ALEGION, INC. PROFESSIONAL SERVICES ADDENDUM

This **PROFESSIONAL SERVICES ADDENDUM** (the "Addendum") is an addendum to, and is hereby incorporated into, the Platform Agreement between Alegion and Client, including the Platform Terms and other Addenda incorporated therein (collectively, the "Platform Agreement").

- 1. ADDITIONAL DEFINITIONS. Certain capitalized terms used in this Addendum, not otherwise defined above, shall have the meanings set forth or cross-referenced below. Capitalized terms used in this Addendum that are not otherwise defined in this Addendum have the meaning set forth in the Application Services Distribution Agreement.
- **1.1** "Addendum Effective Date" has the meaning set forth in Section 7.1.
- **1.2** "Professional Services" has the meaning set forth in Section 2.1.
- 1.3 "Work Statement" has the meaning set forth in Section 2.2.

2. PROFESSIONAL SERVICES

- 2.1 Professional Services. The Parties anticipate that Client may desire to engage Alegion to perform certain services in connection with the access rights granted to Client by Alegion under separate Addenda to this Agreement, including, by way of example, training services, configuration and/or customization of the Application Services or Client's or Clients computers or related systems. Subject to the terms and conditions set forth in this Addendum, Alegion shall use commercially reasonable efforts to perform the services as set forth in Work Statements (as defined below) separately executed by the Parties (the "Professional Services"). Alegion shall perform the Professional Services in a professional manner in accordance with industry standards.
- 2.2 Issuance of Work Statements. Client may request that Alegion perform services by delivering a written request describing the proposed Professional Services. Alegion shall prepare a draft work statement as an exhibit to this Addendum (each, a "Work Statement"). Such Work Statement shall describe the fees, costs and expenses payable by Client to Alegion in connection with the performance of such services. Client, within five (5) business days after receipt of the proposed Work Statement, shall notify Alegion of its acceptance of such Work Statement. Until mutual acceptance in writing of the proposed Work Statement. Alegion shall have no obligation to perform the proposed Professional Services, provided that this Addendum shall remain in full force and effect in accordance with Section 7.1. Each Work Statement, regardless of whether it relates to the same subject matter as any previously executed Work Statement(s), shall become effective upon execution by authorized representatives of both Parties.
- 2.3 Modifications. Client may at any time request a modification to the Professional Services to be performed pursuant to any particular Work Statement by written request to Alegion specifying the desired modifications. Alegion shall, within a reasonable time following receipt of such request, submit an estimate of the cost for such modifications and a revised estimate of the time for performance of the Professional Services pursuant to the Work Statement. If accepted in writing by Client, such modifications in the Work Statement shall be performed under the terms of this Addendum. Modifications in any Work Statement shall become effective only when a written change request is executed by authorized representatives of both parties.

3. PERSONNEL

- **3.1 Suitability.** Alegion shall assign employees and subcontractors with qualifications suitable for the work described in the relevant Work Statement. Alegion may replace or change employees and subcontractors in its sole discretion with other suitably qualified employees or subcontractors.
- **3.2 Client Responsibilities.** Client shall make available in a timely manner at no charge to Alegion all technical data, computer facilities, programs, files, documentation, test data, sample output, or other information and resources of Client required by Alegion for the performance of the Professional Services. Client shall be responsible for, and assumes the risk of, any problems resulting

- from, the content, accuracy, completeness and consistency of all such data, materials and information supplied by Client. Client shall provide, at no charge to Alegion, office space, services and equipment (such as copiers, fax machines and modems) as Alegion reasonably requires to perform the Professional Services.
- **3.3 Nonsolicitation.** Client acknowledges and agrees that the employees and consultants of Alegion who perform the Professional Services are a valuable asset to Alegion and are difficult to replace. Accordingly, Client agrees that, for a period of one (1) year after the termination or expiration of this Addendum, it shall not offer employment or engagement (whether as an employee, independent contractor or consultant) to any Alegion employee or consultant who performs any of the Professional Services. Client agrees that for each individual that Client hires or engages in violation of this Section 3.3, Client shall pay to Alegion liquidated damages equal to fifty percent (50%) of the annual cumulative value of salary and benefits paid or payable to that individual by either Client or Alegion, whichever amount is greater.
- 4. FEES AND PAYMENTS. In consideration of the Professional Services, Client shall pay Alegion at Alegion's then standard hourly rates provided to Client as well as any other fees required by the applicable Work Statement. Client will reimburse Alegion for (i) reasonable travel and living expenses incurred by Alegion's employees and contractors for travel from Alegion's offices in connection with the performance of the Professional Services; (ii) reasonable international telephone charges (if applicable); that are necessary to the performance of Professional Services under this Agreement; and (iii) any other expenses for which reimbursement is contemplated in the applicable Work Statement. Except as provided above, each Party will be responsible for its own expenses incurred in rendering performance under this Addendum and each applicable Work Statement. Unless otherwise contemplated in a particular Work Statement, Alegion will issue invoices to Client on a monthly basis for amounts due under this Addendum, and payment of such amounts shall be due within ten (10) days of the date of invoice.
- **5. PROPRIETARY RIGHTS.** Unless otherwise expressly agreed in any particular Work Statement, ownership of all work product, developments, inventions, technology or materials provided under this Addendum shall be solely owned by Alegion, subject to the usage rights granted to Client under the relevant Work Statement.
- 6. LIMITATION OF WARRANTIES AND LIABILITY. ALEGION MAKES NO REPRESENTATIONS OR WARRANTIES UNDER THIS ADDENDUM, AND CLIENT ACKNOWLEDGES THAT THIS ADDENDUM IS SUBJECT TO ALL DISCLAIMERS AND LIMITATIONS OR LIABILITY SET FORTH IN THE PLATFORM TERMS

7. TERM; TERMINATION

- **7.1 Term.** This Addendum shall commence on the date of execution by both Parties (the "Addendum Effective Date") and shall remain in effect until the earlier to occur of (i) completion of all outstanding Work Statements hereunder; or (ii) termination in accordance with Section 7.2. Notwithstanding the foregoing, this Addendum shall remain in effect for a period of not less than one (1) year from the Addendum Effective Date unless earlier terminated in accordance with Section 7.2. Unless otherwise stated in the applicable Work Statement, the term of each Work Statement shall last until performance thereunder is completed.
- **7.2 Termination for Breach.** Either Party may, at its option, terminate this Addendum in the event of a material breach by the other Party. Such termination may be effected only through a written notice to the breaching Party, specifically identifying the breach or breaches on which such notice of termination is based. The

breaching Party will have a right to cure such breach or breaches within thirty (30) days of receipt of such notice, and this Addendum shall terminate in the event that such cure is not made within such thirty (30)-day period. Without limiting the foregoing, Alegion may immediately terminate this Addendum upon written notice in the event that Client becomes insolvent or enters bankruptcy during the term of this Addendum.

- 7.3 Termination of Individual Work Statements. Either Party may, at its sole option and for its own convenience, terminate any or all Work Statements in effect upon fifteen (15) days prior written notice. Upon such termination, the Parties shall inform each other of the extent to which performance has been completed through such date, and collect and deliver all work in process. In the event of termination, the Parties agree to wind up their work in a commercially reasonable manner and to preserve and deliver items of value created prior to termination. Alegion shall be paid for all work performed and expenses incurred through the date of termination.
- **7.4 Effect of Termination.** In the event of termination or expiration of this Addendum, Client shall promptly pay to Alegion all amounts due and outstanding.
- **7.5 Survival.** The provisions of Sections 3.3, 4, 5, 6, 7.4 and 7.5 will survive the termination or expiration of this Addendum.