

AMENDMENT NUMBER ONE TO
AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
ULTIMATE SOFTWARE GROUP, INC. AND THE CITY OF ANN ARBOR
FOR HOSTED HUMAN RESOURCES AND PAYROLL SYSTEM SERVICES

The City of Ann Arbor, a Michigan municipal corporation, with offices at 100 N. Fifth Avenue, Ann Arbor, Michigan 48107-8647 ("City") and Ultimate Software Group, Inc., a Delaware corporation, having its offices at 2000 Ultimate Way, Weston, FL 33326 ("Consultant") agree to amend the professional services agreement for the project the City's Hosted Human Resources and Payroll System executed by the parties dated November 11, 2006 as follows:

- 1) Article III (A), General Scope, is amended to read as follows:

A. General Scope: The Consultant agrees to provide services in connection with the use of internet-based software applications and the related website(s) provided by Consultant to the City on a hosted basis and provide all deliverables in connection with the Project as described in Exhibit A and A-1 (which is attached hereto and made a part of this Amendment)

- 2) Article V, Compensation, is amended to read as follows

The Consultant shall be paid for Services under this Agreement at the fee set forth in Exhibit B for implementation, training/support, and annual hosting fees for the specified term of the Agreement, and in addition for implementation of the Staff Scheduler Module as identified in Exhibit A-1 Consultant shall be paid as set forth in Exhibit B-1 (which is attached hereto and made a part of this Amendment). Price includes charges for all Consultant personnel associated with the Project(s) and any other expenses the Consultant expects to incur in performance of Services. City to make payment within thirty (30) days after receipt of invoice for Services and approval by the Contract Administrator. It is understood and agreed between the parties that the compensation stated above is inclusive of any and all remuneration to which the Consultant may be entitled under this contract.

All terms, conditions, and provisions of the original agreement between the parties executed November 11, 2006, unless specifically amended above, are to apply to this amendment and are made a part of this amendment as though expressly rewritten, incorporated, and included herein.

This amendment to the agreement between the parties shall be binding on the heirs, successors and assigns of the parties.

Dated this October 20, 2008.

For Consultant
Ultimate Software Group, Inc.

By [Signature]

Its: VIC PRESIDENT
9-12-08

For City of Ann Arbor

By [Signature]
John Heiftje, Mayor

By [Signature]
Jacqueline Beaudry, Clerk

Approved as to form and content

[Signature]
Stephen K. Postema, City Attorney

Approved as to substance

[Signature]
Roger W. Fraser, City Administrator

[Signature]
Nancy L. Niemela
Interim Human Resources Director

EXHIBIT A-1

Scope of Services

In addition to the general terms and conditions stated and the Services identified in Exhibit A, Consultant shall provide the following additional service to the City as specified below:

Consultant will perform the following tasks associated with the following implementations:

Staff Scheduler

- Analyze and define the specifications related to the City's requirements to use the Staff Scheduler module.
- Configure and implement the City's environment to support the Staff Scheduler module.
- Train employees on how to setup the scheduling functionality within Staff Scheduler

Time Clock Integration for 15th District Court

- Configure the time clock to integrate with the UTA module
- Develop payroll rules to support 15th District Court

Impact to Backup Schedule

As part of the hosted Human Resource and Payroll Project the backup schedule will not be impacted but will backup any and all additional data collected through the Staff Scheduler module.

No additional software will need to be purchased. Staff Scheduler was part of the original purchase of software module.

For the Time Clock integration for 15th District Court – One (1) Infor WB5500 Series time clock will be purchased.

EXHIBIT B-1

Price Schedule

In addition to payment for those Services specifically stated on Exhibit B, Consultant shall be paid an additional fee for the following:

One-Time Implementation Fee for Installation of the following two software programs:

- Staff Scheduler Module
- Time Clock (15th District Court) Total NTE \$75,000

Liability Insurance

Endorsement

Policy Period OCTOBER 30, 2007 TO OCTOBER 30, 2008
Effective Date SEPTEMBER 17, 2008
Policy Number 3583-99-9TPA
Insured THE ULTIMATE SOFTWARE GROUP, INC.
Name of Company FEDERAL INSURANCE COMPANY
Date Issued OCTOBER 10, 2008

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added:

Who Is An Insured

Scheduled Person Or Organization

Subject to all of the terms and conditions of this insurance, any person or organization shown in the Schedule, acting pursuant to a written contract or agreement between you and such person or organization, is an **insured**; but they are **insureds** only with respect to liability arising out of your operations, or your premises, if you are obligated, pursuant to such contract or agreement, to provide them with such insurance as is afforded by this policy.

However, no such person or organization is an **insured** with respect to any:

- assumption of liability by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.
 - damages arising out of their sole negligence.
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Schedule

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
2910 E. FIFTH STREET AUSTIN, TX 78702
CAPITAL METRO PROCUREMENT DEPT.
2910 E. 5TH STREET
AUSTIN, TX 78702
CITY OF ANN ARBOR
P.O. BOX 8647
ANN ARBOR, MI 48107

Liability Endorsement
(continued)

All other terms and conditions remain unchanged.

Authorized Representative

Robert Hamburger

Liability Insurance

Declarations

Named Insured and Mailing Address

THE ULTIMATESOFTWAREGROUP, INC.
1485 NORTH PARK DRIVE
WESTON, FL 33326

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Policy Number 3583-99-93TPA

Effective Date SEPTEMBER17, 2008

Issued by the stock insurance company indicated below, herein called the company.

**FEDERAL INSURANCE
COMPANY**

Producer No. 0022265

*Incorporated under the laws of
INDIANA*

Producer FRANK CRYSTAL & COMPANY OF FLORIDA INC
2 ALHAMBRA PLAZA STE 100
CORAL GABLES, FL 33134-0000

Policy Period

From: OCTOBER 30, 2007 To: OCTOBER 30, 2008
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Liability Coverage

Limit Of Insurance

GENERAL LIABILITY

GENERAL AGGREGATE LIMIT	\$ 2,000,000
PRODUCTS/COMPLETED OPERATIONS AGGREGATE LIMIT	\$ 2,000,000
EACH OCCURRENCE LIMIT	\$ 1,000,000
ADVERTISING INJURY AND PERSONAL INJURY AGGREGATE LIMIT	\$ 1,000,000
DAMAGE TO PREMISES RENTED TO YOU LIMIT	\$ 1,000,000
MEDICAL EXPENSES LIMIT	\$ 10,000

Liability Coverage
(continued)

Limit Of Insurance

EMPLOYEE BENEFIT ERROR OR OMISSIONS

AGGREGATE LIMIT	\$ 3,000,000	
EACH CLAIM LIMIT	\$ 1,000,000	
DEDUCTIBLE-EACH CLAIM		\$ 1,000
RETROACTIVE DATE		JUNE 15, 2006

**INFORMATION AND NETWORK TECHNOLOGY
ERROR OR OMISSIONS**

AGGREGATE LIMIT	\$ 6,000,000	
DEDUCTIBLE-EACH CLAIM		\$ 100,000
RETROACTIVE DATE		APRIL 23, 2004

STOP GAP

AGGREGATE LIMIT	\$ 500,000	
BODILY INJURY BY ACCIDENT- EACH ACCIDENT LIMIT	\$ 500,000	
BODILY INJURY BY DISEASE- EACH EMPLOYEE LIMIT	\$ 500,000	
DESIGNATED STATE		WASHINGTON

STOP GAP-OHIO

AGGREGATE LIMIT	\$ 500,000	
BODILY INJURY BY ACCIDENT- EACH ACCIDENT LIMIT	\$ 500,000	
BODILY INJURY BY DISEASE- EACH EMPLOYEE LIMIT	\$ 500,000	
DEDUCTIBLE		\$ 0
DESIGNATED STATE		OHIO

STOP GAP-WEST VIRGINIA

AGGREGATE LIMIT	\$ 500,000	
BODILY INJURY BY ACCIDENT- EACH ACCIDENT LIMIT	\$ 500,000	
BODILY INJURY BY DISEASE- EACH EMPLOYEE LIMIT	\$ 500,000	

Liability Coverage
(continued)

STATE: OHIO

COVERAGENAME:
STOP GAP
CLASSIFICATIONCODE NUMBER: 00175
CLASSIFICATIONDESCRIPTION:
STOP GAP -LOW HAZARD
PREMIUMBASIS:
PAYROLL: IF ANY
RATE: 0.838

STATE: WASHINGTON

COVERAGENAME:
STOP GAP
CLASSIFICATIONCODE NUMBER: 00175
CLASSIFICATIONDESCRIPTION:
STOP GAP -LOW HAZARD
PREMIUMBASIS:
PAYROLL: IF ANY
RATE: 0.086

STATE: WEST VIRGINIA

COVERAGENAME:
STOP GAP
CLASSIFICATIONCODE NUMBER: 00175
CLASSIFICATIONDESCRIPTION:
STOP GAP -LOW HAZARD
PREMIUMBASIS:
PAYROLL: IF ANY
RATE: 1.425

STATE: FLORIDA

EMPLOYEE BENEFITS

CLASSIFICATIONCODE NUMBER: 00176
CLASSIFICATIONDESCRIPTION:
EMPLOYEEBENEFITSE&O
PREMIUMBASIS:
NUMBER OF EMPLOYEES: 486
RATE: 0.617

Liability Insurance

Declarations

Effective Date SEPTEMBER 17, 2008

Policy Number 3583-99-9TPA

Liability Coverage (continued)

INFO & NETWRK TECH E&O

CLASSIFICATION CODE NUMBER:

00426

CLASSIFICATION DESCRIPTION:

CUSTOM SOFTWARE & SYSTEM INTEGRATION

PREMIUM BASIS:

GROSS SALES:

\$178,000,000

RATE:

1.526