

## Terms of Service

These terms govern the use of the Services and are an agreement between you and the Sage company identified below.

### 1. Definitions

**"Affiliate"** means any entity that directly or indirectly controls, is controlled by, or is under common control with, the subject entity, where **"control"** is the direct or indirect ownership or control of at least a majority of the voting rights in the entity, or otherwise the power to direct the management and policies of the entity. An entity is an Affiliate only so long as such control continues.

**"Agreement"** means these terms, your Order(s), the Data Processing Addendum, Privacy Notice, any Statement(s) of Work between you and us, and any attachments, exhibits, and annexes hereto or to an Order or a Statement of Work, or any other documentation or terms and conditions referred to within any of the aforementioned.

**"AI-generated Output"** means the content generated and returned to a User resulting from that User prompting or using Generative AI in the context of, or embedded within, the Services.

**"AI Input Data"** means Customer Data obtained in connection with your use of an AI System, including:

- (a) prompts (in whatever medium) inputted by you or a User of that AI System; and
- (b) user engagement, statistical, and aggregated data (including metadata) otherwise obtained in connection with your use or a User's use of that AI System.

**"AI Data"** means together AI Input Data, AI-Generated Output Data and any data derived from or containing the same (including where such data, or a derivative of such data, is contained within Training Data).

**"AI System"** means deep learning, machine learning, and other artificial intelligence technologies, systems, models, tools and functionality, including Generative AI.

**"AI-generated Output"** means the content generated and returned to a User resulting from that User prompting or using Generative AI in the context of, or embedded within, the Services.

**"AI Input Data"** means Customer Data obtained in connection with your use of an AI System, including:

- (c) prompts (in whatever medium) inputted by you or a User of that AI System; and
- (d) user engagement, statistical, and aggregated data (including metadata) otherwise obtained in connection with your use or a User's use of that AI System.

**"AI Data"** means together AI Input Data, AI-Generated Output Data and any data derived from or containing the same (including where such data, or a derivative of such data, is contained within Training Data).

**"AI System"** means deep learning, machine learning, and other artificial intelligence technologies, systems, models, tools and functionality, including Generative AI.

**"Customer Data"** means the data information, files, photos, documents or material provided, inputted, shared or submitted by Users, or otherwise on your behalf, into the Services, which

may include data (including Personal Data), relating to Users, your customers, suppliers, employees or third parties.

**"Data Processing Agreement"** means the Data Processing Agreement posted on <https://www.sage.com/en-gb/legal/terms-and-conditions/product-and-service-terms-and-conditions/data-processing-agreement/> (or such other URL as notified to you) as amended from time to time).

**"Data Protection Laws"** has the meaning set forth in the Data Processing Agreement.

**"Documentation"** means the online or written user guides, specifications, and manuals regarding the Services made available by Sage, and any updates thereto, but excluding any AI-Generated Outputs.

**"Effective Date"** (i) of this Agreement means the date when the first Order is signed by both you and us, and (ii) of an Order means when the Order is signed by both you and us.

**"Force Majeure"** means an act of God (e.g., a natural disaster, accident, or epidemic) or another event outside of reasonable control of the party seeking excuse of performance (e.g., acts of war, terrorism, government authority, or by another third party outside the party's control).

**"Generative AI"** means an AI System capable of generating content (such as text, code, images, videos and audio).

**"Intellectual Property Rights"** means rights recognized by any jurisdiction with respect to intellectual work product, such as patent rights (including priority rights), design rights, copyrights (including moral rights), mask work rights, trade secret rights, trademarks, service marks, know-how, domain name rights, database rights, know-how, rights in confidential information and all other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for and renewals and extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world..

**"Order"** means an ordering document (such as an Order Schedule) executed by you and us for subscription to Services and/or, if applicable, for the provision of professional services by us.

**"Personal Data"** shall have the meaning as set out in the Data Processing Agreement.

**"Privacy Notice"** means the privacy notice posted on <https://www.sage.com/en-gb/legal/privacy-and-cookies/> (or such other URL as notified to you) as amended from time to time.

**"Reseller"** means an authorised Sage reseller through which you purchase a subscription to the Services.

**"Sage"** means The Sage Group plc or its Affiliates.

**"Sage Data"** means

- (a) the information about your Services subscription, data about the configuration and use of the Services, the Documentation, and other information provided to you via login in the

Services or otherwise by Sage during performance under this Agreement; and .

- (b) excludes: (i) Customer Data (including any AI Input Data); and (ii) AI-Generated Outputs

**“Services”** means the Sage 50 software application made available online by Sage, including any associated offline or mobile components, Updates (whether optional or mandatory), and any add-ons, modules, features or functionality that work with the products or services, but excluding all Third-Party Services.

**“Third-Party AI Provider”** means a provider, other than Sage, of a Third-Party AI Tool.

**“Third-Party AI Tool”** means any tool, product or service of a third party that employs or makes use of an AI System provided by a Third-Party AI Provider.

**“Third-Party Provider”** means a Third-Party AI Provider and /or Third-Party Service Provider, as the case may be, depending on the context.

**“Third-Party Service(s)”** means any product (e.g. software of any kind, cloud services, or forms), tool (e.g. integration or development tools), or service (e.g. implementation, configuration, development, or accounting) provided to you under a separate agreement or terms and conditions by a party other than Sage (a **“Third-Party Provider”**).

**“Training Data”** means training data, validation data and test data or databases used to train or improve AI Systems.

**“Updates”** means any future modifications, additional features, enhancements, patches, fixes, revisions and derivative works that may be made to Services or Documentation.

**“User”** means a named individual authorized by you to use the Services, for whom you have purchased a subscription, and who has been supplied with user credentials for the Services by you or by us at your request.

**“we”, “us” or “our”** means Sage Software, Inc.

**“you” or “your”** means the person accepting this Agreement, provided that if such acceptance is on behalf of a company or other legal entity then: (i) the signatory represents that he/she has the authority to bind such entity to the terms of this Agreement; (ii) **“you”** and **“your”** refers to such entity; and (iii) you may be referred to as **“Company”** in Orders.

Other capitalized terms have the respective meanings given to them elsewhere in this Agreement.

## 2. Usage Rights

2.1. Access to the Services. Subject to the terms and conditions of this Agreement and your payment of all applicable fees, we grant you a limited-term, non-exclusive, non-sublicensable, non-transferable (except as expressly permitted herein) right to access and use the Services solely for your internal business purposes.

2.2. User Subscriptions. Services are purchased as time-based subscriptions. Each User must have a valid subscription for the Services. We reserve the right to monitor your use of the Services to effect this Agreement and/or verify compliance with any subscription limits and this Agreement.

2.3. Versions. We offer different versions of the Services. The specific features and functionality of each version are described in more detail in the Documentation. We will update your version

of the Services to the latest release as and when we make such updates to our customers generally.

2.4. Your Responsibilities. You are responsible for: (i) the confidentiality of User access credentials that are in your possession or control; (ii) setting up appropriate internal roles, permissions, policies, and procedures for the safe and secure use of the Services; (iii) the activity of your Users in the Services; and (iv) your Users' compliance with this Agreement and the Documentation. You must notify us promptly if you become aware, or reasonably suspect, that your account's security has been compromised.

2.5. Restrictions. Except as expressly authorized by us prior to each instance, you shall not: (i) provide the Services to any third party other than your Users, use the Services as a service bureau, or otherwise violate or circumvent any use limitations or restrictions set forth in the Services or the Documentation; (ii) derive the source code or use tools to observe the internal operation of, or scan, probe, or penetrate, the Services; (iii) copy, modify, or make derivative works of the Services; (iv) remove any proprietary markings or notices from any materials provided to you by us; (v) frame or mirror the Services or any part thereof; or (vi) use the Services: (a) to send spam, duplicative, or unsolicited messages in violation of applicable laws or regulations; (b) to store sensitive data such as bank account data, social security (or equivalent) numbers, and credit card data outside of the designated fields therefor; (c) to send or store, or otherwise provide material that violates the rights of a third party; (c) to send or otherwise provide material containing viruses, worms, Trojan horses, or other harmful computer code, files, scripts, agents, or programs; or (d) for any other illegal or unlawful purpose. You may not knowingly facilitate or aid a third party in any of the foregoing activities.

2.6. AI Systems:

- (a) You hereby expressly acknowledge and agree that we may, during the course of carrying out the Services or otherwise in connection with this Agreement, use AI Systems. Unless otherwise agreed by us in writing, we may make use of AI Systems without specific notice to or approval from you.
- (b) We may modify or discontinue any AI Systems integrated to our Services (or that otherwise form part of our Services) at our discretion.

## 3. Availability and Support

3.1. Availability. We will use commercially reasonable efforts to maintain availability of the Services 24 hours a day, 7 days per week, subject to planned maintenance, Force Majeure events, and the terms of this Agreement. We will endeavor to schedule planned maintenance affecting the availability of the Services at non-peak times, and you will receive reasonable advance notice (which may be posted within the Services or otherwise) of such planned maintenance. We will use commercially reasonable efforts to notify you as soon as reasonably practical of any unplanned downtime of the Services and resolve the issue as soon as practical.

3.2. Changes. In the event that your use of the Services interferes with or disrupts the integrity, security, availability, or performance of the Services, we may modify or temporarily restrict or suspend your use of the Services. The parties will cooperate in good faith to resolve the issue as soon as reasonably possible.

3.3. Technical Support. Your Users who have undergone training for users of the Services will receive technical support for the Services and/or upgraded support in accordance with the

terms of the Order. Technical support may, at our discretion, through online help, FAQs, and training guides. Technical support may also be provided, at our discretion, through email, chat, or (in limited circumstances) live help. We are not obligated to maintain or support any customization to the Services or any Third-Party Service, even if sold by us, except under a separate agreement signed by the parties.

3.4. Professional Services. We may also provide professional services, such as consulting or data migration services. Any such services are outside the scope of the Services and require a separate written agreement between the parties.

#### 4. Fees and Payment

4.1. Fees. Fees are in the currency specified on our invoices. From time to time, we may change our fees. You will be notified at least 30 days in advance before we apply any fee changes to your Services subscriptions. Such changes will not affect the prices for Services during the then-current subscription term and will become effective upon your next renewal term that commences at least 30 days after our notification of the fee change. We may at our sole discretion provide you with a discount to the Services. In the event you reduce volume or licenses to items that you are already subscribed to during a then-current subscription term then we may reduce or remove the level of discount we have provided to you from the date of your next renewal Order.

4.2. Add-Ons. If, during a then-current subscription term, (i) additional volume, modules or licenses to items that you are already subscribed to are added, such increased subscriptions will be billed at a prorated amount at the price of the underlying preexisting subscription, and (ii) you add new subscriptions to items that you are not already subscribed to, such items will be billed at a prorated amount at the then-current list price.

4.3. Billing and Contact Information. You agree to provide us with complete and accurate billing and contact information, including a specific technical contact if applicable, for your account with us and shall promptly notify us of any change.

4.4. Taxes. All fees are exclusive of all applicable taxes, levies, and duties, and you shall be responsible for their payment, excluding taxes on our net income. If we are obligated to collect applicable taxes, we will include them on our invoice to you, and you will pay all such amounts to us unless you timely provide us with a valid tax exemption certificate. Each party will timely provide the other with any documents and information as may be required under, or to comply with, applicable tax laws and regulations.

4.5. Late Payment; Non-Payment. If we do not receive any fees you owe us by the applicable due date, those fees shall accrue interest at the lower of 1.5% per month or the maximum rate permitted by law. Non-payment of any fees for the Services (whether owed to Sage or to a Reseller) or of any other amounts due by you to us is a material breach of this Agreement.

4.6. Unlicensed Subscriptions. If we identify any additional volume, modules, increased subscriptions or new subscriptions and such items are not licensed in accordance with this Agreement then such items will be billed and fees due by the due date specified in the Order. Such fees shall be backdated to the earlier of: (i) the date of your last renewal Order; and (ii) the date for the most recent instance of usage of the items.

4.7.

#### 5. Proprietary Rights

5.1. Services. Subject to the limited rights expressly granted under this Agreement, Sage and our licensors, where

applicable) reserve and own all rights, title, and interest, in and to the Services (including any configurations and customizations, modifications, enhancements and Updates in respect thereof), Sage Data and Documentation, including all related Intellectual Property Rights therein. All rights not expressly granted in this Agreement are reserved by Sage. The Sage name, logo and the product names associated with the Services are trademarks of Sage or third parties and no right or licence is granted to use them under this Agreement.

5.2. Customer Data. Subject to the limited rights expressly granted hereunder, as between the parties you own all rights, title, and interest, including all Intellectual Property Rights, in and to Customer Data.

5.3. AI-Generated Output. Sage does not claim ownership in any AI-Generated Outputs. You are solely responsible for your AI-Generated Outputs, including for any use, modification, incorporation into other materials, or publication of such AI-Generated Outputs.

5.4. Licence. You grant Sage and its subcontractors a worldwide, royalty-free, irrevocable, perpetual, non-exclusive and sublicensable right to host, process, copy, transmit, store, analyze, sublicense, display, transform, reduce to mathematical form, reformat, combine with Training Data, create derivative works from and use the Customer Data (including the AI Input Data) and any rights owned by you or your licensors subsisting in the AI-Generated Outputs created in the course of your use of the Services to: (i) carry out research and development to improve our, and our Affiliates' services, products and applications; (ii) develop and provide new and existing functionality and services (including to develop, improve, refine, integrate and make available AI Systems, relating to the digitization and automation of business processes and other commercially reasonable purposes) to you, to Users, to Sage's customers generally or to any other individual or entity using Sage's products or services; (iii) provide, administer and ensure the proper operation of the Services and related systems (including any AI systems and Third-Party AI Tools); and (iv) perform our rights and obligations under this Agreement.

5.5.

5.6. Feedback. You may, but are not required to, provide Sage or its Resellers or subcontractors with ideas, suggestions, requests, recommendations, or feedback about the Services ("**Feedback**"). If you do so, subject to the limited rights granted expressly in this Agreement, \ Sage shall own all rights, title and interest, including all Intellectual Property Rights, in and to the Feedback, including any configurations and customizations.

5.7. Data Analytics; Product Development. Sage may collect data resulting from Users' use of the Services, such as metadata, performance metrics, and usage trends or volume ("**Usage Data**"). Sage may use Usage Data for its legitimate business purposes, provided that, except to provide or bill for the Services, to assist with the administration of Third-Party Services subscribed by you, or as required by law, any external disclosure or use of Usage Data by Sage will be in an aggregated form that does not identify or otherwise permit the identification of you, any Users, or other persons, unless you consent otherwise or initiate the sharing of Usage Data yourself.

#### 6. Data

6.1. Data privacy. Each party will comply with the Data Processing Agreement, and references therein to the "Agreement" shall be construed as references to this Agreement. Any Personal Data used to provide the Services shall be handled in accordance with the requirements of the Data Processing Agreement. Further information on how Sage uses Personal Data is provided in the Privacy Notice.

## 7. Confidentiality and Data Security

**7.1. Confidential Information.** “**Confidential Information**” means all information of a party or its Affiliates (“**Discloser**”) disclosed to the other party or its Affiliates (“**Recipient**”), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure.

**7.2. Exceptions.** Confidential Information excludes: (i) information that was known to the Recipient without a confidentiality restriction prior to its disclosure by the Discloser; (ii) information that was or becomes publicly known through no wrongful act of the Recipient; (iii) information that the Recipient rightfully received from a third party authorized to make such disclosure without restriction; (iv) information that has been independently developed by the Recipient without use of the Discloser’s Confidential Information; (v) information that was authorized for release in writing by the Discloser; and (vi) in the case of you, the AI Data.

**7.3. Confidentiality Obligations.** The Recipient will use the same degree of care and resources as it uses for its own confidential information of like nature (but no less than reasonable care) to protect the Discloser’s Confidential Information from any use or disclosure not permitted by this Agreement or authorized by the Discloser. The Recipient may disclose the Discloser’s Confidential Information to its employees, Affiliates, and service providers who need access to such Confidential Information to effect the intent of this Agreement, provided that they are bound by confidentiality obligations no less restrictive than those herein. The Recipient shall be responsible for any breach of this section by its employees, Affiliates, and service providers.

**7.4. Disclosure Required by Law.** The Recipient may disclose Confidential Information to the extent required by court or administrative order or law, provided that the Recipient provides advance notice thereof (unless requested or ordered not to do so by law enforcement or a court) and reasonable assistance, at the Discloser’s cost, to enable the Discloser to seek a protective order or otherwise prevent or limit such disclosure.

**7.5. Injunctive Relief.** A breach of the Recipient’s confidentiality obligations may cause irreparable damage, which money cannot satisfactorily remedy, and therefore the Discloser may seek injunctive relief for any threatened or actual breach of section 6.3 without the need to prove damages or post a bond or other surety.

7.6.

**7.7. Other rights.** This section 7 is without prejudice to Sage’s rights under section 5.4.

## 8. Third-Party Services and Third-Party AI Tools

**8.1. No Endorsement or Warranty.** We may present to you, , or the Services may integrate with, Third-Party Services and Third-Party AI Tools that are offered by Third-Party Providers. We do not endorse or make any representation, warranty, or promise regarding, and do not assume any responsibility for, any such Third-Party sService, Third-Party AI Tools or any Third-Party Providers. Accordingly, we shall not be liable whatsoever for any damages, liabilities or losses caused by any act or omission in respect of a Third-Party Service, a Third-Party AI Tool or a Third-Party Provider, regardless of whether it is described as “authorized,” “certified,” “recommended,” or the like and regardless of whether the Third-Party Service or Third-Party AI Tool is included in your Order. Your use of the Third Party Service or Third-Party AI Tool is subjectis resold to theyou by

us. You terms and conditions imposed by the relevant Third-Party Providers in addition to this Agreement (to the extent applicable). If there is a conflict or inconsistency between this Agreement and such terms and conditions imposed by the Third-Party Providers, this Agreement shall take precedence in connection with the use of the Services,

**8.2. Disclaimer.** We have no obligation to make available or provide support for Third-Party Services and/or Third-Party AI Tools and do not guarantee the initial or continuing interoperability of the Services with any Third-Party Services or Third-Party AI Tools. If the Third-Party Services or Third-Party AI Tools cease to be made available for interoperation with any feature of the Services on reasonable terms, we may cease providing such feature without providing you with any refund, credit or compensation.

**8.3. Data Sharing.** If you obtain a Third-Party Service or a Third-Party AI Tool that requires or otherwise involves access to or transfer of Customer Data, you acknowledge that any such access or transfer is between you and the Third-Party Provider pursuant to the Third-Party Provider’s own privacy notices and policies, and that we are authorized to provide the Customer Data as requested by the Third-Party PProvider. We are not responsible for any modification, loss, damage, or deletion of Customer Data by any Third-Party Service or Third-Party AI Tool obtained by you.

## 9. Term and Termination

**9.1. Term.** All Services subscriptions will run for a period of one year. If you add subscriptions after the beginning of a subscription period, their initial term will be the remainder of the then-current subscription period. All subscriptions will automatically renew for additional subscription periods of one year (or for such different renewal term as set forth in your renewal Order) at list price,invoice), unless either party gives the other party notice of non-renewal at least 30 days prior to the end of the relevant subscription period. You may not modify your subscription within the 30-day period prior to the end of the relevant subscription period. If you do not enter into a renewal Order prior to the end of a subscription period, then we may suspend your access to the Services until you do. This Agreement will remain in effect until all User subscriptions have expired or this Agreement has been terminated as provided below.

**9.2. Termination.** Either party may terminate this Agreement: (i) by sending a notice of non-renewal as provided above; (ii) if the other party has materially breached this Agreement, upon written notice to the breaching party of the breach and, if such breach is curable, an opportunity to cure of at least 30 days; or (iii) upon written notice to the other party if the other party becomes the subject of a petition in bankruptcy or another proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors. If you materially breach this Agreement, we may, without limitation of other rights and remedies, temporarily suspend or terminate your access to the Services or withhold further performance of our obligations under this Agreement.

**9.3. Effect of Termination.** On expiration or termination of this Agreement: (i) all applicable User licenses and other rights granted to you will immediately terminate; (ii) a party’s rights, remedies, obligations (including payment obligations), and liabilities that have accrued up to the date of termination shall not be affected; (iii) unless you have terminated this Agreement for our material breach as provided above, we will not be obligated to refund any prepaid and unused fees; and (iv) subject to section 9.5, Recipient shall, at the request of Discloser, delete or destroy Discloser’s Confidential Information in its possession or control. Notwithstanding the foregoing, Recipient may retain Discloser’s Confidential Information (a) to the extent required by

law or governmental authority, or (b) that is automatically stored in accordance with Recipient's generally applicable backup policies ("**Backup Media**"). All Backup Media shall remain subject to the confidentiality obligations set forth herein, notwithstanding the expiration or termination of this Agreement, so long as it remains undeleted.

9.4. Survival. Sections 1, 5, 7, 9, 11, 12, and 13 will survive any expiration or termination of this Agreement.

9.5. Access to Customer Data.

(a) Subject to Section 9.5(b):

(i) You may export Customer Data at any time during the term of this Agreement.

9.6. (ii) We will not delete Customer Data from our production environment for up to 14 days after termination or expiration of this Agreement and may assist you with exporting Customer Data during such period at our standard hourly consulting rate. After that 14-day period, we will have the right to delete all Customer Data and will have no further obligation to make it available to you.

(b) Nothing in clause 9.5(a) shall apply to AI Data created, collected or obtained in connection with the Services.

(c) Please see the Data Processing Agreement and the Privacy Notice for further details of data retention.

## 10. Warranties

10.1. Authority. Each party represents to the other that it has the authority to enter into this Agreement, to carry out its obligations under it, and to give the rights and licenses granted herein.

10.2. Our Warranties. We warrant that: (i) the Services will perform materially in accordance with the Documentation; (ii) we will not decrease the material functionality of the Services during a current subscription term, and (iii) we will perform any professional services in a workmanlike manner and in accordance with industry standards.

10.3. Remedies. If you notify us in writing that the Services or our professional services do not conform with any of the warranties in section 9.2, we will use commercially reasonable efforts to investigate and correct any such non-conformance promptly. You will use commercially reasonable efforts to mitigate any damage as a result of such non-conformance. Subject to your right to terminate this Agreement for cause, this section 9.3 constitutes your sole and exclusive remedy for breach of the warranties in section 9.2.

10.4. DISCLAIMER OF ALL OTHER WARRANTIES. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS AND IS ONLY FOR COMMERCIAL USE, SUBJECT TO ANY RESTRICTIONS IN THIS AGREEMENT OR THE DOCUMENTATION. WE, ON BEHALF OF OURSELVES, OUR AFFILIATES, AND OUR LICENSORS, DISCLAIM TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER REPRESENTATIONS, WARRANTIES, CONDITIONS, TERMS UNDERTAKINGS AND GUARANTEES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING THOSE (I) OF MERCHANTABILITY OR SATISFACTORY QUALITY, (II) OF FITNESS FOR A PARTICULAR PURPOSE, (III) OF NON-INFRINGEMENT AND (IV) ARISING FROM CUSTOM, TRADE USAGE, COURSE OF PRIOR DEALING, OR COURSE OF PERFORMANCE. EXCEPT AS EXPRESSLY

PROVIDED HEREIN, WE, OUR AFFILIATES, AND OUR LICENSORS DO NOT WARRANT, REPRESENT, GUARANTEE OR UNDERTAKE THAT YOUR USE OF THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE, THAT THE SERVICES ARE FREE FROM BUGS, ERRORS OR MISTAKES, THAT THE SERVICES, DOCUMENTATION, AND/OR THE INFORMATION OBTAINED BY YOU THROUGH THE SERVICES WILL MEET YOUR REQUIREMENTS OR PRODUCE PARTICULAR OUTCOMES OR RESULTS, OR THAT THE SERVICES WILL PRODUCE ERROR-FREE MACHINE-GENERATED ANALYSES, BENCHMARKS, INSIGHTS OR RESPONSES. WE, OUR AFFILIATES AND LICENSORS ARE NOT RESPONSIBLE FOR: (A) ANY ISSUES WITH THE SERVICES THAT ARISE FROM CUSTOMER DATA, THIRD-PARTY SERVICES, OR THIRD-PARTY PROVIDERS; OR (B) ANY DELAYS, DELIVERY FAILURES OR ANY OTHER LOSS OR DAMAGE RESULTING FROM THE TRANSFER OF DATA OVER COMMUNICATION NETWORKS AND FACILITIES INCLUDING THE INTERNET AND YOU ACKNOWLEDGE THAT THE SERVICES AND DOCUMENTATION MAY BE SUBJECT TO DELAYS AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES. YOU FURTHER ACKNOWLEDGE THAT WE DO NOT PROVIDE ANY ACCOUNTING, TAXATION, FINANCIAL, INVESTMENT, LEGAL, OR OTHER ADVICE TO YOU, USERS, OR ANY THIRD PARTY.

## 10.5. ARTIFICIAL INTELLIGENCE TECHNOLOGY

10.5.1. FOR THE AVOIDANCE OF DOUBT, THE WARRANTY DISCLAIMER AT CLAUSE 10.4 SHALL ALSO APPLY TO ANY AI SYSTEMS THAT SAGE USES TO PROVIDE THE SERVICES AND/OR MAKES AVAILABLE TO YOU VIA THE SERVICES AND ANY AI-GENERATED OUTPUTS.

10.5.2. AI-GENERATED OUTPUTS DO NOT REPRESENT THE OPINIONS OR VIEW OF SAGE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, YOU WILL BE SOLELY RESPONSIBLE FOR: (A) EVALUATING WHETHER AI-GENERATED OUTPUTS MEET YOUR REQUIREMENTS AND ARE FIT FOR YOUR PURPOSES; (B) YOUR USE, MODIFICATION, PUBLICATION AND PROVISION OF, AND RELIANCE ON, ANY AI-GENERATED OUTPUTS (AND ANY MATERIALS CONTAINING, INCORPORATING OR CREATED WITH REFERENCE TO ANY AI-GENERATED OUTPUTS).

## 10.6.

## 11. Indemnification

11.1. Our Indemnification. Subject to section 1110.3, we will indemnify and defend you and your Affiliates, officers, directors, employees, and agents (at our expense) arising out of or in connection with any third-party claim alleging that the Services infringe the Intellectual Property Rights of a third party, except to the extent that the alleged infringement is based on: (a) a customization or modification of the Services at your direction or by anyone other than us; (b) use of the Services in combination with any service, software, hardware, network, or system not supplied by us (including a Third-Party AI Tool),, if the alleged infringement relates to such combination; (c) use of the Services in a manner contrary to our written instructions or the Documentation; (d) your use of any AI-Generated Outputs (including derivatives of such AI-Generated Outputs; or (e) your use of any Generative AI Systems Sage makes available to you as part of the Services.. If a settlement is reached or there is an adverse judgment in any such claim, we shall pay the settlement

costs or final judgement awarded by a court with respect to such claim. If the Services infringe, or we reasonably believe they may infringe, Intellectual Property Rights, we may, at our own expense and option: (i) procure the right for you to continue use of such Services; (ii) modify such Services so that they become non-infringing without material loss of functionality; or (iii) if (i) and (ii) are not feasible, terminate this Agreement and refund you a pro-rata portion of any prepaid and unused fees for the Services.

**11.2. Indemnification by You.** Subject to section 1110.3, you will defend and indemnify us and our Affiliates, officers, directors, employees, and agents (at your expense) arising out of in connection with any third-party claim alleging that your collection, retention or use of Customer Data (including AI Input Data) infringes the Intellectual Property Rights of a third party or violates applicable law or your use of the Services in breach of this Agreement infringes the Intellectual Property Rights of a third party. If a settlement is reached or there is an adverse judgment in any such claim, you shall pay the settlement costs or final judgement awarded by a court with respect to such claim.

**11.3. Indemnification Procedure.** In the event of a potential indemnity obligation under this section 1110, the indemnified party shall provide to the indemnifying party: (i) prompt written notice of the claim or a known threatened claim, such that the indemnifying party's ability to defend the claim is not prejudiced; and (ii) control of, and reasonable assistance in, the defense and settlement of the claim, at the indemnifying party's expense. Without the prior written consent of the indemnified party, the indemnifying party shall not settle or consent to an adverse judgment in any such claim that adversely affects the rights or interests of, or imposes additional obligations on, the indemnified party.

**11.4. Exclusive Remedy.** The indemnification obligations set forth above represent the sole and exclusive liability of the indemnifying party and the exclusive remedy of the indemnified party for any third-party claim described in this section 11.

## **12. Limitation of Liability**

**12.1. Limitations.** EXCEPT FOR INDEMNIFICATION OBLIGATIONS UNDER SECTION 11, THE PARTIES AGREE THAT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY SHALL HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, EXEMPLARY, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES ARISING FROM BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, OR ANY OTHER LEGAL CAUSE OF ACTION AND WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT FOR YOUR OBLIGATIONS TO PAY FEES UNDER THIS AGREEMENT AND FOR INDEMNIFICATION OBLIGATIONS UNDER SECTION 10, EITHER PARTY'S AGGREGATE LIABILITY SHALL NOT EXCEED THE SUBSCRIPTION FEES FOR THE SERVICES PAID OR PAYABLE TO SAGE IN THE 12-MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM, OR, IF SUCH CLAIM ARISES DURING THE FIRST 12-MONTH PERIOD OF THIS AGREEMENT, DURING SUCH PERIOD.

**12.2. Exclusion of AI Outputs.** Notwithstanding any other provisions of this Agreement, Sage shall not be liable for any losses (whether direct or indirect) you suffer or incur in connection with your use of AI-Generated Outputs, including to the extent such losses arise in connection with a claim by a third-party that your receipt, possession or use of AI-Generated Outputs infringes the Intellectual Property Rights of that third party.

**12.3. Scope.** The exclusions and limitations above apply to all causes of action, whether arising from breach of contract, tort, breach of statutory duty, or otherwise, even if such loss was reasonably foreseeable or if one party had advised the other of the possibility of such loss, provided that nothing in this Agreement shall limit or exclude any liability which cannot be excluded or limited as a matter of law. The allocation of risk in this Agreement is reflected in the level of fees payable hereunder. A party may not circumvent the limitations of liability herein or receive multiple recovery under this Agreement by bringing separate claims or claims on behalf of its Affiliates.

## **13. General Provisions**

**13.1. Compliance with Laws.** Each party shall comply with all applicable laws and regulations in relation to your use of the Services, including applicable sanctions (including those of the Office of Foreign Assets Control (OFAC), the United Nations, the United Kingdom, and the European Union), anti-bribery, anti-corruption, and tax evasion laws; provided, however, that our compliance with the Health Insurance Portability and Accountability Act of 1996, as amended, requires a separate written agreement by us. Each party shall maintain appropriate controls and procedures to be able to demonstrate compliance with such laws and regulations.

**13.2.** The Services may be subject to export laws and regulations of the United States and other jurisdictions. Each party represents that it and its Affiliates are not named on any denied-party (or similar target sanctions) list and that its Affiliates are not owned or controlled by a politically exposed person. You shall be obliged to notify us if, during the term of this Agreement, you or any of your Affiliates become named on any U.S. government "denied persons list" (or equivalent targeted sanctions list) or you become owned or controlled by a politically exposed person. In the event that these circumstances arise, we shall be entitled to terminate this Agreement immediately on written notice to you. You shall not permit Users to access or use the Services in a U.S. embargoed country or in violation of any U.S., UK or EU export laws or regulations or in any Prohibited Territories. "Prohibited Territories" means: (i) any country or territory that is subject to to comprehensive state or government wide sanctions by the United Kingdom, the European Union, or the U.S.; and (ii) any other country or territory that becomes subject to such sanctions by the United Kingdom, the European Union, or the U.S. after the Effective Date. You shall have and shall maintain throughout the term of this Agreement appropriate procedures and controls to ensure and be able to demonstrate your compliance with this section 13.1. Each party will promptly report to the other party if it has violated, or if a third party has a reasonable basis for alleging that it has violated, this section. In the event that this section 13.1 is breached by you, we shall have a right to immediately suspend your use of the Services to the extent that we consider necessary without prior notice and/or terminate the Agreement immediately on written notice to you. You shall indemnify (and keep indemnified) Sage and our officers, directors, employees, attorneys and agents against any Damages arising out of or in connection with your (or your Users) breach of this clause 13.2.

**13.3.** . You shall assist in any due diligence process we may ask you to participate in from time to time to ensure your compliance with this Agreement and this section 13. You shall provide us with all reasonable co-operation, information and assistance in relation to our due diligence processes for any purpose, including but not limited to enabling us to establish ownership and to identify any territory in which you and any or all of your Users use and access the Services for whichever purpose. Your failure to engage in any such a process and/or provide the required information shall be deemed to be a material breach of

this Agreement and we shall have a right to terminate this Agreement immediately on written notice to you.

13.4.

13.5. U.S. Government Users. The Services and our Confidential Information are commercial items. If they are being used by or on behalf of the U.S. Government, then the U.S. Government's rights in them will be only those specified in this Agreement, consistent with FAR 12.212 and DFARS 227.7202-1 through 227.7202-4, as applicable.

13.6. Unfair Competition. You may not use the Services or any materials provided by us to build a competitive product or service or to benchmark with a non-Sage product or service.

13.7. Assignment. Neither party may assign any rights or obligations under this Agreement without the other party's prior written consent, except that a party may assign this Agreement in its entirety in connection with a merger, acquisition, spin-off, corporate reorganization or restructuring, or sale of substantially all of its assets. Any attempted assignment in breach of this Agreement shall be void.

13.8. Remedies Not Exclusive. Except as expressly set forth herein, any remedy in this Agreement is not exclusive of any other available remedy.

13.9. Third Party Beneficiaries. Certain of the Services may be provided by our Affiliates. In such case, each such Affiliate shall be a third-party beneficiary of this Agreement to the extent of such Services. Except as expressly set out in this Agreement, a person who is not a party to this Agreement will have no rights to enforce it.

13.10. Entire Agreement. This Agreement constitutes the entire agreement between the parties regarding its subject matter and supersedes all prior or contemporaneous written and oral agreements, negotiations, and discussions between the parties regarding the subject matter herein. The parties acknowledge that in entering into this Agreement they have not relied on and will have no rights or remedies in respect of any statement, representation, assurance, or warranty other than as expressly set out in this Agreement. Nothing shall limit or exclude either party's liability for fraud.

13.11. Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, then to the extent possible such provision shall be construed to reflect the intent of the original provision, with all other provisions in this Agreement remaining in full force and effect.

13.12. No Partnership or Agency. Each party is an independent contractor, and neither party has any authority to act on behalf of the other. Neither party will represent itself as agent, servant, franchisee, joint venture, or legal partner of the other. We are entering into this Agreement as principal and not as agent for any other Sage company, and claims under this Agreement may be brought only against us and not against any of our Affiliates.

13.13. Waiver. A party's failure or delay to exercise any right under this Agreement will not act as a waiver of such right. Rights may only be waived in writing signed by the waiving party.

13.14. Force Majeure. Notwithstanding any provision contained in this Agreement, neither party will be liable to the other to the extent performance of any obligations under this Agreement is delayed or prevented by a Force Majeure event.

13.15. Order of Precedence. In the event of any express conflict or inconsistency, the order of precedence shall be: (i) the Data Processing Agreement; (ii) your Order; (iii) these terms

(including any annexes or exhibits hereto); and (iv) the Documentation.

13.16. Updates. From time to time, we may amend these terms. We will notify you of any material changes by promptly sending an email or posting a notice in the Services. By continuing to access or use the Services after such notice, you are indicating that you agree to be bound by the modified terms. Notwithstanding the foregoing, if the changes have a material adverse impact on and are not acceptable to you, then you must notify us within 30 days after receiving notice of the change. If we cannot accommodate your objection, then the prior terms shall remain in force until the expiration of your then-current subscription period. Any renewed subscription will be governed by our then-current terms.

13.17. No Publicity. Neither party shall make any public statement about this Agreement or the relationship of the parties governed by this Agreement that identifies the other party without the other party's prior written consent, except that while you are a customer, Sage may use your name and logo in its customer list in a manner that does not suggest endorsement.

13.18. Governing Law; Dispute Resolution. The validity, construction, and application of this Agreement will be governed by the internal laws of the State of Georgia, excluding its conflict of laws provisions. The parties agree to resolve all disputes related to this Agreement by binding individual arbitration before one arbitrator and will not bring or participate in any representative action. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules, and shall take place in Atlanta, Georgia. Any challenge to arbitrability shall be decided by the arbitrator. Judgment on the arbitration award may be entered in any court having jurisdiction. In the event a party seeks injunctive relief from a court, the parties consent to the exclusive jurisdiction and venue of the federal and state courts located in Atlanta, Georgia. For the avoidance of doubt, the United Nations Convention on Contracts for the International Sale of Goods shall not apply.

13.19. Class Action Waiver. BOTH YOU AND SAGE AGREE THAT ANY DISPUTE RELATING TO THIS AGREEMENT WILL BE DECIDED ON AN INDIVIDUAL BASIS PURSUANT TO SECTION 13.18 (GOVERNING LAW; DISPUTE RESOLUTION). CLASS ACTION LAWSUITS, CLASS-WIDE ARBITRATIONS, PRIVATE ATTORNEY-GENERAL ACTIONS, AND ANY OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY ARE NOT ALLOWED. NEITHER OF US MAY COMBINE ANY INDIVIDUAL PROCEEDINGS WITH A DISPUTE INVOLVING A THIRD PARTY WITHOUT THE CONSENT OF ALL PARTIES INVOLVED.

13.20. Notices. Except as otherwise specified in this Agreement, any notice required under this Agreement will be in writing and sent by pre-paid mail, courier service or email to the contact address or email last provided in writing to the notifying party by the notified party. Any notice will be deemed received: (i) if sent by pre-paid mail, 48 hours after posting; (ii) if sent by courier, on the next business day; or (iii) if sent by email, at 9 a.m. recipient's local time on the next business day after the email is sent, or earlier if the intended recipient has confirmed receipt either expressly or by conduct. Legal notices may be sent to us at Sage Software, Inc., 619 Ponce de Leon Avenue, Suite 400, Atlanta, Georgia 30308, Attn: Legal Department.

13.21. Interpretation. Headings are for convenience only and may not be used in interpretation. The words "such as" and "including" do not signify limitation. This Agreement shall not be interpreted against the drafter.

## 14. Additional Product Terms

14.1. API and Developer Tools. The following terms apply if we permit you to use our API to connect the Services to a Third-Party Service and/or to use our Developer Tools to develop application(s) that interoperate with the Services:

“**API**” means our application programming interface for the Services, as updated from time to time at our discretion.

“**Developer Tools**” means the development components, developer tools, deployment tools, and other documents and materials that we make available from time to time for the development, testing, operating, or maintaining of applications that interoperate with the Services.

Subject to your compliance with the terms and conditions of this Agreement and the payment of any applicable fees (i.e., API transaction fees or overage fees associated with your performance tier), we grant you a limited, revocable, non-exclusive, royalty-free, non-transferable, non-sublicensable license to: (i) use the Developer Tools only to develop, test, operate and maintain software for your use with the Services (“**Your Software**”); and (ii) access the API to process, analyze, or display Customer Data. Parts of the Developer Tools provided under open source licenses are governed by such licenses.

As between the parties, we own all right, title, and interest in the API and Developer Tools including any configurations, customizations, modifications, enhancements, updates, and revisions thereof, and you own all right, title, and interest in Your Software, including any configurations, customizations, modifications, enhancements, updates, and revisions thereof.

You are responsible for protecting the confidentiality of any API access credentials in your possession or control. You may not share your API access credentials or otherwise act to circumvent any account limitations or restrictions.

In using the API and Developer Tools, you agree to protect the privacy and legal rights of Users and third parties. You represent and warrant that your use of the Developer Tools, API, and Your Software: (i) will comply with all applicable laws (including export laws) and regulations; (ii) will not contain any virus, malware, or spyware; (iii) will not violate the terms of this Agreement or any policies established by us for the operation of interoperable applications; (iv) will not adversely impact the speed, security, or integrity of the Services; (v) will not circumvent or render ineffective our technological and other measures to secure, protect and control the Services; and (vi) will not use any FOSS in a way that would cause the non-FOSS portions of the Services to be subject to any FOSS licensing terms or obligations. “**FOSS**” (Free and Open Source Software) means any software that is subject to terms that, as a condition of use, copying modification, or redistribution, require such software or derivative works thereof to be disclosed and/or distributed in source code form, to be licensed for purposes of making derivative works, or to be redistributed free of charge. Any breach of this section is a material breach of this Agreement.

We may monitor use of the API for any reason, including quality assurance, improvement of the Services, and verification of compliance with this Agreement. If you use the API to grant access to or export Customer Data from the Services, we are not responsible for any use or misuse of Customer Data obtained through the API.

14.2. Downloadable Components. The operation of certain modules of the Services requires the use of downloadable software components designed to be installed on desktop or mobile devices (“**Downloadable Components**”). The Downloadable Components are “Services” under this

Agreement. Users may need to expressly opt into the use of certain Downloadable Components; in such cases, the operation of the Services which require such Downloadable Components is contingent on such opt-in by Users. We are not responsible for lack of use of the Services due to User refusal to install the Downloadable Components, lack of User opt-in (where required), or User opt-out (where enabled). Conditioned upon your compliance with the terms and conditions of this Agreement, we grant you the following limited, non-exclusive, non-transferable (except as expressly provided herein), royalty-free, revocable license: your authorized Users may download, install and run on supported devices the executable form of the Downloadable Components for purposes of using the Services’ modules which utilize the Downloadable Components and for which you have subscribed. In addition to the restrictions of this Agreement regarding the Services, you may not translate, disassemble, decompile, decrypt, or reverse engineer the Downloadable Components, or authorize or knowingly permit a third party to do any of the foregoing, except to the extent such activities are expressly permitted by law notwithstanding this prohibition or by licensing terms governing use of open-source components included with the Downloadable Components. We may, from time to time, update the Downloadable Components. The Downloadable Components and all copies thereof are licensed and not sold, and are protected by applicable law, including United States and foreign copyright laws and international treaties. The licenses in this Section shall terminate at the earlier of the termination or expiration of this Agreement or the termination or expiration of your subscription to the Services’ module(s) which utilize the Downloadable Components. Upon license termination, you must cease all use of the Downloadable Components and promptly delete all copies, full or partial, thereof that are in your Users’ possession or control. Any service level agreement shall not apply to the Downloadable Components and to the operation of the Services’ module(s) dependent, in whole or in part, on the Downloadable Components.

### 14.3.

14.4. Sage Expense Management Services. If you subscribe to the Sage Expense Management Service, the Sage Expense Management Services Addendum terms available at <https://www.sage.com/en-us/legal/terms-and-conditions/product-and-service-terms-and-conditions/sage-intacct/> are incorporated herein by reference and apply to such Sage Expense Management Services.

14.5. If you use Direct Deposit Services the Direct Deposit Addendum attached hereto applies.

14.6. Special Product Terms. Certain other Services or modules may be governed by additional terms. When agreed to by you in writing, such terms will become part of this Agreement.

## 15. Purchase Through a Partner

15.1. Purchase through an Authorized Reseller. The following supplemental terms apply if you purchase a subscription to the Services through an authorized reseller (such as a VAR) (“**Reseller**”): If you place an order for the Services with a Reseller then (i) such document shall constitute an Order hereunder, (ii) your payment obligations under such Order shall be to the Reseller, (iii) you consent to our sharing of Usage Data with the Reseller pursuant to section 5 above, and (iv) your acceptance of such Order shall be an acceptance of this Agreement between you and us for the provision of the Services, provided that any transactions solely between you and the Reseller (such as professional services provided by the Reseller or other Third-Party Services sold by the Reseller) shall not be a part of this Agreement. First-tier technical support for the Services will be provided by the Reseller, unless otherwise set



forth in the Order. Non-payment of fees owed to a Reseller under an Order shall constitute a material breach of this Agreement. If you grant a Reseller access to Customer Data or to your Services account, such access shall constitute consent to the

disclosure of Customer Data to the Reseller pursuant to section 6 above, and you will be responsible for terminating such access.

## Addendum for Direct Deposit Services

**a. Generally.** This Addendum for Direct Deposit Services (this “Addendum”) applies to the Direct Deposit functionality available within the Services. In the event of a conflict between terms of the Sage 50 Terms of Service and the terms of this Addendum, the terms of this Addendum shall apply. The direct deposit services that iSolved provides under this addendum consist of iSolved, through an “Originating Bank”, initiating debits to a bank account that you designate and making credits to your employees’ bank accounts based on the payroll information you provide (the “Services”). You shall provide iSolved with an “Authorization to Debit Form” that identifies your financial institution (which must be a participating financial institution in the ACH network) and account number (“Account”) together with a voided check from that Account. For iSolved to set up and perform the Services, you must complete and execute all documentation that iSolved reasonably requires and otherwise comply with this addendum.

**b. Authorization to Debit.**

(i) You authorize and direct iSolved to debit your Account up to five (5) business days (unless otherwise agreed to in writing) before each of the dates you designate that direct deposits are to be remitted to your employees (the “Payroll Check Dates”) in such amounts as you instruct iSolved are necessary to pay those individuals who have elected to receive their wages by direct deposit (“Payees”). The credits to each Payee’s account shall be on the applicable Payroll Check Date. You also authorize and direct your financial institution to charge your Account in the amount of each debit and to honor and pay the debit in accordance with its terms. The foregoing authorizations shall be standing authorizations and shall remain in full force and effect until terminated in accordance with this addendum and your agreement with your financial institution, and until iSolved and your financial institution have had a reasonable opportunity to act upon such termination.

(ii) If you designate a different financial institution or a different account number at the existing financial institution to serve as your Account, then you shall promptly notify iSolved of such change in writing and furnish a new Authorization to Debit Form to iSolved together with a voided check from such new account. iSolved must receive the new Authorization to Debit Form at least ten (10) days before the effective date of any such change.

(iii) Prior to the initiation of the first credit to any Payee, you shall obtain a written authorization signed by such Payee (the “Payee Authorization”) in a form that complies with National Automated Clearing House Association (“NACHA”) rules. This form shall authorize the initiation from time to time of credits to such Payees’ accounts as well as authorize the debiting of such accounts in order to recover any funds erroneously credited to such accounts or if a debit entry to your Account is returned for any reason. You will request that iSolved credit or debit Payees’ accounts for net changes to payrolls that are reprocessed for any reason. You shall retain the original signed Payee Authorization, or duplicates of the original, regardless of the manner in which stored (electronic, photocopied, etc.), during the period such Payee Authorization is in effect and for a period of two years after the termination or revocation of such Payee Authorization, and shall furnish such original or copy to iSolved upon request.

**c. Available Funds.** You must always have in your Account good, collected funds in an amount sufficient to cover the debits initiated by iSolved no later than the beginning of the day that iSolved will debit your Account. If sufficient funds are not available, then iSolved may require a wire transfer for the amounts due. You will be debited by electronic entry unless: (i) any single payment to cover your direct

deposit credits equals or exceeds \$100,000.00 or your credit limit designated by iSolved, whichever is less, or (ii) any initial electronic debit request is returned by your financial institution for any reason, in which case you may, at iSolved’s option, be required to fund such payroll file by wire transfer or other method. If iSolved requires payment via wire transfer or other method, you shall provide iSolved with all information necessary to confirm receipt of the payment, including, but not limited to, financial institution information and confirmation numbers. iSolved may, in its sole discretion, require a security deposit. You hereby waive any right to interest that may accrue on said security deposit or any funds held by iSolved. If iSolved is unable to confirm receipt of the funds by wire transfer or other method prior to the funding deadline, remittance of wages may be delayed.

**d. Timely Provision of Information.** You acknowledge and agree that reporting direct deposit information after the time associated with your Payroll Processing Schedule (as defined below) may result in late receipt of direct deposits on or after the Payroll Check Date.

**e. Investment Earnings.** Any investment earnings (including interest earned) on funds held by iSolved between the date of withdrawal from your Account and the date such funds are paid to the Payees shall be for iSolved’s benefit and not for your or any Payee’s benefit.

**f. NACHA / OFAC Compliance.** All electronic transactions made hereunder shall comply with the NACHA rules and this addendum. No entry made hereunder may knowingly or intentionally violate federal, state or local laws, including, without limitation, regulations of the Office of Foreign Assets Control (“OFAC”). You shall ensure that no transactions made hereunder constitute “prohibited transactions” under OFAC regulations.

## 2. Set Up and Credit Terms.

**a. iSolved’s Review Process.** Notwithstanding anything in this addendum to the contrary, iSolved has no obligation to provide any Services to you unless and until iSolved approves your use. You shall provide iSolved with any and all information and documentation (financial or otherwise) that iSolved reasonably requires to conduct its review. iSolved’s review process will begin upon its receipt of such information and documentation. You certify that the information it has provided or will provide to iSolved is true, accurate and complete.

**b. Credit Approval.** You understand that the Services require (and part of iSolved’s review process includes) credit approval. You authorize iSolved to make whatever inquiries it deems necessary of others, including but not limited to, requesting your and your principals’ consumer reports, bank credit information, business credit reports or other credit reference review. The credit approval process will be dictated by your average net payroll. The credit process may require up to five (5) business days. iSolved will advise you of your processing schedule after credit approval (“Payroll Processing Schedule”). iSolved reserves the right not to provide the Services based on negative information received from consumer reports in compliance with the applicable provisions of the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq. and its corresponding regulations. You authorize iSolved to utilize credit reports (including those of your principals) from time to time in connection with the extension or continuation of the Services. After credit approval, if you do not process payroll for six (6) months or more, or in iSolved’s reasonable judgement, you become a risk, iSolved may deactivate the Services and you acknowledge and agree that you must re-apply for credit and obtain credit approval from iSolved if you desire to re-start the Services.

- c. Recovery of Funds.** You will cooperate with iSolved to recover funds paid to any employee or any other nonemployee account in error, or in the event a debit entry to your Account is returned for any reason.

### **3. Roles & Responsibilities.**

- a. iSolved as Processor Only.** iSolved's role is that of a processor of direct deposit information that you supply. iSolved is not your agent, and specifically disclaims any fiduciary relationship with you. The Services do not include any tax, financial, employment or legal advice. You should seek such advice from an attorney, certified public accountant or other finance or tax professional.

**b. Customer's Responsibilities.**

- (i) The accuracy and the integrity of the Services is limited by the nature and timeliness of the information you provide. You are solely responsible for (x) the timely provision of complete and accurate information as is necessary for iSolved to provide the Services; (y) promptly reviewing all communications and records furnished to you by iSolved, including but not limited to, details relating to credits and/or debits, billing and other account information; and (z) the consequences of any instructions you give to iSolved. You shall notify iSolved of any discrepancies between the information contained in the communications or records furnished to you by iSolved and your own records within three (3) business days of receipt. Errors resulting from inaccurate information you supplied or your failure to review all communications and records furnished to you by iSolved, and report to iSolved any errors within the three (3) day period, shall be your sole liability and you agree to indemnify and hold iSolved harmless from any such errors. If the data you submit is incorrect, incomplete or not in proper form, whether due to you or iSolved, then you shall pay iSolved its standard rate then in effect for any additional work performed to correct such data.

- (ii) Notwithstanding anything in this addendum to the contrary, compliance with applicable federal, state or other local laws is your sole responsibility. Without limiting the foregoing, you are solely responsible for complying with any legal obligation to maintain records regarding your business or employees.

- c. Customer's Representations.** You represent and warrant to iSolved that: (i) each credit to the account of a Payee and each debit reversing one or more previous such credits will be requested timely and has been authorized pursuant to a Payee Authorization signed by such Payee and held by you; (ii) at the time any credit is made to the account of any such Payee, you have no actual knowledge of the revocation or termination of such Payee's Authorization; (iii) each debit to the account of a Payee (reversing a prior credit) will be for a sum which is due and owing; (iv) your payment by means of electronic credits complies with all laws applicable to you and Payee with respect to such payments; and (v) you will have good, collected funds available in your Account for the purpose of honoring every debit made by iSolved in connection with the Services.

### **4. Term and Termination.**

- a. Commencement.** If iSolved approves your use of the Services, the Services will commence on the date advised by iSolved and the term of this addendum shall continue in effect unless and until terminated as provided herein.
- b. Termination Events.** Notwithstanding anything in this addendum to the contrary, this addendum may be immediately terminated at iSolved's option and without prior notice, and iSolved will have no further obligation to provide any Services to you, if any one of the following occurs (a "Termination Event"): (i) any debit to your

Account for funding is dishonored or otherwise returned to iSolved or the Originating Bank for any reason, or you default in the payment of any sum of money owed to iSolved; (ii) any representation you make is incorrect in any material respect; (iii) you default under this addendum; (iv) your funds are, at any time, insufficient to cover the net payroll and/or related taxes for your Payees, (v) (a) you cease operations, (b) a receiver, custodian, trustee or liquidator becomes responsible in any manner for you or any of your assets, (c) you are unable to pay your debts as they become due, (d) you make any assignment for the benefit of creditors, (e) you become a bankrupt party under the United States bankruptcy code or either involuntarily or voluntarily becomes the subject of any other law relating to bankruptcy, insolvency, reorganization, dissolution, liquidation, winding-up, or composition or adjustment of debts; (vi) the Originating Bank notifies iSolved that it is no longer willing to originate debits and credits for you for any reason whatsoever (including without limitation, the return of a debit entry or insufficient or uncollected funds); (vii) the Payee Authorization is terminated (unless replaced by another Payee Authorization); or (viii) iSolved's agreement with the Originating Bank is terminated.

- c. Termination for Convenience.** Subject to the last sentence of Section 1(b)(i) above, either party may terminate this addendum without cause with written notice to the other party.

- d. Effect of Termination.** The following sections will survive termination of this addendum: this Section 4d (Effect of Termination), Section 6 (Limitation of Liability), Section 7 (Indemnification), Section 9 (Miscellaneous), and any other provision when reasonably read as intended to survive termination.

### **5. Disclaimer of Warranties.**

- a. Provision.** iSolved shall use due care in providing the Services. However, iSolved shall have no responsibility for correcting errors which are due to your negligence or incompleteness or inaccuracy of information provided by you or your employees or agents.

- b. No Warranties.** EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, THE SERVICES ARE PROVIDED ON AN "AS IS" BASIS AND ISOLVED DISCLAIMS TO THE FULLEST EXTENT PERMITTED BY LAW ALL OTHER REPRESENTATIONS, WARRANTIES AND GUARANTEES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING THOSE (I) OF MERCHANTABILITY OR SATISFACTORY QUALITY, (II) OF FITNESS FOR A PARTICULAR PURPOSE, (III) OF NON-INFRINGEMENT AND (IV) ARISING FROM CUSTOM, TRADE USAGE, COURSE OF PRIOR DEALING OR COURSE OF PERFORMANCE.

### **6. Limitation of Liability.**

- a. Generally.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ISOLVED SHALL NOT HAVE ANY LIABILITY FOR ANY INDIRECT, SPECIAL, EXEMPLARY, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES. SUBJECT TO SECTION 6B, ISOLVED'S AGGREGATE LIABILITY FOR DIRECT DAMAGES SHALL NOT EXCEED THE VALUE OF THE FEES FOR THE SERVICES PAID OR PAYABLE IN THE 12-MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM, OR, IF SUCH CLAIM ARISES DURING THE FIRST 12-MONTH PERIOD OF THIS AGREEMENT, DURING SUCH PERIOD.

- b. Exception.** iSolved's sole liability under this addendum for the fraudulent or dishonest acts or omissions of iSolved's officers, employees or agents shall be limited to restoring any lost or misdirected funds (if any) to you or the applicable Payee (as

reasonably determined by you) caused solely and directly by such fraudulent or dishonest acts or omissions.

**c. Clarifications.** iSolved shall have no liability for any failure to provide the Services due to causes or conditions beyond its control. You recognize that Internet service provider interruptions that prevent you from entering and/or transmitting direct deposit information are beyond iSolved's control and agree that iSolved shall not be liable for any resulting damages or losses resulting from such interruptions. iSolved also shall not be liable for any fraudulent or dishonest acts or omissions of your officers, employees or agents, whether involving your use of the Services or otherwise.

**d. Application.** The exclusions and limitations above apply to all causes of action, whether arising from breach of contract, tort, breach of statutory duty or otherwise, even if such loss was reasonably foreseeable or if you had advised iSolved of the possibility of such loss. The allocation of risk in this addendum is reflected in the level of fees payable hereunder.

**7. Indemnification.** You shall indemnify and hold iSolved harmless from all losses, damages and expenses (including reasonable attorneys' fees) in any claim that arises out of or results from (i) your furnishing of incomplete or inaccurate information to iSolved; (ii) a Termination Event; or (iii) your breach of any NACHA rules.

## **8. Fees; Payment.**

**a. Electronic Debit.** You shall pay the applicable Services fees to iSolved via electronic debit (e.g., automatic billing). iSolved may increase any prices and/or fees at any time upon fifteen (15) days' written notice.

**b. Wire Transfer and Other Fees.** Wire transfer fees will be charged in accordance with reasonable and prevailing fees. All wire transfer fees are in addition to, not in lieu of, any other fees payable to iSolved under this addendum. Further, all financial institution fees charged by your financial institution shall be your sole responsibility. You shall pay for any financial institution service charges iSolved may incur due to a debit withdrawal request returned to iSolved as being dishonored.

**c. Dishonored Items.** You shall pay iSolved a service fee for any debit withdrawal request that is returned to iSolved as being dishonored. The fee shall be charged at the current Non-Sufficient Funds Rates as published on the iSolved fee schedule. Notwithstanding Section 8a, this schedule may be reviewed and adjusted at any time in iSolved's sole discretion.

**d. Failure to Pay.** If you fail to pay any amount due under this addendum, whether by acceleration or otherwise, upon demand by iSolved, you shall pay interest at the rate of 1.5% per month (but not to exceed the maximum allowed by law) on such delinquent amount from the due date thereof until the date of payment.

**e. Refunds.** No refund or adjustment will be processed by iSolved until verification is available that good, collected and final funds from you are on deposit in iSolved's account. If you do not honor a debit from iSolved correcting a previous credit entry, then you will refund to iSolved the amount of such credit entry if iSolved already refunded such amount, or iSolved may offset the amount against other funds in iSolved's possession.

## **9. Miscellaneous.**

**a. Assignment.** You shall not assign this addendum without iSolved's prior written consent, which will not be unreasonably withheld. Any attempt by you to assign any of your rights, duties or obligations

that arise under this addendum without such consent shall be void. iSolved may assign this addendum or any of its rights, duties or obligations that arise under this addendum.

**b. Entire Agreement.** This addendum constitutes the entire agreement between you and iSolved regarding its subject matter and supersedes all prior or contemporaneous written and oral agreements, negotiations and discussions between the parties regarding the subject matter herein. You acknowledge that in entering into this addendum you have not relied on and will have no rights or remedies in respect of any statement, representation, assurance or warranty other than as expressly set out in this addendum.

**c. Amendments.** iSolved reserves the right to amend any of the Services and this addendum, any of which amendments shall become effective upon fifteen (15) days' written notice. Except as otherwise provided herein, this addendum shall not be modified in any way except in writing, signed by duly authorized representatives of you and iSolved.

**d. Severability.** If any provision of this addendum (or any portion thereof) is held to be invalid, illegal or unenforceable, then to the extent possible such provision shall be construed to reflect the intent of the original provision, with all other provisions in this addendum remaining in full force and effect.

**e. No Waiver.** iSolved's failure to insist upon strict performance of any provision of this addendum shall in no way constitute a waiver of any of iSolved's rights, nor shall such failure be considered a waiver by iSolved of any other provision or subsequent default by you in the performance of or in compliance with this addendum.

**f. Governing Law; Dispute Resolution.** The validity, construction and application of this addendum will be governed by the internal laws of the State of North Carolina, excluding its conflict of laws provisions. Except as provided in the last sentence of this Section 9f, any controversy, claim or action arising out of or relating to this addendum, including the determination of the scope or applicability of this agreement to arbitrate, will be settled by binding arbitration in Charlotte, North Carolina before one arbitrator. The arbitration shall be administered in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment on the award may be entered in any court having jurisdiction. iSolved may, in its sole discretion, commence an action in any court of competent jurisdiction within the State of North Carolina for any monies due and owing from you to iSolved.

**g. Time for Customer to Bring Claims.** ANY CLAIM OR CAUSE OF ACTION, REGARDLESS OF FORM, THAT YOU MAY RAISE HEREUNDER MUST BE BROUGHT BY YOU NO MORE THAN ONE (1) YEAR AFTER IT AROSE, OTHERWISE THE CLAIM OR CAUSE OF ACTION SHALL BE BARRED.

**h. Attorneys' Fees & Costs.** If iSolved is required to arbitrate or take any legal action to enforce the terms of this addendum and is successful in such arbitration or legal action, you shall pay all costs, attorneys' fees and interest reasonably incurred by iSolved as a result of the necessity of such arbitration or action (including those incurred on appeal).