



Personnel Data Systems, Inc. Privacy Policy

The following statement describes the privacy practices for Personnel Data Systems, Inc. (PDS) (including its wholly-owned subsidiary). This statement is divided into four sections: (1) this introduction, (2) PDS's Online Privacy Policy, which addresses the privacy practices applicable to usage of the PDS website (www.pdssoftware.com), (3) PDS's Hosting Privacy Policy, which addresses the privacy practices applicable to information processed by PDS in its role in Hosting its Vista HRMS software and (4) PDS's General Privacy Provisions, which apply to both the PDS website and PDS's role in hosting the Vista HRMS software.

PDS respects individual privacy and strives to collect and use personal information in a manner consistent with the laws of the countries in which it does business. PDS abides by the Safe Harbor Principles developed by the U.S. Department of Commerce and the European Commission. More information about the U.S. Department of Commerce's Safe Harbor program can be found at <http://www.export.gov/safeharbor/>.

Personnel Data Systems, Inc. Online Privacy Policy

This Online Privacy Policy covers use of the company's corporate web site www.pdssoftware.com. All information disclosed by visitors is subject to this Privacy Policy. With respect to data received through its websites, PDS will comply with the following:

Types and Uses of Information

PDS gathers personal information from site visitors from time to time in order to enhance existing offerings or provide additional services. The company gathers only the information essential for understanding visitors in such a way as to provide better Human Resources, Benefits and Payroll products and services. This may include contact information such as name, email address, telephone number, and company name.

PDS also may monitor customer traffic patterns and site usage to help refine and improve the design and layout of the website as well as the user experience. As a result, PDS automatically tracks certain information about site visitors. PDS also will track visitors' IP addresses. PDS uses this information to, among other things, identify broad demographic trends that may be used to provide information tailored to users' interests.

Any personal information given to us through our website is used exclusively by PDS unless otherwise noted on the site and in this privacy policy. PDS does not share, sell, rent or trade Personally Identifiable Information (PII) with third parties for their promotional purposes.

PDS does not collect e-mail addresses without the site visitor voluntarily providing us with this information. The following describes the various locations within the website where information is gathered and defines our usage of such information.

The PDS “online request form” link, is where prospective customers can request product information from PDS. We collect Contact Name, Title, Phone, email address Company Name, Address, City/State, Zip, size, current project, decision time, budget, and their decision making role. We then trigger an email to an internal sales mailbox so that we can follow up on the request. The “Submit your RFP” link is where prospective customers can submit a Request for Proposal (RFP). We collect Company Name, City/State, Contact Name, Title, email address and we then trigger an email to an internal sales mailbox so that we can distribute the attachment to a Sales representative. The “Download our product tour” link provides prospective customers with the option to request a PowerPoint “demo” of the product. We collect Contact Name, Company Name, and email address and trigger an email to an internal sales mailbox for follow up purposes. We then trigger an email to the prospective customer (from the Sales Vice President) with the PowerPoint attached.

In addition to the corporate website, PDS clients are also provided with access to the PDS Support website. The Support site provides our customers access to product documentation, product updates, as well as access to our ticket-tracking system. Please note that customer information is captured within the following areas. Within the PDS Support site, the “Update Company Profile” link collects general company information that clients can maintain. The “Update your personal profile” link is where customers can record their own contact information and preferences (eg. Newsletters, tax updates, etc.). PDS uses this information to build our contact list and determine who we should include in various communications such as product and tax updates, User Group conference information and/or corporate newsletters. By selecting these preferences you have the option to control when we contact you. Under “Contact Maintenance” a new contact can be added by selecting the NEW button. When you want a new Vista User to be added to PDS communications this is where you should add their information including name, email address and phone number, along with their preferences so that we can communicate appropriately. To keep you informed, whenever a contact record is updated we trigger an email to the contact notifying them of the username/password change, or if the contact record is touched. This area is also where clients can update and if necessary remove contact information. Alternately you may request changes by sending changes or revisions to Pat Palmer at ppalmer@pdssoftware.com.

In addition to the corporate website, visitors have the ability to visit our PDS User Group Association Site, where customers or prospective customers can gain access to various items of interest. Conference registration is available for a period of 9 months prior to a conference event, which occurs every 18 months. During this timeframe when a client wants to register for the conference event, on the Registration page, we collect Company Name, City/State, Contact Name, Title, email address, payment method, and amount information. PDS utilizes PayPal to handle all financial transactions and does not collect or retain any financial information. Once a visitor records registration information, we trigger an internal email with registration information. No external email is triggered but a ‘thank you’ page is presented to the visitor. During the conference registration period we also post a “Call For Presenters” page, where customers can submit a recommended presentation. We collect Presenter Name, Company Name, phone, email address, and

presentation information. No external email is triggered but a 'thank you' page is presented.

PDS may periodically use the above contact information to send visitors e-mail or other communications for sales, service, support and marketing purposes. Visitors who do not wish to receive marketing e-mail from PDS in the future may opt out of receiving these communications by following the unsubscribe instructions included in each communication. For example if visitors receive an email communication containing information they are not interested in receiving they can opt-out by replying to the email and putting "unsubscribe" in the Subject line.

If you have a testimonial on this site, you should be aware that any personally identifiable information you submit there can be read, collected, or used by other users of these forums, and could be used to send you unsolicited messages. For testimonials, we do obtain the customer's consent prior to posting their name along with their testimonial. We are not responsible for the personally identifiable information you choose to submit in these forums. If you want to remove your personal information that is being displayed on our website under public pages please see "Contact Us" below.

Agents/Service Providers

We use third parties such a credit card processing company to bill you for goods and services. We use PayPal to facilitate our payment process, so you will be directed to their Web site to complete your order for any PDS transactions. PayPal will share back your order information to us (not including credit card number), so we can complete your transaction. Please note: PayPal's privacy policy governs the collection and use of the information you submit while on their site.

These companies do not retain, share, store or use personally identifiable information for any other purposes. These third parties are prohibited from using your personally identifiable information for promotional purposes.

Cookies

PDS may use both per-session and persistent cookies to enhance the user experience while visiting the PDS website. Cookies are small bits of data stored locally by a browser that saves information and helps the hosting website identify the user upon subsequent visits. Cookies are uniquely assigned to the users' computer and may only be read by a web server located within the domain that originally issued the cookie. Cookies generally assist users by performing certain functions such as saving passwords and personal preferences regarding the sites. We do not link the information we store in cookies to any personally identifiable information you submit while on our site.

Persistent cookies are stored for a set length of time determined by the web server when it passes the cookie on to the browser. Persistent cookies are used to store information between visits to a site.

Per-session cookies are used to store information only within a session. These cookies are cached only while a user is visiting the web server that issues the per-session cookie. Per-session cookies are deleted from the cache when the user closes the session.

Users may have the ability to accept or decline cookies. Most web browsers automatically accept cookies, but users can typically modify browser settings to decline all cookies. Alternatively, users may modify browser settings to provide notification each time a cookie is tendered, permitting the user to accept or decline cookies on an individual basis. If a user chooses to decline cookies, however, it may hinder performance and negatively impact the user experience on PDS's website.

Third Party Cookies

Some of our business partners use cookies on our site. We have no access to or control over these cookies. We use a third-party tracking service that uses cookies and web beacons to track non-personally identifiable information about visitors to our site in the aggregate. The two third-party tracking services that we use are Quantcast and Google Analytics. These provide us aggregate information on the usage of our web site. These include visits, page views, and average time on site per day, geographic location of visitors, pages visited, and sources of traffic (search engines, referral sites, direct). The use of tracking technologies by our tracking utility partners is not covered by our privacy statement. We do not have access or control over these cookies.

Links to Other Sites

This website contains links to other sites that are not owned or controlled by PDS. Please be aware that we, PDS, are not responsible for the privacy practices of such other sites. We encourage you to be aware when you leave our site and to read the privacy statements of each and every Web site that collects personally identifiable information. This privacy statement applies only to information collected by this Web site.

Disclosure to PDS partners

PDS does not provide detailed information about individual site visits, nor the information users provide, to outside companies without users' permission.

TRUSTe Certification

PDS is a licensee of the TRUSTe Privacy Program. TRUSTe is an independent organization whose mission is to build user's trust and confidence in the Internet by promoting the use of fair information practices. This privacy statement covers the Web site www.pdssoftware.com. Because this Web site wants to demonstrate its commitment to your privacy, it has agreed to

disclose its information practices and have its privacy practices reviewed for compliance by TRUSTe.

If you have questions or concerns regarding this statement, you should first contact Pat Palmer at ppalmer@pdssoftware.com. If you do not receive acknowledgement of your inquiry or your inquiry has not been satisfactorily addressed, you should contact TRUSTe at <http://watchdog.truste.com/pvr.php?page=complaint&url=>

TRUSTe will then serve as a liaison with us to resolve your concerns.

PDS complies with the EU Safe Harbor framework as set forth by the Department of Commerce regarding the collection, use, and retention of data from the European Union.

Personnel Data Systems, Inc. Hosting Privacy Policy

PDS provides its customers with a suite of Human Resources, Payroll and Benefit solutions in a hosted environment.

PDS serves as a data processor for the clients who use PDS's products. Customers of PDS's hosted solutions fill the role of data controller. PDS maintains only that information which its customers have asked it to store and process. This Hosting Privacy Policy does not cover the privacy practices of PDS's customers, and PDS is not responsible for its customers' privacy policies or practices. PDS does not review, comment upon or monitor its customers' compliance with their respective privacy policies, nor does PDS review its customer instructions to determine whether they are in compliance with or conflict with the terms of a customer's published privacy policy.

This Hosting Privacy Policy applies only to the transfer of personally identifiable information ("Personal Information") received by PDS in any format through its hosted solutions, whether supplied directly by PDS customers or by employees or users of the hosted solutions anywhere in the world, including transfers from the European Union and Canada to the United States. With respect to data received through its hosted solutions, PDS will comply with the following:

Notice/Use of Personal Information

PDS supports a hosted system, where it collects Personal Information including but not limited to customers' organizational data (salary and compensation figures and structures, job descriptions, job codes, reporting relationships) and employee data (specific identifying information such as name, email/physical address, current/previous base salary, performance ratings, gender, ethnicity and other demographical information). PDS operates as a data processor for its customers. PDS maintains only the Personal Information which its customers have asked PDS to store and process. It is the responsibility of the customer to ensure that the data the customer collects and later gives to PDS can be legally collected and disclosed in the country of origin. The PDS customer is responsible for giving its employees and users the

appropriate level of notification that Personal Information is being collected and maintained. The PDS customer also is responsible for ensuring the security of any method used by the customer to provide Personal Information to PDS if through means other than the hosted solution.

Onward Transfer

PDS may contract with third-party providers to perform certain functions on our behalf or to enhance our existing product and service offerings. Examples include product and service support. If PDS discloses Personal Information to a third party or to our employees outside of the United States, PDS will ensure that such party has agreed to abide by the Safe Harbor principles, is subject to the EU Data Directive, or can otherwise assure adequate protection of such Personal Information. Third parties will have access to your Personal Information only to the extent necessary to permit them to do their jobs; however, they are bound by confidentiality agreements before any information is provided to them and are restricted from using the information for other purposes.

Personnel Data Systems, Inc. General Privacy Provisions

These General Privacy Provisions apply to both PDS's website and its hosted solutions operations. All information disclosed by site visitors, customers and other individuals or organizations is subject to these provisions. With respect to data received through PDS's website and its hosted solutions operations, PDS will comply with the following:

Data Integrity and Access to Data

PDS will take reasonable steps to ensure that Personal Information is accurate, complete and current to its intended use. PDS will only use Personal Information in ways that are compatible for the purposes for which it was collected or subsequently authorized by the user.

PDS provides users with reasonable access to Personal Information that they provide to us as well as the ability to review, correct and delete such information. To do so, users can email our Customer Support group at support@pdssoftware.com or contact us by telephone or postal mail at the contact information listed below. We will respond to your request within 10 days. In addition, to protect users' privacy and security, PDS takes reasonable steps to verify user identity before granting access to Personal Information. PDS may limit or deny access to Personal Information where providing such access would be unreasonably burdensome or expensive in the circumstances.

Security

To prevent unauthorized access or disclosure, to maintain data accuracy, to allow only the appropriate exercise of users' Personal Information while also protecting the confidentiality, integrity and availability of users' Personal Information, PDS employs a variety of industry standard security technologies. Security is provided on the data, application and hosting level. The security infrastructure includes a physically secure data center, proven firewall protection, intrusion prevention measures, SSL or VPN encryption of all data in transit, role based

authorization and additional proprietary security measures. Communication to PDS servers from a client computer is achieved through a VPN or SSL connections. This ensures data, including sensitive Personal Information (e.g. financial information or social security numbers), is encrypted when transferred over the Internet. PDS provides further user-based security configured specifically for the individual client's needs. For example, the client will be able to specify levels of user security, including: domain-limited access (access only from the client's proxy server), password configuration (length, letters, numbers, etc.) and automatic password expiration.

PDS limits access to users' Personal Information and data to those persons who have a specific business purpose for maintaining and processing such information. PDS's employees who have access to users' Personal Information are made aware of their responsibilities to protect the confidentiality, integrity and availability of that information and have been provided training and instruction on how to do so.

Enforcement and Verification

PDS will conduct periodic assessments to validate its continued adherence to this Privacy Policy.

Where PDS has knowledge that one of its employees or third parties is using or disclosing Personal Information in a manner contrary to this Policy, PDS will take reasonable steps to prevent or stop the use or disclosure. PDS holds its employees and agents accountable for maintaining the trust that our customers place in our company.

Contact Information

At any time you may contact PDS with questions or concerns about this Privacy Policy at cjefferies@pdssoftware.com. Written responses may also be submitted to:

Personnel Data Systems, Inc
Attention: President and CEO
470 Norristown Rd Suite 202
Blue Bell, PA 19422

Dispute Resolution

PDS will investigate and attempt to resolve complaints and disputes regarding the use and disclosure of Personal Information in accordance with the principles contained in this Policy. PDS agrees to cooperate with data protection authorities located in the European Union or authorized representatives for disputes specific to Human Resource information received from the European Union and Switzerland. All other disputes that cannot be resolved between PDS and the complainant will be handled in accordance with applicable dispute resolution procedures through the American Arbitration Association, which are available for review at www.adr.org. We strongly encourage you to raise any complaints you may have with regard to this Privacy Policy and/or our implementation of this Policy to us prior to proceeding to the arbitration procedure described in this paragraph.

Safe Harbor

PDS adheres to the Safe Harbor privacy framework developed by the U.S. Department of Commerce in consultation with the European Commission's Directive on Data Protection on the transfer of Personal Information from European Union member countries to the United States. The Safe Harbor privacy principles are notice, choice, onward transfer, access, security, data integrity and enforcement. More information about the U.S. Department of Commerce's Safe Harbor program can be found at <http://www.export.gov/safeharbor/>.

Notification of Privacy Policy Changes/Choice

PDS reserves the right to change, modify, add, or remove portions of this Policy at any time. All changes will be posted on this page to inform our users what information we collect, how we use it, and under what circumstances, if any, we may disclose it. If we make material changes to this policy, we will notify you here, or by means of a notice on the website's home page.

Legal Disclaimer

PDS may disclose Personal Information when required by law or in the good faith belief that such action is necessary in order to conform to the edicts of the law, comply with legal mandates, enforce the terms of use of PDS's website, enforce agreement between PDS and its customers or to protect the rights, property, or personal safety of PDS, its users and the public.

Contacting PDS

If you have any questions about this privacy policy, the practices of this site, or your dealings with this site, please send correspondence to the following address.

Personnel Data Systems, Inc.
Attention: President and CEO
470 Norristown Rd
Suite 202
Blue Bell, PA 19422