving party") acknowledges that it will have access to certain confidential information of the other party (the "Disclosing party") concerning the Disclosing party's business, plans, customers, software, technology and products, other information held in confidence by the Disclosing party, and Non-Public Personal information (defined below). In addition, a Disclosing party's confidential information will include (i) all information in tangible or intangible form that is marked or designated as confidential or that, under the circumstances of its disclosure, should be considered confidential, and (ii) the DMI Technology and related algorithms, logic, design, and coding methodology, Client Data, and the terms and conditions of this Agreement, but not its existence (all of the foregoing being referred to as "Confidential Information").

19.2 "Non-Public Personal Information" means any of the following information received by the Receiving party from the Disclosing party: any identifier that permits physical or online contacting of a specific individual person, including without limitation, any one or more of (i) first and last name, (ii) home or physical address, (iii) email address, (iv) telephone number, or (v) social security number.

19.3 The Receiving party agrees that it will not use in any way, for its own account or the account of any third party, except as expressly permitted by, or required to achieve the purposes of, this Agreement, nor disclose to any third party (except as required by law or to that party's attorneys, accountants and other advisors as reasonably necessary), any of the Disclosing party's Confidential Information and will take reasonable precautions to protect the confidentiality of such information in at least the same manner as is necessary to protect its own Confidential Information.

19.4 Each party represents and warrants that it has implemented a comprehensive written information security program that includes appropriate administrative, technical and physical safeguards to: (i) ensure the safety and confidentiality of Non-Public Personal

Information; (ii) protect against unauthorized access to and use of Non-Public Personal Information; and (iii) protect against anticipated threats or hazards to the security or integrity of Non-Public Personal Information. To the extent that the Receiving party is permitted to retransmit any Confidential Information it receives from the Disclosing party, the mode of retransmission must be at least as secure as the mode by which the Disclosing party transmitted the Confidential Information to the Receiving party.

19.5 Information will not be deemed Confidential Information hereunder if such information: (i) is known to the Receiving party prior to receipt from the Disclosing party, whether directly or indirectly, from a source other than one having an obligation of confidentiality to the Disclosing party; (ii) becomes known (independently of disclosure by the Disclosing party) to the Receiving party, whether directly or indirectly, from a source other than one having an obligation of confidentiality to the Disclosing party; (iii) becomes publicly known or otherwise ceases to be secret or confidential, except through a breach of this Agreement by the Receiving party; or (iv) is independently developed by the Receiving party.

19.6 The provisions of this Section 19 are subject to the limitation on DMI's liability set forth in Section 4, but only to the extent that a breach of this Section 19 results from an unauthorized third party using illicit means to access the Services or the DMI Technology. A breach of this Section 19 that results from access to the Services or the DMI Technology by current or former personnel of DMI or any of its subcontractors or providers, shall not be subject to the limitation on DMI's liability set forth in Section 4.

20. Injunctive Relief. The parties hereby agree that any breach of any provision hereof regarding confidentiality or protection of intellectual property rights would constitute irreparable harm, and that the aggrieved party shall be entitled to seek specific performance and/or injunctive relief in addition to other remedies at law or in equity.

21. Intellectual Property Ownership. This Agreement does not transfer from DMI to Client any ownership interest in the DMI Technology. The intellectual property rights embodied in the DMI Technology shall remain in and be the sole and exclusive property of DMI and its licensors. This Agreement does not transfer from Client to DMI any ownership interest in Client Data.

22. Client Representations and Warranties.

22.1 Client represents and warrants that the performance of its obligations and use of the TCP Services (by Client and its Designated Users) will not violate any applicable laws, cause a breach of any agreements with any third parties, or unreasonably interfere with the use by other DMI customers of DMI services.

22.2 Client represents and warrants that its Affiliates' use of the TCP Services, if any, shall not relieve Client of any liability under this Agreement, and Client shall be responsible and liable for the acts and omissions of its Affiliates hereunder as if performed or omitted by Client.

22.3 Client acknowledges that DMI exercises no control whatsoever over the content of the information passing through the TCP Services and that it is the sole responsibility of Client to ensure that the information it and its Users transmit and receive thereby complies with all applicable laws and regulations, whether now in existence or hereafter enacted and in force.

22.4 In the event of any breach of any of the foregoing representations or warranties in this Section 22, in addition to any other remedies available at law or in equity, DMI will have the right to suspend immediately any TCP Services if deemed reasonably necessary by DMI to prevent any harm to DMI and its business. DMI will provide notice to Client and an opportunity to cure, if practicable, depending on the nature of the breach. Once cured, DMI will promptly restore the TCP Services.

23. **DMI Representations and Warranties.** DMI represents and warrants that (i) it has the legal right to enter into this Agreement and perform its obligations hereunder, and (ii) the performance of its obligations and delivery of the TCP Services to Client will not violate any applicable laws or regulations of the United States or cause a breach of any agreements between DMI and any third parties. In the event of a breach of the warranties set forth in this Section 23, Client's sole remedy is termination of this Agreement upon written notice to DMI.

24. **Limited Warranty.** DMI represents and warrants that the TCP Services will be free of errors and defects that materially affect the performance of the TCP Services ("Limited Warranty"). Client's sole and exclusive remedy for breach of the Limited Warranty shall be the prompt correction of non-conforming TCP Services at DMI's expense.

25. **Service Level Agreement.** The TCP Services Level Agreement set forth in Exhibit B states Client's sole and exclusive remedy for any performance failure of the TCP Services in terms of levels of service.

26. **Warranty Disclaimer.** EXCEPT FOR THE EXPRESS LIMITED WARRANTY SET FORTH IN SECTION 24 (LIMITED WARRANTY), THE TCP SERVICES ARE PROVIDED BY DMI ON AN "AS IS" BASIS, AND CLIENT'S USE OF THE TCP SERVICES IS AT CLIENT'S OWN RISK. DMI AND ITS SUPPLIERS DO NOT MAKE, AND HEREBY DISCLAIM, ANY AND ALL OTHER EXPRESS AND/OR IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AGAINST HIDDEN DEFECTS, NONINFRINGEMENT, AND TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE. DMI DOES NOT WARRANT THAT THE TCP SERVICES WILL BE UNINTERRUPTED, ERROR-FREE, OR SECURE. NOTHING STATED OR IMPLIED BY DMI WHETHER THROUGH THE TCP SERVICES OR OTHERWISE SHOULD BE CONSIDERED LEGAL COUNSEL. DMI HAS NO RESPONSIBILITY TO NOTIFY CLIENT OF ANY CHANGES IN THE LAW THAT MAY AFFECT USE OF THE TCP SERVICES. ANY ORAL STATEMENT OR IMPLICATION BY ANY PERSON CONTRADICTING THE FOREGOING IS UNAUTHORIZED AND SHALL NOT BE BINDING ON DMI. CLIENT ACKNOWLEDGES THAT IN ENTERING INTO THIS AGREEMENT, CLIENT HAS RELIED UPON CLIENT'S OWN EXPERIENCE, SKILL AND JUDGMENT TO EVALUATE THE TCP SERVICES AND THAT CLIENT HAS SATISFIED ITSELF AS TO THE SUITABILITY OF SUCH SERVICES TO MEET CLIENT'S REQUIREMENTS.

27. **DMI's Intellectual Property Indemnity.** DMI will indemnify, defend and hold harmless Client and its Affiliates from and against any lawsuit, liabilities, loss, cost or expense arising out of a third-party claim made against Client that the DMI Technology infringes on any U.S. intellectual property right of a third party; provided, however, that DMI is notified in writing of such claim promptly after such claim is made upon Client. DMI shall have the right to control any defense provided pursuant to this Section 27. In no event shall Client settle any such claim without DMI's prior written approval. DMI shall have no liability or obligation under this Section 27 if the claim arises from (i) any alteration or modification to the DMI Technology other than by DMI, (ii) any combination of the DMI Technology with other programs or data not furnished by DMI, or (iii) any use of the DMI Technology prohibited by this Agreement or otherwise outside the scope of use for which the DMI Technology is intended.

27.1 **Options for Infringement Claims.** If any party is enjoined from using the DMI Technology, or if DMI believes that the DMI Technology may become the subject of a claim of intellectual property infringement, DMI, at its option and expense, may: (i) procure the right for Client to continue to use the TCP Services; (ii) replace or modify the DMI Technology so as to make it non-infringing; or (iii) terminate this Agreement, in which case DMI shall refund to Client any and all Use Fees paid in advance by Client for those TCP Services not provided by DMI and provide, at Client's request and free of charge, the Client Data in a database document format.

27.2 Entire Liability. This Section 27 sets forth the entire liability of DMI to Client for any infringement by the DMI Technology of any intellectual property right of any third party.

28. Consequential Damages Waiver. EXCEPT FOR CLAIMS ARISING OUT OF SECTION 27 (DMI'S INTELLECTUAL PROPERTY INDEMNITY), AND SECTION 19 (CONFIDENTIAL INFORMATION), IN NO EVENT WILL EITHER PARTY BE LIABLE OR RESPONSIBLE TO THE OTHER FOR ANY TYPE OF SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING LOST REVENUE, LOST PROFITS, REPLACEMENT GOODS, LOSS OF TECHNOLOGY, RIGHTS OR SERVICES, LOSS OF DATA, OR INTERRUPTION OR LOSS OF USE OF SERVICE OR EQUIPMENT, EVEN IF THE PARTY CAUSING SUCH DAMAGES OR ANY AFFECTED SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER ARISING UNDER THEORY OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING ALLOCATION OF RISK IS REFLECTED IN THE FEES CHARGED UNDER THIS AGREEMENT.

29. Liability Cap. Except for claims arising out of Section 27 (DMI's Intellectual Property Indemnity) and Section 19 (Confidential Information), in no event shall DMI's aggregate liability, if any, including liability arising out of contract, negligence, strict liability in tort or warranty, or otherwise, exceed the sum total any amounts payable by Client for the Use Fees during the six-month period immediately preceding the accrual of such liability.

30. Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by email or facsimile (provided delivery is confirmed), or U.S. Mail (registered or certified only), return receipt requested, to the address set forth on the initial page hereof or at such other addresses as shall be designated in writing by either party to the other in accordance with this Section. Such notice will be deemed to be given when received.

If to DMI:	Data Management, Inc. 1 Time Clock Drive San Angelo, TX 76904 Attn: Ernie Nabors / COO
If to Client:	Palouse Prairie Charter School _____ 1500 S. Levick St. _____ Moscow Idaho 83843 _____ Attn: Debbie Berkana _____

31. Assignment; Contractors.

31.1 This Agreement shall inure to the benefit of, and be binding upon, any successor to all or substantially all of the business and assets of each party, whether by merger, sale of assets, or other agreements or operation of law. Except as provided above, neither party shall assign this Agreement without the non-assigning party's prior written consent, which shall not be unreasonably withheld or delayed. Any attempted assignment in contravention of this Section shall be void and ineffective.

31.2 DMI may retain an independent contractor or other third party to serve as its Internet Data Center so long as such independent contractor or third party is contractually bound to protect Confidential Information. The appointment of independent contractors or third parties to serve as DMI's Internet Data Center to perform part or all of the TCP Services obligations hereunder shall not relieve DMI of any liability under this Agreement.

32. Continuing Obligations. Those clauses the survival of which is necessary for the interpretation or enforcement of this Agreement shall continue in full force and effect in accordance with their terms notwithstanding the expiration or termination hereof, such clauses to include the following: (i) any and all warranty disclaimers, limitations on or caps of liability and indemnities granted by either party herein, (ii) any covenant granted herein for the purpose of determining ownership of, or protecting intellectual property rights, including without limitation, the Confidential Information of either party, or any remedy for breach thereof, and (iii) the payment of taxes, duties, or any money to either party hereunder.

33. Marketing. During the term hereof, Client agrees that DMI may publicly refer to Client, orally and in writing, as a customer of DMI. Any other reference to Client by DMI requires the written consent of Client.

34. Non-Solicitation. During the term hereof and continuing through the first anniversary of the termination of this Agreement, Client agrees that it will not, and will ensure that its Affiliates do not, directly or indirectly, solicit or attempt to solicit for employment any persons employed by DMI or contracted by DMI to provide services to Client.

35. Force Majeure. Except for the obligation to make payments, neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including acts of war, terrorism, acts of God, epidemic, earthquake, flood, embargo, riot, sabotage, labor shortage or dispute, governmental act or complete or partial failure of the Internet (not resulting from the actions or inactions of DMI), provided that the delayed party: (i) gives the other party prompt notice of such cause, and (ii) uses its reasonable commercial efforts to promptly correct such failure or delay in performance.

36. Arbitration. Except for actions to protect intellectual property rights and to enforce an arbitrator's decision hereunder, all disputes, controversies, or claims arising out of or relating to this Agreement or a breach thereof shall be submitted to and finally resolved by arbitration under the rules of the American Arbitration Association ("AAA") then in effect. There shall be one arbitrator, and such arbitrator shall be chosen by mutual agreement of the parties in accordance with AAA rules. The arbitration shall take place in Texas. The arbitrator shall apply the laws of the State of Texas to all issues in dispute. The controversy or claim shall be arbitrated on an individual basis, and shall not be consolidated in any arbitration with any claim or controversy of any other party. The findings of the arbitrator shall be final and binding on the parties, and may be entered in any court of competent jurisdiction for enforcement.

36.1 Class Action Waiver. Arbitration shall proceed solely on an individual basis without the right for any Claims to be arbitrated on a class action basis or on bases involving claims brought in a purported representative capacity on behalf of others. The arbitrator's authority to resolve and make written awards is limited to Claims between you and us alone. Claims may not be joined or consolidated unless agreed to in writing by all parties. No arbitration award or decision will have any preclusive effect as to issues or claims in any dispute with anyone who is not a named party to the arbitration. Notwithstanding any other provision in this Agreement, and without waiving either party's right of appeal, if any portion of this "Class Action Waiver" provision is deemed invalid or unenforceable, then the entire arbitration provision above (other than this sentence) shall not apply.

37. Applicable Law; Jurisdiction and Venue; Limitations Period. This Agreement shall be construed under the laws of the State of Texas, without regard to its principles of conflicts of law. No action, regardless of form, arising out of this Agreement may be brought by DMI or Licensee more than one (1) year after the cause of action has arisen.

38. Counterparts; Facsimile Signatures. This Agreement may be executed in multiple counterparts, each of which, when executed and delivered, shall be deemed an original, but all of which shall constitute one and the same instrument. Any signature page of any such counterpart, or any facsimile transmission thereof, may be attached or appended to any other counterpart to complete a fully executed counterpart of this Agreement, and any facsimile transmission of any signature of a party shall be deemed an original and shall bind such party.

39. Miscellaneous. This Agreement constitutes the entire understanding of the parties with respect to the subject matter of this Agreement and merges all prior communications, understandings, and agreements. This Agreement may be modified only by a written agreement signed by the parties. The failure of either party to enforce at any time any of the provisions hereof shall not be a waiver of such provision, or any other provision, or of the right of such party thereafter to enforce any provision hereof. If any provision of this Agreement is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary and possible to render it valid and enforceable. In any event, the unenforceability or invalidity of any provision shall not affect any other provision of this Agreement, and this Agreement shall continue in full force and effect, and be construed and enforced, as if such provision had not been included, or had been modified as above provided, as the case may be.

Accepted by:

Client:

DocuSigned by:
By: Jeneille Branen
(Signature) 8B3EC664B07A483...

Name: Jeneille Branen

Title: Executive Director

Data Management Inc.

By: _____
(Signature)

Name: _____

Title: _____

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EXHIBIT A MAINTENANCE AND SUPPORT TERMS

These Maintenance And Support Terms are intended to be part of the attached Master TCP Services Agreement made and entered into by and between DMI and Client. DMI reserves the right to continuously improve the Maintenance And Support Services and to adapt such services to changes in technology and to DMI's business environment. Solely for these purposes, DMI reserves the right to modify, elaborate, remove or add to some or all of the provisions of these Maintenance And Support Terms at DMI's sole discretion and without further notice, provided that any such improvement or adaptation shall not result in a diminution of the overall level of service.

These Maintenance And Support Terms are intended to be part of the attached Master TCP Services Agreement made and entered into by and between DMI and Client.

1. Definitions. When used in these Maintenance Services Terms, the following terms will have the meaning set forth in this Section 1. Any capitalized terms not defined in these Maintenance Services Terms are as defined in the Master TCP Services Agreement.

1.1 "CSR" means a DMI customer service representative.

1.2 "Error" means a failure of the TCP Services (i) to conform as to all material operational features and performance characteristics as provided in the documentation supplied by DMI and in any applicable Statements of Work for customizations to the TCP Services, and (ii) to be free of errors and defects that materially affect the performance of such features. This definition applies solely to TCP Services that have not been customized. Separate maintenance arrangements are available for customized TCP Services.

1.3 "Error Correction" means a software modification that corrects an Error when it is made or added to the TCP Services.

1.4 "Maintenance And Support Services" means the services described in Section 2 below.

1.5 "New Product" means a product that generates online services which may incorporate some functionality of the TCP Services in addition to one or more of the following changes to a different: (i) programming language, (ii) platform (e.g. .Java to .NET), (iii) style of computing (e.g. client server to web to cloud computing), or (iv) software model of deployment (e.g. local installation to SaaS).

1.6 "Support Term" means the Initial Term and any renewal terms in accordance with Section 14 of the Master TCP Services Agreement.

1.7 "Third-Party Products" means any third-party software or hardware appliance product provided by DMI under an Order Form.

1.8 "Update" means TCP Services modifications consisting of Error Corrections, modifications, enhancements or future releases that are distributed generally to users of the same version of the TCP Services. Updates are generally designated by a change in the number to the right of the decimal point (e.g., Version 1.1 to Version 1.2).

1.9 "Upgrade" means a new version of the TCP Services that adds new features and functionality in addition to the original functional characteristics of the TCP Services that is distributed generally to users the TCP Services. Upgrades are generally designated by a change in the version number to the left of the decimal point (e.g., Version 1.1 to Version 2.1).

1.10 "Workaround" means a procedure or routine that eliminates the practical adverse effect of the Error when implemented in the regular operation of the TCP Services.

2. Maintenance And Support Services Description. DMI will provide the services described below in this Section 2 during Support Terms. These services are included in the annual Maintenance And Support Services fee.

2.1 Support Hours And Response Times. DMI will provide Maintenance And Support Services to Client during regular business hours which are 7:00 am to 7:00 pm CST Time, Monday through Friday, excluding company holidays ("Regular Business Hours"). If extended services are required beyond the Regular Business Hours, separate arrangements may be made with DMI in advance for support after Regular Business Hours or during weekends for significant go-live or upgrade events only.

2.2 Support Services. Support Services include:

2.2.1 issue determination services including (i) information gathering and analysis for TCP Services and Third-Party Products, and (iii) identification of Errors;

2.2.2 issue resolution services including (i) reasonable telephone consultation regarding the use and operation of the TCP Services and Third-Party Products that does not rise to the level of training, (ii) configuration changes for the TCP Services and Third-Party Products, (iii) validating that the TCP Services and Third-Party Products operate within documentation supplied by DMI, (iv) installation of stock (as distinguished from custom) templates for reports, documents, and forms for TCP Services and Third-Party Products, and (v) access to DMI's tclusondemand.com website;

2.2.3 commercially reasonable efforts to cause Third-Party Product suppliers to cure promptly any error or failure of a Third-Party Product to conform the applicable third-party agreement;

2.2.4 repair or replacement of open source software with functionally equivalent software; and

2.2.5 Error Correction services in accordance with the Error Correction Services Table below.

**Error Correction Services Table
(Service Response Targets)**

Problem Severity	Based on the nature of the reported issue and the impact on Client's business operations, the CSR assigns a severity level to the issue. The severity will always be set to a reasonable and realistic level, reserving the Severity Level 1 only for urgent situations. The severity level may change as new information becomes available.
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<p><u>Level 1:</u> <u>Urgent</u></p>	<p><u>Definition:</u> Issues preventing (i) Client from conducting day-to-day business, such as an inoperable production system, a lack of data integrity, data corruption, or data unavailability, or (ii) a go-live deadline. Client is unable to do production work, and no Workaround is available.</p> <p><u>Response:</u> Level 1 issues always take priority above all other issues. A Level 1 issue will immediately be assigned to a CSR, who will contact Client within one hour with an initial response. The CSR will then work without interruption on the issue until a resolution is reached, either in the form of a complete fix, or an interim Workaround solution that will cause the level of urgency to drop to Level 2. During this time, Client must be available should further information be required to resolve the issue. If the CSR is unable to contact Client within a reasonable timeframe, the Level 1 status will be downgraded to Level 2 until Client provides the requested documentation. Note: Level 1 issues must be reported to DMI customer support via telephone, or created via email or Web form with a follow-up phone call to confirm receipt.</p> <p><u>Follow-Up:</u> The CSR will update Client at a minimum of once per hour until the issue has been resolved or downgraded to Level 2.</p>
<p><u>Level 2:</u> <u>High</u></p>	<p><u>Definition:</u> Client is able to do some production work, but a major component of the TCP Services is not functioning properly, and a partial Workaround is available. Or, an issue puts a “go-live” deadline at high risk.</p> <p><u>Response:</u> Level 2 issues take priority over all other issues except Level 1. A Level 2 issue will immediately be assigned to a CSR, who will contact Client within four (4) business hours with an initial response. The CSR will then work without interruption during standard support hours until a resolution is reached, either in the form of a complete fix, or an interim Workaround solution that will cause the level of urgency to drop to Level 3. Note: In order to facilitate a more prompt response, Level 2 issues should only be reported to DMI customer support via telephone, or created via email or Web form with a follow-up phone call to confirm receipt.</p> <p><u>Follow Up:</u> The CSR will provide feedback to Client on a daily basis (or at mutually agreed upon intervals) until the issue has been resolved or downgraded to Level 3.</p>
<p><u>Level 3:</u> <u>Medium</u></p>	<p><u>Definition:</u> The customer is able to do most production work, but has limited functionality in a certain component of the TCP Services, and a reasonable workaround is available.</p> <p><u>Response:</u> The CSR provides an initial response to Client within the one business day, and will work on the issue during standard support hours after higher priority issues have been resolved. The CSR will work on the issue during standard support hours. <u>Follow-Up:</u> The CSR will provide feedback to Client as mutually agreed upon until the issue has been resolved or a more suitable Workaround is identified.</p>
<p><u>Level 4:</u> <u>Low</u></p>	<p><u>Definition:</u> The customer is able to do all production work, but has general questions, enhancement requests, or documentation needs/questions.</p> <p><u>Response:</u> The CSR provides an initial response to Client within two business days, and will work on the issue as time permits.</p> <p><u>Follow-Up:</u> Feedback will be provided to Client at mutually agreed upon intervals.</p>

2.2.6 Notwithstanding the foregoing, DMI will not be obligated to provide Maintenance And Support Services for problems solely arising as a result of abuse, misuse, accident or neglect by Client, or unauthorized modification to the TCP Services by Client (not under DMI's recommendation or instruction) that would materially impact DMI's ability to provide the Maintenance And Support Services until such problems are fixed by Client. In addition, the following services are not covered under Maintenance And Support Services and will be provided only by mutual agreement regarding fees, deliverables, and delivery schedules: (i) support for software or other products that were not purchased from DMI, (ii) customizations for rules, reports, templates, forms, applications, Business Objects Universe, and interfaces, (iii) development or customization of documentation, (iv) troubleshooting for hardware, networks, connectivity, or operating systems, (v) installation of Java application servers, (vi) on-site services, (vii) remote or on-site training, (viii) remote administration, (ix) scripting, programming, database design, and web development, (x) data recovery, (xi) consultation regarding the use and operation of the TCP Services and Third-Party Products that rises to the level of training.

2.3 Updates And Upgrades.

2.3.1 DMI will provide Client with all Updates and Upgrades that are commercially released by DMI at no additional charge. Updates and Upgrades will not require any additional software, hardware or technology to operate in conformance with the Specifications, except to the extent specified in writing by DMI. DMI will provide the Updates or Upgrades as soon as they are made available, but in no event later than DMI's providing the Updates or Upgrades to another SaaS licensee or DMI's using the Updates or Upgrades in its normal course of business operation.

2.3.2 DMI will work with Client to establish mutually beneficial Update and Upgrade schedules. If Client chooses to postpone an Update or Upgrade that would correct a particular Error without having a negative impact on the functionality or performance of the TCP Services, then DMI will not be required to correct such Error by another means, and provided, further that Client's non-acceptance of any Update or Upgrade will not affect Client's payment obligations for Use Fees.

Please enter the email address for update or upgrade notices to be sent to:

dberkana@palouseprairieschool.org

2.4 Version Limitation. Notwithstanding anything contained herein to the contrary, DMI will provide Maintenance And Support Services for at least the current version and any preceding versions of the TCP Services that have been released by DMI within the last twelve (12) months. If no version has been released within the last eighteen (18) months, DMI will support the immediately preceding version. The foregoing limitation does not apply to reasonable telephone consultation regarding the use and operation of the TCP Services and Third-Party Products that does not rise to the level of training.

2.5 Updates To Maintenance And Support Services. DMI reserves the right to update Maintenance And Support Services for any renewal Support Term for purposes of conforming the scope of Maintenance And Support Services to changes in technology and/or industry practice; provided, however, in no event shall any such update result in a degradation or diminution of Maintenance And Support Services.

3. New Products. New Products are optional and are not included in the annual Maintenance And Support Services fee. New Products will be made available to Client as soon as they are released to other licensees in the normal course. DMI reserves the right to charge a license fee for New Products.

EXHIBIT B SERVICE LEVEL AGREEMENT

This Service Level Agreement is intended to be part of the attached Master TCP Services Agreement made and entered into by and between DMI and Client. DMI reserves the right to continuously improve the uptime and performance of its TCP Services and to adapt such services to changes in technology and to DMI's business environment. Solely for these purposes, DMI reserves the right to modify, elaborate, remove or add to some or all of the provisions of this Service Level Agreement at DMI's sole discretion and without further notice, provided that any such improvement or adaptation shall not result in a diminution of the overall level of service.

1. TCP Services Level Agreement. In the event that Client experiences any of the service performance issues defined in Sections 2.1 and 2.2 as a result of DMI's failure to provide TCP Services, DMI will, upon Client's request in accordance with Section 3, credit Client's account as described below (the "Service Level Agreement"). The Service Level Agreement shall not apply to performance issues (i) caused by factors outside of DMI's reasonable control; (ii) that resulted from any actions or inactions of Client or any third parties; or (iii) that resulted from Client Equipment or third party equipment that is not within the sole control of DMI.

2. Service Level Agreement Definitions. For purposes of this Agreement, the following definitions shall apply only to the TCP Services. References to Section numbers in this Exhibit B shall apply to Sections in Exhibit B, unless expressly provided otherwise.

2.1 "Downtime" shall mean "unplanned" network unavailability within DMI's United States network for thirty (30) consecutive minutes due to the failure of DMI to provide TCP Services for such period. Downtime shall not include any packet loss or network unavailability during DMI's scheduled maintenance of the Internet Data Center(s), network and TCP Services.

2.2 "Performance Problem" shall mean a material deterioration in the performance of the TCP Services excluding any Downtime.

2.3 "Service Credit" shall mean an amount equal to the pro-rata monthly recurring connectivity charges (i.e., all monthly recurring bandwidth-related charges) for one (1) day of TCP Services.

3. Downtime Periods. In the event Client experiences Downtime, Client shall be eligible to receive a one-time Service Credit for each Downtime period; provided, however, that in no event shall Client be entitled to more than two (2) Service Credits for any given calendar day. For example, if Client experiences one (1) Downtime period, then Client shall be eligible to receive one (1) Service Credit; if Client experiences two (2) Downtime periods, whether from a single event or multiple events, then Client shall be eligible to receive two (2) Service Credits.

4. Performance Problem. In the event that DMI discovers or is notified by Client that Client is experiencing a Performance Problem, DMI will take all commercially reasonable actions necessary to determine the source of the Performance Problem.

5. Discovery of Source; Notification of Client. Within four (4) hours of discovering or receiving notice of the Performance Problem, DMI will use commercially reasonable efforts to determine whether the source of the Performance Problem is limited to the DMI Technology or whether the Performance Problem arises from the Client Equipment or Client's connection to the Internet. If DMI determines that the DMI Technology and Client and DMI connection are not the source of the Performance Problem, then DMI will use commercially reasonable efforts to determine the source of the Performance Problem within an additional four (4) hour period, DMI

will notify Client of its findings regarding the source of the Performance Problem promptly after the additional four (4) hour period.

6. Correction. If the source of the Performance Problem is within the sole control of DMI, then DMI will use commercially reasonable efforts to remedy the Performance Problem within four (4) hours of determining the source of the Performance Problem. If the source of and remedy to the Performance Problem reside outside of the sole control of DMI, then DMI will use commercially reasonable efforts to notify the party responsible for the source of the Performance Problem and cooperate with it to resolve such problem as soon as possible.

7. Service Credits for Performance Problems. In the event that DMI (i) is unable to determine the source of the Performance Problem within the time periods described in Section 5; or (ii) is the sole source of the Performance Problem and is unable to remedy such Performance Problem within the time period described in Section 6, DMI will deliver a Service Credit to Client for each four (4) hour period incurred in excess of the time periods for identification and resolution described above; provided, however, that in no event shall Client be entitled to more than two (2) Service Credits for a given calendar day.

8. Client Must Request Service Credit. Upon receipt of a written request from Client for a prior calendar month requesting information regarding a specific instance of Downtime or Performance Problem, DMI will provide Client with a related incident report from which Client may determine any Downtime and/or Performance Problems. In order to receive a Service Credit in connection with a particular instance of Downtime or a Performance Problem, Client must notify DMI within thirty (30) days from the time Client becomes eligible to receive a Service Credit. Failure to comply with this requirement will forfeit Client's right to receive a Service Credit for the applicable instance of Downtime or Performance Problem.

9. Maximum Service Credit. The aggregate maximum number of Service Credits to be issued by DMI to Client for any and all Downtime and Performance Problems that occur in a single calendar month shall not exceed seven (7) Service Credits. Any Service Credits owed shall be issued in the DMI invoice in the month following the Downtime or Performance Problem, unless the Service Credit is due in Client's final month of Service. In such case, a refund for the dollar value of the Service Credit will be mailed to Client.

10. Termination Option for Chronic Problems. Client may terminate this Agreement and without liability or penalty to DMI by notifying DMI within ten (10) days following the occurrence of either of the following: (i) Client experiences more than five (5) Downtime periods in any three (3) consecutive calendar month period; or (ii) Client experiences more than eight (8) consecutive business hours of Downtime due to any single event. Such termination will be effective thirty (30) days after receipt of such notice by DMI.

Time Clock Plus Billing Authorization Form

For Bank Draft, fill out the following.

I authorize DMI to initiate electronic debit entries for TimeClock Plus OnDemand Fees from my:

Select one of the following:
for payment of my prorated monthly Services fees
for TimeClock Plus On-Demand.

for a one-time payment of amount stated on initial On-Demand Setup invoice.

Will the funds for the payment come from an account outside of the United States?

Financial Institution:

Account Number:

Routing Number:

Financial Institution City & State:

For Credit Card, fill out the following.

Card Type:

Card Number:

Expiration Date:

Name on Card:

E-mail Address (for invoices and receipts):

I hereby authorize Data Management Inc. to draft the indicated account or charge the indicated credit card for TimeClock Plus OnDemand Services provided and applicable fees. I agree that this is a recurring charge that will be made according to the billing cycle selected, and that to terminate the recurring billing process I must either cancel this Agreement under the terms outlined herein, or arrange for an alternative method of payment prior to the next billing cycle.

I understand that cancellations must be made in writing as outlined in the TimeClock Plus OnDemand Services Agreement, which I have read and understand. I further understand that Services rendered are not refundable.

If utilizing recurring bank draft, I acknowledge that the origination of ACH transactions from my account must comply with the provisions of U.S. law. This authority will remain in effect until I have cancelled it in writing.

Recurring payments will be initiated by DMI within 3 business days from the invoice date stated on your monthly invoice. If a charge is rejected for any reason, DMI will initiate another charge in the same amount, on the invoice due date. If the second draft is rejected and no other provision is made for payment on or before the invoice due date, your payment will be considered delinquent.

It is your sole responsibility to ensure that the contact information you provide us is current and accurate. This includes, but is not limited to, your name, address, phone number and email address. Changes can be made by contacting a DMI Account representative at 325.223.9500. Customer is responsible for any additional payment processing fees incurred that result from inaccurate Payment Account or contact information.

Signature

Date