

## U.S. Public Sector – Master Services Agreement

This U.S. Public Sector - Master Services Agreement (this “**Agreement**”) is made between the UKG entity set forth in the Order or Statement of Work that references this Agreement (“**UKG**”) and the Federal or SLED entity that signs such Order or Statement of Work (“**Customer**”). CUSTOMER AGREES THAT ITS USE OF UKG’S SUBSCRIPTION SERVICES AND UKG’S PERFORMANCE OF PROFESSIONAL, TRAINING, AND SUPPORT SERVICES ARE SUBJECT TO AND GOVERNED EXCLUSIVELY BY THIS AGREEMENT AND ANY ADDITIONAL TERMS STATED IN THE ORDER OR STATEMENT OF WORK, INCLUDING ANY ATTACHMENTS THERETO. This Agreement is effective as of the date of the last Party to sign below (“**Effective Date**”). Capitalized terms used but not defined in this Agreement will have the meanings ascribed to them in the applicable Order or Statement of Work.

### 1. Services

- 1.1. Subscription Services.** The Subscription Services will be identified in the Order and will be provided solely as set forth in the applicable Services Description. During the Initial Term and all applicable Renewal Terms defined in the Order, UKG will provide the Subscription Services to Customer and Customer may use such Subscription Services solely for its internal business purposes to manage the type and number of its employees subject to and conditioned on payment by Customer of all fees and Customer’s compliance with this Agreement, the Services Description, the Documentation, and the Order. Customer agrees that its purchases are not contingent on the delivery of any future functionality or features, or dependent on any oral or written public comments made by UKG regarding future functionality or features.
- 1.2. Support Services.** UKG shall maintain a trained and knowledgeable staff capable of providing support for the Subscription Services. UKG will use commercially reasonable diligence to correct reproducible errors when reported to UKG and provide phone, email, or online support 24 hours a day / 7 days a week as set forth in the UKG Support Policy located in the applicable Services Description and also available at <https://www.ukg.com/saas-support-policies-and-services>. UKG will also provide scheduled and periodic enhancements and modifications to the Subscription Services, including bug fixes, to correct reproducible errors reported to UKG.
- 1.3. Professional Services.** UKG will provide the Professional Services listed in the Order, in accordance with the applicable Statement of Work. If Customer requests additional Services that were not previously identified on an Order or Statement of Work, then the Parties may need to execute additional Orders or Statements of Work.
- 1.4. Training Services.** In connection with a Subscription Service, UKG will provide (a) live virtual training facilitated by a knowledgeable instructor and delivered remotely via a published schedule intended for (i) the core team to help key functional and technical users make informed solution design and configuration decisions and to provide fundamental product knowledge, and (ii) an application and system administrator to prepare functional and technical super users to perform their most common tasks in the solution; and (b) self-paced product training. Training Services outside the scope of this section shall be provided by UKG as described in the Order and Statement of Work.

### 2. Acknowledgements

- 2.1. Reservation of Rights.** The Subscription Services are provided with a limited right to use and are not sold, and UKG reserves and retains all rights not expressly granted in this Agreement. UKG has and shall maintain sole and exclusive ownership of all rights, title, and interests in the Services and Documentation, and all modifications and enhancements thereof (including ownership of all trade secrets, copyrights, trademarks, brands, and other intellectual property rights pertaining thereto). There will be no “work for hire” created as part of the Services or any deliverables owned by Customer, and all works, customizations, models, and developments created by UKG shall be considered a part of the Services.
- 2.2. Use Restrictions.** Except as expressly provided in this Agreement, no other use of the Subscription Services is permitted. Customer may not, and may not cause or permit others to: (a) reverse engineer, disassemble, adapt, translate, or decompile the Subscription Services, including, without limitation, any third party components, or otherwise attempt to derive source code, trade secrets, or knowhow from the Subscription Services; (b) license, sell, transfer, assign, distribute, or outsource use of the Subscription Services or Documentation, or provide service bureau, data processing, or time sharing access to the Subscription Services, or otherwise use the Subscription Services to provide payroll or human resource record keeping for third parties; (c) create any “links” to the Subscription Services to enable access by a third party, other than as permitted under this Agreement; (d) access or use the Subscription Services or Documentation to build or support, directly or indirectly, products or services competitive to UKG; (e) interfere with or disrupt the integrity or performance of any Subscription Services or any data contained therein; (f) attempt to gain unauthorized access to any Subscription Services or its related data, systems, or networks; or (g) remove or alter any proprietary notices or marks on the Subscription Services or Documentation.
- 2.3. Customer Feedback.** Customer has no obligation to provide UKG with any suggestion, enhancement request, recommendation, evaluation, correction, or other feedback about the Services (“**Feedback**”), but if it does, Customer grants to UKG and its affiliates a worldwide, perpetual, irrevocable, royalty-free license to use, copy, modify, distribute, disclose, create derivative works, and make and incorporate such Feedback into its Services for any purpose. UKG has no obligation to incorporate or apply any Feedback to the Services.

- 2.4. Consent to Subcontract.** Customer hereby consents to UKG subcontracting Services to persons or companies qualified by UKG to provide Services on UKG's behalf. UKG may also fulfill its obligations related to certain Services through its affiliates. UKG shall be responsible for the actions of its subcontractors and Affiliates.
- 2.5. Compliance with Laws.** UKG shall comply with Applicable Laws in performing its obligations hereunder. Customer shall comply with Applicable Laws when using the Services and remains solely responsible for its compliance with Applicable Laws, including, but not limited to, with respect to the configuration and use of the Services and regardless of whether UKG provides assistance with Customer compliance matters. Customer acknowledges that the specific record retention requirements established under Applicable Laws relating to Customer are the responsibility of Customer and not UKG.
- 2.6. Upgrades.** The Subscription Services may be upgraded or changed at any time as required by normal business conditions, provided that such changes will not materially diminish the functionality of the Subscription Services. Any changes to the Subscription Services will be applicable to all UKG customers of the Subscription Services and material changes will be deployed with reasonable advance notification via the Subscription Services.
- 2.7. Acceptable Use.** Customer will use the Services in full compliance with the Acceptable Use Policy attached as Exhibit 1 and which could be found in <http://www.ukg.com/acceptable-use-policy> ("**Acceptable Use Policy**"), which requires Customer not to (a) use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive, (b) use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device, (c) interfere with or fail to cooperate with any UKG investigation of a security incident involving any UKG system, infrastructure or customer data, (d) make network connections to any users, hosts, or networks unless Customer has permission to communicate with them, and (e) use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mails or other messages.
- 2.8. Access Credentials.** Except as otherwise provided herein, Customer will not provide any third party with access credentials to the Subscription Services or Documentation and will safeguard and compel all users to safeguard the access credentials. Customer will be responsible for all acts and omissions of its users, including any transactions conducted using Customer's access credentials, whether such use is authorized or unauthorized, and UKG will not be responsible or liable for any such transactions. Customer will notify UKG promptly if it learns of any unauthorized use of any access credentials or any other known or suspected breach of security. If Customer's department or public agencies use the Subscription Services which Customer controls without Customer requiring such department or public agency to execute a separate Order with UKG to establish its own tenant environment, then Customer will be fully responsible and liable for all use and misuse of the Subscription Services by such department or public agency, and will fully cooperate with UKG in enforcing all of its rights to, interests in, and protection of the Services, including in seeking equitable remedies against any department or public agency that breaches Section 2 of this Agreement. Customer may also allow use of the Subscription Services by its legally bound contractors, provided such use is solely on Customer's behalf, is strictly in compliance with the terms and conditions of this Agreement, Customer at all times remains in control of and retains management over the Subscription Services, and Customer is liable for all breaches of this Agreement by such contractor. Customer authorizes UKG to provide such Customer contractors access to the Subscription Services.
- 2.9. Connectivity.** Customer is responsible for securing, paying for, and maintaining connectivity to the Subscription Services from Customer's location(s) via the internet, including any and all related hardware, software, third party services, and related equipment and components for such connectivity. Customer agrees that UKG will have no liability for such connectivity and Customer will not be excused from any of its obligations under the Agreement due to the quality, speed, or interruption of the communication lines from the Customer's location(s) to the internet.

### 3. Fees and Taxes

UKG understands that Customer may be subject to Applicable Laws governing payment, including availability of funds, timing of payments, late payment interest penalties, and taxes.

- 3.1. Fees.** All fees are due and Customer will pay the fees on the payment terms, Billing Frequency and in the currency indicated in the Order. For each Order, the billing period of the fees will start on the Billing Start Date as set forth in the Order and will continue for the time period indicated as the Initial Term and all Renewal Terms, each as defined on the Order. Customer is responsible to pay for the Services for the entire Initial Term and each Renewal Term. UKG may increase the fees as set forth in the Order. The increased fees will be set forth in the applicable invoice. Except as otherwise specified in the Order and this Agreement (a) subscription fees are based on Subscription Services purchased and not time of actual usage; (b) minimum quantities purchased cannot be decreased during the relevant the then current Initial Term or Renewal Term; (c) additional quantities may be purchased; and (d) payment obligations are non-cancelable and fees paid are non-refundable.
- 3.2. Taxes.** *This section applies only if Customer has not provided with a valid tax exemption certificate authorized and honored by applicable taxing authorities that covers all Taxes.* The fees exclude, and Customer will be responsible for, all applicable sales, use, excise, withholding, VAT, and any other similar taxes, duties, tariff and charges of any kind imposed by any governmental entity in connection with the Services (excluding taxes based solely on UKG's income) ("**Taxes**").

**3.3. Late Payment.** Any invoices not reasonably disputed in writing within thirty (30) days from the invoice date of receipt will be deemed accepted, undisputed due and payable as set forth in the invoice. All undisputed invoices not paid within thirty (30) days after the date such amounts are due and payable may accrue interest at a rate up to the maximum allowable by applicable law. Customer will reimburse UKG for any costs reasonably incurred by UKG in connection with collecting amounts payable under this Agreement. If Customer is more than thirty (30) days overdue in its payment of an undisputed amount due, then UKG reserves the right to suspend the Services or access to the Services provided under the applicable Order, but only until such payment is made to UKG and provided that UKG gives Customer at least ten (10) business days prior written notice of the overdue amount before UKG suspends the Services. Upon payment in full of all overdue amounts, UKG will restore the Services.

#### **4. Data, Security and Privacy**

**4.1. Ownership of Customer Data.** Customer shall retain ownership of all rights, title, and interests in and to Customer Data. Customer Data is available from the Services at any time during the term in standard data format. No ownership rights in Customer Data will transfer to UKG. UKG will maintain backup copies of Customer Data as required to maintain and provide the Services, but for no other purposes and it is up to Customer to maintain backup copies of all data and information that Customer inputs into the Services or otherwise provides to UKG.

**4.2. Use of Customer Data.** Consistent with common Software as a Service (SaaS) industry practices and in accordance with Applicable Laws, UKG collects Customer Data to regularly update the Services to appropriate market standards and security. All Customer Data collected is used solely for the purpose of providing and improving the Services and enhancing the customer experience with new functionalities.

**4.3. Collection of Personal Information.** Services may employ applications and tools that collect and process Personal Information that may be required by UKG to provide the requested Services or functionality included in or related to those Services. If Customer wishes to stop the collection and processing of Personal Information, Customer may need to uninstall or discontinue using certain Services.

**4.4. Data Privacy and Security.** Each Party agrees to comply with Applicable Laws in its processing of Personal Information. UKG and its subprocessors will process Personal Information in accordance with UKG's DPA. All Customer Data will be secured and protected as set forth in the Technical and Organizational Measures of UKG's DPA.

#### **5. Confidentiality**

**5.1. Definition.** "Confidential Information" is any non-public information relating to a Party that is disclosed pursuant to any Order or this Agreement, and which reasonably should be understood by the recipient of such information to be confidential because of (a) legends or other markings; (b) the circumstances of the disclosure; or (c) the nature of the information itself.

**5.2. Exceptions.** Information will not be considered Confidential Information if the information was (a) in the public domain without any breach of this Agreement; (b) disclosed to the receiving Party on a non-confidential basis from a source lawfully in possession of such Confidential Information and, to the knowledge of the receiving Party, is not prohibited from disclosing such Confidential Information to receiving Party; (c) released in writing from confidential treatment by disclosing Party; or (d) is independently developed by the receiving Party without use of or reference to the Confidential Information.

**5.3. Nondisclosure.** Except as expressly permitted in this section, neither Party will disclose the other Party's Confidential Information to any third party.

**5.4. Protection.** Each Party will secure and protect the Confidential Information of the other Party with a reasonable standard of care commensurate with the sensitivity of such Confidential Information and using precautions that are at least as stringent as it takes to protect its own Confidential Information of like nature, but no less than reasonable precautions.

**5.5. Use.** Each Party will only use the Confidential Information of the other Party as expressly permitted by or as required to exercise their rights, duties, and obligations under this Agreement.

**5.6. Disclosure Exceptions.** Confidential Information may be shared with and disclosed to (a) any Affiliate, subcontractor, or other third party who has a need to know to enable the receiving Party to exercise its rights or perform its obligations in connection with this Agreement and have non-disclosure obligations at least as stringent as the confidentiality provisions of this Agreement that apply to the Confidential Information; or (b) any court or governmental agency of competent jurisdiction, pursuant to a subpoena, order, civil investigative demand or similar process with which the receiving Party is legally obligated to comply, and of which the receiving Party notifies disclosing Party as required by a legal process, including in connection with any proceeding to establish a Party's rights or obligations under this Agreement (provided however that, when permitted by Applicable Law, a Party will give the other reasonable prior written notice so that the disclosing Party has an opportunity to contest any disclosure required by a legal process).

**5.7. FOIA/Public Disclosure Laws.** Notwithstanding any confidentiality obligations in the Agreement, UKG acknowledges that Customer may be compelled to disclose Confidential Information pursuant to the Federal Freedom of Information Act and any state equivalents or other open-records or public disclosure Applicable Laws. Customer may disclose such information

to third parties upon written request to the extent compelled by such Applicable Laws; provided that, prior to any such disclosure, Customer will make reasonable efforts to provide prior written notice of such compelled disclosure for non-public Documentation (to the extent legally permitted) and reasonable assistance, at UKG's cost, if UKG wishes to limit or contest the scope of the disclosure in whole or in part.

## 6. Warranty

**6.1. Mutual Warranties.** Each Party hereby warrants that (a) it has the full right and authority to enter into this Agreement; and (b) the performance of its obligations and duties under this Agreement does not conflict with or result in a breach of any other agreement of such Party or any judgment, order, or decree by which such Party is bound.

**6.2. Subscription Services Warranty.** UKG warrants that the Subscription Services will substantially conform with the Documentation and that the functionality of the Subscription Services will not be materially diminished or adversely modified. In the event of a material breach of the warranty described in this Section, as Customer's exclusive remedy and UKG's sole obligation, at UKG's cost, UKG will make commercially reasonable efforts to remedy such breach, provided that if UKG cannot substantially remedy such breach, then Customer may terminate the affected Subscription Services in accordance with Section 7.2.2. Customer agrees to report any non-conformance of the Subscription Services within thirty (30) days of its discovery and provide UKG with reasonable information and assistance to enable UKG to reproduce or verify the non-conforming aspect of the Subscription Services. Customer's delay or failure to notify UKG within that period will not affect Customer's right to receive warranty remedies unless UKG is impaired in its ability to correct the deficiency due to Customer delay or failure to notify.

**6.3. Professional, Support, and Training Services Warranty.** UKG warrants that the Professional Services, Support Services, and Training Services will be performed by qualified personnel in a good and professional manner. In the event UKG materially breaches the warranty described in this Section, UKG shall, as Customer's exclusive remedy and UKG's sole obligation, reperform the deficient aspect of the Professional, Support, or Training Service, at UKG's cost. In the event that UKG cannot substantially remedy such material breach, UKG will refund any fees prepaid by Customer for the affected Services. Customer must report any deficiencies in such Services, including Professional Services, within thirty (30) days of the completion of the Services and provide UKG with reasonable information and assistance to reperform the non-conforming aspect of the Professional, Support, or Training Service.

**6.4. Disclaimer.** TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, UKG DISCLAIMS ALL OTHER WARRANTIES NOT SET FORTH IN THIS AGREEMENT, EITHER EXPRESS OR IMPLIED, INCLUDING ALL WARRANTIES OF MERCHANTABILITY, QUALITY, PERFORMANCE, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TITLE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE, IN CONNECTION WITH THIS AGREEMENT, THE SERVICES, AND ANY PRODUCTS PROVIDED BY UKG. UKG DOES NOT REPRESENT, WARRANT, OR COVENANT THAT THE SERVICES OR ANY OTHER PRODUCT OR SERVICE PROVIDED HEREUNDER WILL BE UNINTERRUPTED, ERROR-FREE, VIRUS-FREE, OR SECURE. THIS DISCLAIMER OF WARRANTY MAY NOT BE VALID IN SOME JURISDICTIONS AND CUSTOMER MAY HAVE WARRANTY RIGHTS UNDER LAW WHICH MAY NOT BE WAIVED OR DISCLAIMED; HOWEVER, (UNLESS AND ONLY TO THE EXTENT SUCH LAW PROVIDES OTHERWISE) ANY SUCH WARRANTY RIGHTS EXTEND ONLY FOR THIRTY (30) DAYS FROM THE EFFECTIVE DATE OF THIS AGREEMENT.

**6.5. Customer Warranty.** Customer warrants that it has all rights and required consents to provide Customer Data to UKG.

## 7. Term and Termination

**7.1. Term of the Agreement.** The term of this Agreement commences on the Effective Date and continues until the stated term in each applicable Order or as otherwise terminated as permitted in this Agreement. At the expiration of the Initial Term, and at the expiration of each Renewal Term, each as indicated on the Order, the Services will automatically renew for the duration indicated on the Order as the Renewal Term.

### 7.2. Types of Termination

**7.2.1. Non-renewal.** Either Party may terminate any Service identified in an Order upon at least sixty (60) days prior written notice to be effective at the expiration of the then current Initial Term or a Renewal Term.

**7.2.2. For Cause.** Either Party may terminate this Agreement, or any Service identified in an Order, if the other Party fails to perform any material obligation under this Agreement, and such Party is not able to cure the non-performance within thirty (30) days of written notice of such default with reasonably sufficient detail regarding the alleged breach of such obligation, provided that UKG may immediately terminate or suspend Customer's access to the Services if Customer is in breach of the "Use Restrictions", "Acceptable Use", or "Confidentiality" sections of this Agreement if necessary to prevent further harm. Either Party may immediately terminate this Agreement and all Orders if the other Party has a receiver or similar party appointed for its property, becomes insolvent, acknowledges its insolvency in any manner, ceases to do business, makes an assignment for the benefit of its creditors, or files a petition in bankruptcy. Other than as expressly permitted in this Agreement, or an Order, SOW,

or Services Description, neither Party may terminate this Agreement and each Party remains fully obligated to the terms and conditions herein.

**7.2.3. For Non-Appropriation of Funds.** If Customer is a US Federal, State, or Local governmental entity that relies on funding which is allocated at the federal, state and/or local level to fund the Service in the Agreement, then, to the extent required by law, the following will apply: Customer may terminate the Service in the event of a reduction in appropriations to any fund(s) from which UKG is to be paid for Services ordered under this Agreement but not yet delivered. Customer will provide a ninety (90) day prior written notice in the event of such termination to UKG and Customer agrees to pay for the products delivered and the services performed by UKG prior to the effective date of such notice. In the event of such termination, Customer shall not be entitled to a refund of pre-paid Services, such as the support fees. Customer acknowledges that by executing an Order Form for the Services, Customer has received fiscal appropriations for the amounts due during the Initial or Renewal Term (as applicable) as indicated on such Order.

**7.3. Effects of Termination.** The following terms apply if an Order is terminated for any reason:

**7.3.1. Fees.** All fees will be paid by Customer for amounts accrued or due through the effective date of termination. If the Order is terminated for UKG's breach of the Agreement in accordance with Section 7.2.2, any fees prepaid by Customer for the Service not rendered prior to the effective date of termination will be credited against Customer's account, with any remaining amounts refunded to Customer within thirty (30) days of the effective date of termination. . If this Agreement or the Order terminates before the end of the then-current term of the Order for any reason other than UKG's uncured material breach in accordance with Section 7.2.2, all unpaid Fees remaining for the duration of the Order term are due and payable upon such termination.

**7.3.2. Cessation of Services.** UKG will cease to provide the Services to Customer and Customer's right to use and access the Subscription Services will end as of the effective date of termination.

**7.3.3. Deletion of Customer Data.** UKG will delete Customer Data as part of its standard deletion process after Customer's rights to access the Subscription Services and retrieve Customer Data have ended, unless otherwise provided under this Agreement, a Services Description, Order, SOW, or another document. UKG will delete Customer Data in a series of steps and in accordance with UKG's standard business practices for destruction of Customer Data and system backups. UKG has no obligation to retain Customer Data and Customer Data may be permanently deleted as part of UKG's data management program(s) or practice(s), and in accordance with Applicable Laws.

**7.3.4. Confidential Information.** UKG and Customer will each return or destroy any Confidential Information of the other Party, with any retained Confidential Information remaining subject to this Agreement.

## **8. Indemnification**

**8.1. Claims Against Customer.** UKG will defend Customer and Customer's respective directors, officers, and employees, who are acting on behalf of Customer ("Customer Indemnified Parties"), from and against any and all third party Claims to the extent the Services or Documentation infringe or misappropriate any registered copyright or patent. UKG will indemnify and hold harmless the Customer Indemnified Parties against any liabilities, damages, costs, or expenses (including, without limitation, reasonable attorneys' fees) actually awarded by a court of applicable jurisdiction to the extent resulting from such third party Claim, or as a result of UKG's settlement of such third party Claim.

**8.2. Mitigation.** In the event that a final injunction is obtained against Customer's use of the Subscription Services by reason of infringement or misappropriation, or if in UKG's opinion, the use of the Subscription Services is likely to become the subject of a successful Claim of infringement or misappropriation, UKG (at its option and expense) will use commercially reasonable efforts to either (a) procure for Customer the right to continue using the Subscription Services as provided in the Agreement; or (b) replace or modify the Subscription Services so that they become non-infringing but remain substantively similar to the affected Subscription Services. Should neither (a) nor (b) be commercially reasonable, either Party may terminate the applicable Subscription Services and the rights granted hereunder upon written notice, at which time UKG will provide a refund to Customer of any fees paid by Customer for the infringing elements covering the period of their unavailability.

**8.3. Exceptions.** UKG will have no liability to indemnify or defend Customer to the extent the Claim(s) is based on (a) use other than as expressly permitted by this Agreement or by UKG in writing; or (b) use in conjunction with any equipment, service, or software not provided by UKG, where the Subscription Services would not otherwise infringe, misappropriate, or become the subject of the third party Claim.

**8.4. Qualifications.** Customer will provide written notice to UKG promptly after receiving notice of a third party Claim. If defense of such third party Claim is materially prejudiced by a delay in providing notice, UKG will be relieved from providing such indemnity to the extent of the delay's impact on the defense. UKG will have sole control of the defense of any indemnified third party Claim and all negotiations for its settlement or compromise, provided that UKG will not enter into any settlement which imposes any obligations on Customer without the prior written consent of Customer. Customer will cooperate fully

(at UKG's request and expense) with UKG in the defense, settlement, and compromise of any such action. Customer may retain its own counsel at its own expense, subject to UKG's rights above.

**8.5. Government Control of Defense.** If Customer is a US Federal, State, or Local governmental entity, then, to the extent required by law, the following will apply: Any provision of the Agreement requiring UKG to defend or indemnify Customer is hereby amended, solely to the extent required by Applicable Laws, to provide that the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer) has the right to represent the respective Federal or SLED entity in litigation and other formal proceedings at its own cost. Subject to approval of the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General's Office (for a SLED Customer), if applicable, Customer shall tender defense of action to UKG upon request by UKG.

**8.6.** EXCEPT AS SET FORTH HEREIN, UKG DISCLAIMS ALL OTHER OBLIGATIONS TO INDEMNIFY CUSTOMER FROM ANY AND ALL FORMS OF CLAIMS, LIABILITIES, AND DAMAGES. OTHER THAN AS EXPRESSLY SET FORTH HEREIN, CUSTOMER WAIVES ALL OTHER INDEMNITY CLAIMS AGAINST UKG.

## **9. Limitations of Liability**

**9.1. Monetary Cap.** EXCEPT WITH RESPECT TO UKG'S GROSS NEGLIGENCE, FRAUD, OR WILLFUL MISCONDUCT DURING ANY TWELVE (12) MONTH CONTRACT TERM (BEGINNING ON THE EFFECTIVE DATE OF THE APPLICABLE ORDER), UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS IN CONNECTION WITH ANY SERVICE PROVIDED TO CUSTOMER SHALL IN NO EVENT EXCEED THE AMOUNT PAID OR PAYABLE TO UKG DURING SUCH TWELVE (12) MONTH CONTRACT TERM FOR THE SERVICE GIVING RISE TO SUCH CLAIM(S).

NOTWITHSTANDING THE FOREGOING MONETARY CAP, AS IT RELATES TO A BREACH BY UKG OF ITS SECURITY OBLIGATIONS UNDER THE UKG DATA PROCESSING AGREEMENT RESULTING IN THE UNAUTHORIZED DISCLOSURE OF PERSONAL DATA, UKG'S TOTAL AGGREGATE LIABILITY FOR ANY AND ALL SUCH CLAIMS SHALL IN NO EVENT EXCEED FIVE TIMES (5X) THE AMOUNT PAID OR PAYABLE BY CUSTOMER TO UKG DURING SUCH TWELVE (12) MONTH CONTRACT TERM FOR THE SERVICE GIVING RISE TO SUCH CLAIM(S)

**9.2. Exclusion of Damages.** UKG WILL NOT BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES; FOR THE COST OF ACQUIRING OR TRANSITIONING TO SUBSTITUTE OR REPLACEMENT SERVICES; OR FOR ANY LOST OR IMPUTED PROFITS OR REVENUES, BUSINESS INTERRUPTION, LOST GOODWILL, OR LOST DATA RESULTING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, HOWEVER CAUSED; OR ANY DAMAGES TO THE EXTENT CAUSED BY CUSTOMER'S DATA OR APPLICATIONS, CUSTOMER'S ALLOWANCE OF UNAUTHORIZED THIRD PARTY ACCESS, OR CUSTOMER'S INTRODUCTION OF MALICIOUS CODE.

**9.3. Applicability of Limitations.** THESE LIMITATIONS APPLY FOR ANY REASON, REGARDLESS OF LEGAL THEORY AND THE REASON LIABILITY IS ASSERTED, EVEN IF UKG HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NOTHING IN THIS SECTION OR ELSEWHERE IN THIS AGREEMENT SHALL OPERATE TO EXCLUDE OR LIMIT THE LIABILITY OF ANY PARTY TO THE EXTENT SUCH LIABILITY CANNOT LAWFULLY BE SO LIMITED OR EXCLUDED UNDER APPLICABLE LAW. IN SO FAR AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITIES SET FORTH HEREIN ARE AGREED ALLOCATIONS OF RISK AND SUCH LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

**10 General Jurisdiction & Dispute Resolution.** This Agreement is governed by and is to be interpreted solely in accordance with the laws of the State of Michigan, without regard to any conflict of law provision that would result in the application of a different body of law, and each Party agrees to submit to exclusive venue in the courts of Washtenaw County, Michigan or the federal courts in the Eastern District of Michigan in any dispute arising out of or relating to this Agreement. Each Party hereby waives any right to a jury trial in connection with any action or litigation in any way arising out of or related to this Agreement, or any services provided by UKG. The United Nations Commission on International Trade Law, the United Nations Convention on Contracts for the International Sale of Goods, and the Uniform Computer Information Transactions Act (UCITA) will not apply to this Agreement.

**10.2. Federal Government Use Provision.** If the ultimate end user is a U.S. federal government entity, then it acknowledges that the Subscription Services, Equipment and Documentation consist of "commercial services" and "commercial products," as defined in FAR 2.101, consisting of "commercial computer software," "commercial computer software documentation" and "technical data" as these terms are used in FAR 12.211-12.212 and in DFARS 227.7202, as applicable. All such government end users will comply with these TOU while using Subscription Services, Equipment and Documentation. the rights of the U.S. Government to use, modify, reproduce, release, perform, display, or disclose commercial computer software, commercial computer software documentation, and technical data furnished in connection with the Subscription

Services, Equipment and Documentation shall be as provided in this TOU, except that, for U.S. Department of Defense end users, technical data customarily provided to the public is furnished in accordance with DFARS 252.227-7015. If such Customer needs any additional rights, it must negotiate a mutually agreed addendum to these TOU specifically granting those rights.

- 10.3. Export.** Each Party shall comply with the export laws and regulations of the United States and other applicable jurisdictions in providing and using the Services. Without limiting the generality of the foregoing, Customer represents that it is not on any U.S. government denied- party list and it shall not make the Services available to any person or entity that (a) is located in a country that is subject to a U.S. government embargo; (b) is listed on any U.S. government list of prohibited or restricted parties; or (c) is engaged in activities directly or indirectly related to proliferation of weapons of mass destruction.
- 10.4. Equipment.** If Customer is ordering Equipment and Equipment Support Services, the provisions of the Equipment and Equipment Support Services will be in accordance with these terms: <https://www.ukg.com/global-equipment-terms>.
- 10.5. UKG's Employer Obligations.** UKG is responsible for compliance with all requirements and obligations relating to its employees under all Applicable Laws including, but not limited to, employer's obligations under laws relating to: payroll, income tax withholding and reporting; civil rights; equal employment opportunity; discrimination on the basis of age, sex, race, color, religion, disability, national origin, or veteran status; overtime; minimum wage; social security contribution and withholding; unemployment insurance; employer's liability insurance; worker's compensation; veteran's rights; and all other employment, labor, or benefits related laws.
- 10.6. Human Trafficking and Modern Slavery.** UKG shall comply with all Applicable Laws regarding slavery and human trafficking of the state, province, and country/countries in which they are performing the Services and doing business, including, but not limited to, the California Transparency in Supply Chains Act and the United Kingdom Modern Slavery Act.
- 10.7. E-Verify.** To the extent required by Applicable Laws, UKG agrees to utilize the U.S. Department of Homeland Security's E-Verify system, to verify the employment eligibility of all persons assigned by UKG to perform work in the United States pursuant to this Agreement.
- 10.8. Code of Conduct.** UKG uses commercially reasonable efforts to provide for UKG employees and subcontractors who perform Services under this Agreement comply with UKG's codes of conduct available at <https://www.ukg.com/company/esg>, as may be modified by UKG from time to time.
- 10.9. Severability and Waiver.** The invalidity or illegality of any provision in this Agreement will not affect the validity of any other provision. All unaffected provisions remain in full force and effect. The waiver of any breach of this Agreement will not constitute a waiver of any subsequent breach or default and will not negate the rights of the waiving Party.
- 10.10. Surviving Provisions.** Provisions in this Agreement which by their nature are intended to survive in the event of a dispute or because their obligations continue past termination of the Agreement, including provisions relating to acknowledgements, reservation of rights, use restrictions, fees, confidentiality, limits of liability, indemnification, and termination, will so survive.
- 10.11. Assignment.** This Agreement cannot be assigned by a Party, whether by operation of law or otherwise, without the prior written consent of the other Party; provided, however, that either Party may assign this Agreement in its entirety (including all Orders and Statements of Work) as part of a merger, acquisition, transfer, or sale of all or substantially all of its assets, stock or business, including to an Affiliate, so long as the assignee agrees to be bound by all of the terms and conditions of this Agreement, the Orders, and Statements of Work. In the event of such an assignment, the non-assigning party shall be entitled to request from the assignee reasonable information to demonstrate that the assignee has the necessary resources and expertise to provide the Service. In no event shall Customer have the right to assign the Agreement to a direct competitor of UKG. This Agreement shall be binding on and inure to the benefit of all permitted predecessors, successors, and assigns of each Party.
- 10.12. Force Majeure.** If an unforeseeable event reasonably beyond the control of either of the Parties arises to prevent a Party from performing its obligations under this Agreement, including, but not limited to, acts of war, terrorism, uprising, acts of nature like earthquakes or floods, measures of any governmental authority in response to pandemics, epidemics or other viral or bacterial outbreaks, civil unrest, embargoes, riots, sabotage, labor shortages, changes in laws or regulations, the failure of the internet or communications via common networks, failure of payment transfer mechanisms (but not lack of funds to make payments), power or system failure, or a delay in transportation (collectively "**Force Majeure**"), each Party will be excused from performance of its obligations under this Agreement, for the duration of the Force Majeure affecting such Party, provided that the affected Party will use reasonable efforts to mitigate the impact of the Force Majeure. Notwithstanding the foregoing, UKG remains obligated to provide disaster recovery portions of the Services to the extent not also prevented by the Force Majeure.
- 10.13. Publicity.** UKG will not publicize matters relating to Customer's use of the Services without Customer's prior consent. With Customer's prior written consent, UKG may identify the Customer as a UKG customer and use Customer's name, trademark, and logo, in any and all media, including without limitation, UKG's advertising literature, marketing materials,

websites, and lists of UKG's customers; however, such usage shall not be classified as an advertisement but only identification as an entity who receives the Service from UKG. For the avoidance of doubt, this section does not prohibit UKG from referencing Customer's name in a verbal format.

- 10.14. Notice.** When either Party needs to provide notice or consent under this Agreement, those notices and consents must be in writing and considered delivered upon actual receipt ("**Notice**"). Notices to UKG must be sent to the following: [UKGLegal@ukg.com](mailto:UKGLegal@ukg.com) with a copy to EVP Chief Legal Officer, UKG Inc., 900 Chelmsford Street, Lowell, MA 01851. Notices to Customer will be sent to the contact listed on the applicable Order. Notices sent elsewhere will not be considered effective under this Agreement. Any cure period required under this Agreement will begin on the date the Notice is received.
- 10.15. eSignature.** Each Party agrees that an eSignature (or a facsimile signature by the authorized representative) is evidence of acceptance of a valid and enforceable agreement.
- 10.16. No Third Party Beneficiaries.** The provisions of this Agreement are for the sole benefit of the Parties and they will not be construed as conferring any rights on any third party nor are there any third party beneficiaries to this Agreement.
- 10.17. Titles and Headings.** Titles and headings of sections of this Agreement are for convenience only and shall not affect the construction of any provision of this Agreement.
- 10.18. Relationship of the Parties.** The Parties are independent contractors. Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between the Parties or constitute any Party to be the agent of the other Party for any purpose.
- 10.19. Entire Agreement.** This Agreement (and any information referenced herein, including in an exhibit, schedule, attachment, annex, or at any URL) along with any corresponding Order, SOW, and Services Description constitute the entire agreement between the Parties pertaining to each Order and any promises, negotiations or representations not expressly stated in this Agreement are not actionable by Customer and shall not serve as the grounds to invalidate or terminate this Agreement or any Order. This Agreement supersedes all prior and contemporaneous representations, negotiations, and communications between the Parties relating to the Services and its subject matter. Customer acknowledges that it has not relied upon any such representations, negotiations, and communications, and waives any rights or claims arising from such representations, negotiations, and communications, including any claims for fraud or misrepresentation. This Agreement may only be amended in writing signed by each of the Parties. If Customer uses its own purchase order or similar document, any terms or conditions in such purchase order are null and void. In the event of a conflict between the provisions contained in this Agreement and those contained in an Order, the following order of precedence shall apply: (1) the Order and (2) this Agreement.
- 11 Definitions**  
**"Affiliates"** means, as to UKG, those entities that are directly or indirectly controlled by UKG Inc.; and as to Customer, those Customer entities that directly or indirectly control, are controlled by, or are under common control with Customer. "Control" (in this context) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made through the ownership of the majority of its voting or equity securities, contract, or otherwise.
- 11.2. "Applicable Law(s)"** means all laws, codes, legislative acts, regulations, ordinances, administrative rules, rules of court, and court orders applicable to a Party's respective business.
- 11.3. "Claim(s)"** means any and all notices, charges, claims, proceedings, actions, causes of action and suits.
- 11.4. "Customer Data"** means all content, information, and data, including but not limited to Personal Data, that is input into the Subscription Services by or on behalf of Customer.
- 11.5. "Documentation"** means the Services Descriptions and other written specifications for the Subscription Services published online on the UKG Community available to its customers.
- 11.6. "DPA"** means UKG's U.S. Data Processing Agreement located at <https://www.ukg.com/us-dpa>.
- 11.7. "Equipment"** means the UKG Equipment which is set forth in an Order.
- 11.8. "Order"** means an order form, agreed by both Parties, which is subject to this Agreement or otherwise references this Agreement, setting out, among other things, the type and quantity of employees that may be managed in the Subscription Services, the term of the Order, price and payment terms of the Services to be provided by UKG, and the fees to be paid by Customer.
- 11.9. "Party" or "Parties"** means UKG or Customer, or both, as the context dictates.

- 11.10. “Personal Information”** means Customer Data related to a Data Subject as defined under U.S Privacy Laws, including “personal information” as defined under the California Consumer Privacy Act (“**CCPA**”) and any similar terms, such as “personally identifiable information”
- 11.11. “Professional Services”** means the deployment, launch, configuration, implementation, integration, delivery, consulting, managed, and other similar services provided hereunder.
- 11.12. “Services”** means the (a) Subscription Services; (b) Support Services; (c) Professional Services; (d) Training Services; and (e) other services or offerings as set forth in an Order.
- 11.13. “Services Description”** means the supplemental terms applicable to a Subscription Service or other offerings located at <http://www.ukg.com/services-descriptions>.
- 11.14. “Statement of Work” or “SOW”** means a document executed by both Parties, which is subject to this Agreement and the applicable Order or otherwise references this Agreement, detailing the scope of Professional Services or Training Services, the associated fees, and other applicable terms.
- 11.15. “Subscription Services”** means those UKG software-as-a-service (“**SaaS**”) applications set forth on the Order and made available to Customer via a hosted multi-tenant environment to use on a subscription basis, as well as all agents, Application Programming Interfaces (“**APIs**”), Software Development Kits (“**SDKs**”), software plugins, and other software and code provided in connection with such applications, as well as the UKG data accessible therein.
- 11.16. “Support Services”** means support and maintenance services provided by UKG for the Subscription Services, as described in this Agreement.
- 11.17. “Training Services”** means in person and virtual instructor-led training and courses, including online, on-demand, in-product, and on-site courses provided by UKG.

IN WITNESS WHEREOF, the Parties through their duly authorized representatives have read the foregoing and all documents incorporated herein and agree and accept such terms effective as of the date of the last signature below.

UKG, Inc.	City of Ann Arbor
Dated:	Dated:
By:	By:
Name:	Name:
Title:	Title:

City of Ann Arbor
Dated:
By:
Name:
Title:

City of Ann Arbor
Dated:
By:
Name:
Title:

City of Ann Arbor
Dated:
By:
Name:
Title:

## Exhibit 1

### Acceptable Use Policy

This Acceptable Use Policy (this “**Policy**”) describes prohibited uses of the Services. In accordance with the Agreement, Customer agrees to use the Services in accordance with the latest version of this Policy.

#### 1. Prohibited Use.

Customer agrees that it shall not use the Services, nor authorize, encourage, promote, facilitate or instruct others including its authorized users or Affiliates to use the Services as set forth below:

PROHIBITED USE	DESCRIPTIONS AND EXAMPLES
<b>(a) No Illegal, Harmful, or Offensive Use or Content</b>	<p>Customer may not use, or encourage, promote, facilitate or instruct others to use, the Services for any illegal, harmful or offensive use, or to transmit, store, display, distribute or otherwise make available content that is illegal, harmful, or offensive. Prohibited activities or content include, but are not limited to:</p> <p><b>Illegal Activities.</b> Any illegal activities, including advertising, transmitting, or otherwise making available gambling sites or services or disseminating, promoting or facilitating child pornography.</p> <p><b>Harmful or Fraudulent Activities.</b> Activities that may be harmful to others, UKG's operations or reputation, including offering or disseminating fraudulent goods, services, schemes, or promotions (e.g., make-money-fast schemes, ponzi and pyramid schemes, phishing, or pharming), or engaging in other deceptive practices.</p> <p><b>Infringing Content.</b> Content that infringes or misappropriates the intellectual property or proprietary rights of others.</p> <p><b>Offensive Content.</b> Content that is defamatory, obscene, abusive, invasive of privacy, or otherwise objectionable, including content that constitutes child pornography, relates to bestiality, or depicts non-consensual sex acts.</p> <p><b>Harmful Content.</b> Content or other computer technology that may damage, interfere with, surreptitiously intercept, or expropriate any system, program, or data, including viruses, Trojan horses, worms, time bombs, or cancelbots.</p>
<b>(b) No Security Violations</b>	<p>Customer may not use the Services to violate the security or integrity of any network, computer or communications system, software application, or network or computing device (each, a “System”). Prohibited activities include, but are not limited to:</p> <p><b>Unauthorized Access.</b> Accessing or using any System without permission, including attempting to probe, scan, or test the vulnerability of a System or to breach any security or authentication measures used by a System. Customer will not perform any security integrity review, penetration test, load test, denial of service simulation or vulnerability scan on any System.</p> <p><b>Interception.</b> Monitoring of data or traffic on a System without permission.</p> <p><b>Falsification of Origin.</b> Forging TCP-IP packet headers, e-mail headers, or any part of a message describing its origin or route. This prohibition does not include the use of aliases or anonymous remailers.</p> <p><b>No Use of Robots.</b> Customer will not use any tool designed to automatically emulate the actions of a human user (e.g., robots)</p>
<b>(c) No Network Abuse</b>	<p>Customer may not make network connections to any users, hosts, or networks unless Customer has permission to communicate with them. Prohibited activities include, but are not limited to:</p> <p><b>Monitoring or Crawling.</b> Monitoring or crawling of a System that impairs or disrupts the System being monitored or crawled.</p> <p><b>Denial of Service (DoS).</b> Inundating a target with communications requests so the target either cannot respond to legitimate traffic or responds so slowly that it becomes ineffective.</p> <p><b>Intentional Interference.</b> Interfering with the proper functioning of any System, including any deliberate attempt to overload a system by mail bombing, news bombing, broadcast attacks, or flooding techniques.</p> <p><b>Operation of Certain Network Services.</b> Operating network services like open proxies, open mail relays, or open recursive domain name servers.</p>

PROHIBITED USE	DESCRIPTIONS AND EXAMPLES
	<b>Avoiding System Restrictions.</b> Using manual or electronic means to avoid any use limitations placed on a System, such as access and storage restrictions.
<b>(d) No E-Mail or Other Message Abuse</b>	Customer will not use the Service to distribute, publish, send, or facilitate the sending of unsolicited mass e-mail or other messages, promotions, advertising, or solicitations (like “spam”), including commercial advertising and informational announcements. Customer will not alter or obscure mail headers or assume a sender’s identity without the sender’s explicit permission. Customer will not collect replies to messages sent from another internet service provider if those messages violate this Policy or the acceptable use policy of that provider.

## 2. Monitoring and Enforcement

UKG reserves the right, but does not assume the obligation, to investigate any violation of this Policy or misuse of the Services. UKG may:

- investigate violations of this Policy or misuse of the Services; or
- remove, disable access to, or modify any content or resource that violates this Policy.

If Customer violates the Policy or authorizes or helps others to do so, UKG may suspend use of the Services until the violation is corrected or terminate the Agreement for cause in accordance with the terms of the Agreement. UKG may modify this Policy at any time upon written notice to Customer of a revised version.

UKG may report any activity that it suspects violates any law or regulation to appropriate law enforcement officials, regulators, or other appropriate third parties. UKG's reporting may include disclosing appropriate customer information. UKG also may cooperate with appropriate law enforcement agencies, regulators, or other appropriate third parties to help with the investigation and prosecution of illegal conduct by providing network and systems information related to alleged violations of this Policy.

## 3. Reporting of Violations of this Policy by Customer

If Customer becomes aware of any violation of this Policy, Customer will immediately notify UKG and provide UKG with assistance, as requested, to stop or remedy the violation.