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CITY OF FRANKLIN
COMMON COUNCIL MEETING**
FRANKLIN CITY HALL – COMMON COUNCIL CHAMBERS
9229 WEST LOOMIS ROAD, FRANKLIN, WISCONSIN
AGENDA*
TUESDAY, OCTOBER 20, 2026 AT 6:30 P.M.

- A. Call to Order and Roll Call.
- B. Citizen Comment Period.
- C. Approval of Minutes:
 - 1. Special Common Council Meeting of October 2, 2026.
 - 2. Regular Common Council Meeting of October 6, 2026.
- D. Hearings.
- E. Organizational Mayoral Commission Appointment: David Ahles, 4277 W. College Ave., Ald. Dist. 3-Economic Development Commission, 1 year unexpired term expiring 06/30/27.
- F. Letters and Petitions.
- G. Reports and Recommendations:
 - 1. A Resolution to Award the South 76th Street Water Main Extension Project to the Lowest Bidder, TJ Excavators in the Amount of \$558,870.48.
 - 2. Authorization to Bid Water Main Extension Project on South 92nd Street and West Ryan Road from HWY 100 to the 9700 Block of W. Ryan Road.
 - 3. A Resolution to Issue Landmark Structures I, LP a Change Order No. 4 for Elevated Water Storage Tank (Contract B) at 8120 S. Lovers Lane Road (TKN 801-9986-000) to Decrease the Revised Contract Price by \$80,995.41.
 - 4. A Resolution Authorizing Certain Officials to Execute an Intergovernmental Agreement for Cost Sharing of WisDOT Engineering Services Between the City of Oak Creek and the City of Franklin for the Planned Traffic Signal at WIS 241 / South 27th Street, Together with Related Improvements at the I-94 Eastbound and Westbound Ramps.
 - 5. A Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$10,200,000 General Obligation Promissory Notes, Series 2026A.
 - 6. A Resolution Authorizing the Issuance of up to \$10,200,000 in General Obligation Debt to Fund Critical Capital Improvement Projects and Providing Direction for Future Long-Term Debt Planning.
 - 7. Request to Authorize the use of Arctic Wolf MDR/EDR Security Services as a Replacement to Rapid7 InsightIDR and Bitdefender—Funding Account 01-0144-5257.

8. A Resolution to Authorize Certain Officials to Execute a Contract with Lippert Tile Company, Inc. to Provide Floor Cleaning and Restoration Services at the City Hall Municipal Building in the Lobby, Lobby Bathrooms and Community Room in an Amount Not-To-Exceed \$22,700.
9. Finance Committee Recommended Changes to the 2027 Mayor's Recommended Budget.
10. Franklin Public Library Annual Report to the Common Council.
11. An Ordinance to Amend § 55-17 of the Municipal Code of the City of Franklin to Authorize the Health Officer's Designee to Perform Health Hazard Removal Duties.
12. Amend Retiree Health Insurance Eligibility to Include Non-Represented Fire Department Employees.
13. Approval of the 2027 Employee Benefit Program Renewals and Employee Contributions.
14. Waste Management Metro Landfill Expansion Wetland Disturbance Application Wisconsin Department of Natural Resources Denial Order. The Common Council may enter closed session pursuant to Wis. Stat. § 19.85(1)(g), to confer with legal counsel for the Common Council who is rendering advice concerning strategy to be adopted by the body with respect to litigation upon the Waste Management Metro Landfill Expansion Wetland Disturbance Application Wisconsin Department of Natural Resources Denial Order, in which the City is likely to become involved, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.

H. Licenses and Permits: License Committee Meeting of October 20, 2026.

I. Bills.
Request for Approval of Vouchers and Payroll.

J. Adjournment.

****Notice is given that a majority of the Finance Committee may attend this meeting to gather information about an agenda item over which the Finance Committee has decision-making responsibility. This may constitute a meeting of the Finance Committee, per State ex rel. *Badke v. Greendale Village Board*, even though the Finance Committee will not take formal action at this meeting.**

***Supporting documentation and details of these agenda items are available at City Hall during normal business hours.**

[Note: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information, contact the City Clerk's office at (414) 425-7500.]

Common Council Meeting Agenda

October 20, 2026

Page 3

REMINDERS:

October 22	Plan Commission	6:00 p.m.
November 3	General Election	7:00 a.m.-8:00 p.m.
November 4	Common Council	6:30 p.m.
November 5	Plan Commission	6:00 p.m.
November 17	Common Council	6:30 p.m.
November 19	Plan Commission	6:00 p.m.
November 26 & 27	City Hall Closed-Thanksgiving	

CITY OF FRANKLIN
SPECIAL COMMON COUNCIL MEETING
OCTOBER 2, 2026
MINUTES

- | | | |
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| ROLL CALL | A. | The special meeting of the Franklin Common Council was held on October 2, 2026, and was called to order at 5:55 p.m. by Mayor John R. Nelson in the Franklin City Hall Council Chambers, 9229 W. Loomis Road, Franklin, Wisconsin. On roll call, the following were present: Alderman Johnson, Alderwoman Eichmann, Alderwoman Kresovic, Alderman Salous and Alderwoman Kenney. Alderman Hasan was excused. Also in attendance were City Attorney Christina Lucchesi, and Deputy City Clerk Maggie Poplar. |
| CITIZEN COMMENT | B. | Citizen comment period was opened at 5:55 p.m. and was closed at 5:55 p.m. |
| NAME CHANGE RACK CITY | C. | Alderwoman Eichmann moved to approve the Licensed Alcohol Premise – BPC Golf Entertainment, LLC, Name Change: Brick Pizzeria to Rack City, Agent: Tom Johns; Location: 7075 S Ballpark Dr. Seconded by Alderman Johnson. All voted Aye; motion carried. |
| ADJOURNMENT | E. | Alderwoman Eichmann moved to adjourn the meeting of the Common Council at 5:56 p.m. Seconded by Alderwoman Kresovic. All voted Aye; motion carried. |

CITY OF FRANKLIN
COMMON COUNCIL MEETING
OCTOBER 6, 2026
MINUTES

- | | | |
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| ROLL CALL | A. | The regular meeting of the Franklin Common Council was held on October 6, 2026, and was called to order at 6:30 p.m. by Mayor John R. Nelson in the Franklin City Hall Council Chambers, 9229 W. Loomis Road, Franklin, Wisconsin. On roll call, the following were present: Alderman Johnson, Alderwoman Eichmann, Alderwoman Kresovic, Alderman Salous, and Alderwoman Kenney. Alderman Hasan was excused. Also in attendance were Director of Administration Kelly Hersh, City Attorney Jesse A. Wesolowski, City Attorney Christina Lucchesi and City Clerk Shirley Roberts. |
| CITIZEN COMMENT | B. | Citizen comment period was opened at 6:31 p.m. and was closed at 6:34 p.m. |
| MINUTES
SEPTEMBER 15, 2026 | C. | Alderwoman Kresovic moved to approve the minutes of the Common Council meeting of September 15, 2026, as presented. Seconded by Alderman Johnson. All voted Aye; motion carried. |
| MAYORAL
APPOINTMENT | E. | Alderwoman Kresovic moved to confirm the following Mayoral Appointment: David Ahles, 4277 W. College Ave., Ald. Dist. 3 – Board of Water Commissioners, 5 year unexpired term expiring 09/30/31. Seconded by Alderman Johnson. On roll call, all voted Aye. Motion carried. |
| RES. NO. 2026-8530
LXL PG APARTMENTS
LLC DEVELOPMENT
AGREEMENT | G.1. | Alderwoman Eichmann moved to adopt Resolution No. 2026-8530, A RESOLUTION AUTHORIZING CERTAIN OFFICIALS TO EXECUTE A DEVELOPMENT AGREEMENT FOR PUBLIC INFRASTRUCTURE IMPROVEMENTS WITH LXL PG APARTMENTS, LLC – POTHs GENERAL LOCATED AT 7154 S. 76 TH STREET FRANKLIN, WI, subject to technical corrections approved by the City Engineer, Director of Administration, Director of Finance and Treasurer, Director of Economic Development and City Attorney. Seconded by Alderwoman Kresovic. All voted Aye; motion carried. |
| RES. NO. 2026-8531
POTHs GENERAL
STORM WATER
FACILITIES
AGREEMENT | G.2. | Alderwoman Eichmann moved to adopt Resolution No. 2026-8531, A RESOLUTION TO AUTHORIZE ACCEPTANCE OF STORM WATER FACILITIES MAINTENANCE AGREEMENT AND STORM WATER ACCESS EASEMENT FROM INITECH, LLC AT POTHs GENERAL DEVELOPMENT LOCATED AT 7154 S. 76 TH STREET FRANKLIN, WI, subject to technical corrections approved by the City Engineer, Director of Administration, Director of Finance and Treasurer, Director of Economic Development and |

City Attorney. Seconded by Alderwoman Kresovic. All voted Aye; motion carried.

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| RES. NO. 2026-8532
POTHS GENERAL
PUBLIC UTILITY
EASEMENT | G.3. | Alderwoman Kresovic moved to adopt Resolution No. 2026-8532, A RESOLUTION TO ACCEPT A PUBLIC UTILITY, WATER MAIN, AND SANITARY SEWER EASEMENT FROM INITECH, LLC AT POTHS GENERAL DEVELOPMENT LOCATED AT 7154 S.76 TH STREET FRANKLIN, WI, subject to technical corrections approved by the City Engineer, Director of Administration, Director of Finance and Treasurer, Director of Economic Development and City Attorney. Seconded by Alderwoman Kenney. All voted Aye; motion carried. |
| RES. NO. 2026-8533
WATER TOWER PARK
PROJECT | G.4. | Alderwoman Eichmann moved to adopt Resolution No. 2026-8533, A RESOLUTION TO AWARD THE WATER TOWER PARK PROJECT TO DIVERSIFIED DRAINAGE, LLC, IN THE AMOUNT OF \$45,627.00. Seconded by Alderman Johnson. All voted Aye; motion carried. |
| ORD. NO. 2026-2749
AMEND ORD. NO. 2025-
2712 FOR TASK ORDER
NO. 5 | G.5. | Alderwoman Kresovic moved to adopt Ordinance No. 2026-2749, AN ORDINANCE TO AMEND ORDINANCE 2025-2712, AN ORDINANCE ADOPTING THE 2026 ANNUAL BUDGETS FOR THE CAPITAL PROJECTS FUND TO PROVIDE \$45,700 OF APPROPRIATIONS FOR AMENDMENT NO. 13 TO TASK ORDER NO. 5 WITH RUEKERT & MIELKE FOR THE DESIGN OF THE CORPORATE PARK PROJECT. Seconded by Alderman Salous. On roll call, all voted Aye. Motion carried. |
| RES. NO. 2026-8534
TAX INCREMENTAL
DISTRICT NO. 11 | G.6. | Alderman Johnson moved to adopt Resolution No. 2026-8534, A RESOLUTION AUTHORIZING CERTAIN OFFICIALS TO EXECUTE A TAX INCREMENTAL DISTRICT NO. 11 ENVIRONMENTAL STUDIES AND REMEDIATION GRANT DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FRANKLIN AND WILCRAFT CAN PROPERTIES, LLC. Seconded by Alderwoman Kresovic. All voted Aye; motion carried. |
| ORD. NO. 2026-2750
AMEND ORD. NO. 2025-
2712 CITY HALL
FLOORING REPAIRS | G.13. | Alderwoman Kresovic moved to adopt AN ORDINANCE TO AMEND ORDINANCE 2025-2712, AN ORDINANCE ADOPTING THE 2026 ANNUAL BUDGETS FOR THE CAPITAL OUTLAY FUND TO PROVIDE \$22,700 OF APPROPRIATIONS FOR REPAIR SERVICES TO THE FLOORING IN CITY HALL. Seconded by Alderman Johnson. On roll call, Alderman Johnson, Alderwoman Kresovic and Alderwoman Kenney voted Aye; Alderwoman Eichmann and Alderman Salous abstained. Motion failed. |

Mayor Nelson called a recess at 7:05 p.m.
Mayor Nelson reconvened at 7:10 p.m.

Alderman Salous made a motion to reconsider. Seconded by Alderwoman Kresovic. On roll call, all voted Aye. Motion carried.

Alderwoman Kenney moved to adopt Ordinance No. 2026-2750, AN ORDINANCE TO AMEND ORDINANCE 2025-2712, AN ORDINANCE ADOPTING THE 2026 ANNUAL BUDGETS FOR THE CAPITAL OUTLAY FUND TO PROVIDE \$21,425 OF APPROPRIATIONS FOR REPAIR SERVICES TO THE FLOORING IN CITY HALL. Seconded by Alderman Salous. On roll call, all Alderwoman Kenney, Alderman Salous, Alderwoman Kresovic and Alderman Johnson voted Aye; Alderwoman Eichmann abstained. Motion carried.

RES. NO. 2026-8535
SIGN EFFECTZ, INC.
AGREEMENT

G.7. Alderwoman Kresovic moved to adopt Resolution No. 2026-8535, A RESOLUTION AUTHORIZING CERTAIN OFFICIALS TO EXECUTE AN AGREEMENT WITH SIGN EFFECTZ, INC. FOR THE FABRICATION AND INSTALLATION OF A CITY WELCOME SIGN AT THE NORTHWEST CORNER OF WEST DREXEL AVENUE AND SOUTH 27TH STREET, subject to technical corrections approved by the City Engineer, Director of Administration, Director of Finance and Treasurer, Director of Economic Development and City Attorney. Seconded by Alderwoman Eichmann. All voted Aye; motion carried.

RES. NO. 2026-8536
WELCOME TO
FRANKLIN SIGN
EASEMENT
AGREEMENT

G.8. Alderwoman Kresovic moved to adopt Resolution No. 2026-8536, A RESOLUTION TO APPROVE AND ACCEPT AN EASEMENT AGREEMENT FOR A WELCOME TO FRANKLIN SIGN MONUMENT WITH COSTCO WHOLESALE CORPORATION FOR THE PROPERTY LOCATED AT THE NORTHWEST CORNER OF WEST DREXEL AVENUE AND SOUTH 27TH STREET, subject to technical corrections approved by the City Engineer, Director of Administration, Director of Finance and Treasurer, Director of Economic Development and City Attorney. Seconded by Alderman Salous. All voted Aye; motion carried.

RES. NO. 2026-8537
BRYCER L.P. & BRYCER
ADVISORY GROUP, L. P.
AGREEMENT

G.9. Alderwoman Eichmann moved to adopt Resolution No. 2026-8537, A RESOLUTION AUTHORIZING THE CITY OF FRANKLIN FIRE DEPARTMENT TO EXECUTE AN AGREEMENT WITH BRYCER, L.P. AND BRYCER ADVISORY GROUP, L.P. FOR A WEB-BASED FIRE SAFETY INSPECTION RECORD

MANAGEMENT SYSTEM. Seconded by Alderwoman Kresovic. All voted Aye; motion carried.

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|-----------------------------------|-------|--|
| EMS/AMBULANCE
TRANSPORT UPDATE | G.10. | Alderwoman Kenney moved to accept the report and place on file. Seconded by Alderman Salous. All voted Aye; motion carried. |
| POWERED STAIR
CHAIRS PURCHASE | G.11. | Alderwoman Kresovic moved to approve the purchase of two Stryker Xpedition Powered Stair Chairs using funding from EMS Supply Budget and Act 102 Operating Supplies. Seconded by Alderwoman Eichmann. All voted Aye; motion carried. |
| DISPOSAL OF TRAILERS | G.12. | Alderwoman Kenney moved to allow the Fire Department to dispose of two decommissioned surplus trailers with any recovered funds returned to the Equipment Replacement Fund (42-0221-5811). Seconded by Alderwoman Kresovic. All voted Aye; motion carried. |
| MISCELLANEOUS
LICENSES | H. | <p>Alderwoman Kenney moved to approve the Class A Combination license for Costco Wholesale Corporation, DBA Costco Wholesale #1808, Jennifer Joven, Agent of the License Committee Meeting of October 6, 2026. Seconded by Alderman Johnson. On roll call vote, Alderman Johnson, Alderwoman Kresovic, Alderman Salous and Alderwoman Kenney all voted Aye; Alderwoman Eichmann abstained. Motion carried.</p> <p>Alderwoman Eichmann moved to approve the following licenses of the License Committee Meeting of October 6, 2026.</p> <p>Grant New Class A Combination 2026 License pending inspections to Costco Wholesale Corporation, DBA Costco Wholesale #1808, Jennifer Joven, Agent, 7828 S 27th St;</p> <p>Grant New 2026-2027 Operator License pending correction of application to Lauren Bednar;</p> <p>Grant New 2026-2027 Operator License to: Tammy Dunn, Anthony Mattice, Charles Moen, Lucas Rakow;</p> <p>Hold New 2026-2027 Operator License pending correction of application to Ryan Wunderlich;</p> <p>Seconded by Alderman Johnson. All voted Aye; motion carried.</p> |
| VOUCHERS AND
PAYROLL | I. | Alderwoman Kresovic moved to approve City vouchers with an ending date of October 1, 2026 in the amount of \$3,138,056.21, and payroll dated September 18, 2026 in the amount of \$490,508.72 and payments of the various payroll deductions in the amount of \$597,696.46 plus City matching payments, and payroll dated October 2, 2026 in the amount of \$490,230.79 and payments of the |

various payroll deductions in the amount of \$277,764.21 plus City matching payments, and Estimated payroll dated October 16, 2026 in the amount of \$505,000 and payments of the various payroll deductions in the amount of \$600,000, plus City matching payments. Seconded by Alderman Johnson. On roll call, all voted Aye. Motion carried.

ADJOURNMENT

- J. Alderwoman Kenney moved to adjourn the meeting of the Common Council at 7:33 p.m. Seconded by Alderwoman Eichmann. All voted Aye; motion carried.

APPROVAL	REQUEST FOR COMMON COUNCIL ACTION	MEETING DATE 10-20-26
ORGANIZATIONAL BUSINESS	Mayoral Board and Commission Appointment	ITEM NUMBER E.

David Ahles, 4277 W. College Ave., Ald. Dist. 3-Economic Development Commission, 1 year unexpired term expiring 06/30/27.

COUNCIL ACTION REQUESTED

Motion to confirm the following Mayoral Appointment: David Ahles, 4277 W. College Ave., Ald. Dist. 3-Economic Development Commission, 1 year unexpired term expiring 06/30/27.

ROLL CALL VOTE

CLERKDEPT

Maggie Poplar

From: volunteerfactsheet@franklinwi.info
Sent: Tuesday, October 6, 2026 2:21 PM
To: Lisa Huening; Shirley Roberts; Maggie Poplar
Subject: Volunteer Fact Sheet

Name: David Ahles
PhoneNumber:
EmailAddress: davidahles@gmail.com
YearsasResident: 50
Alderman: 3
ArchitecturalBoard:
CivicCelebrations:
CommunityDevelopmentAuthority:
EconomicDevelopmentCommission: on
EnvironmentalCommission:
FinanceCommittee:
FairCommission:
BoardofHealth:
FirePoliceCommission:
ParksCommission:
LibraryBoard:
PlanCommission:
PersonnelCommittee:
BoardofReview:
BoardofPublicWorks:
QuarryMonitoringCommittee:
TechnologyCommission:
TourismCommission:
BoardofZoning:
WasteFacilitiesMonitoringCommittee:
BoardWaterCommissioners:
CompanyNameJob1: Pepsico
CompanyAddressJob1: Beloit Wi
TelephoneJob1: 6083618826
StartDateandPositionJob1: 2001- Sales/Traffic
EndDateandPositionJob1: Present
CompanyNameJob2: Temple Beth El
AddressJob2: Rockford IL

TelephoneJob2:	
StartDateandPositionJob2:	2019-
EndDateandPositionJob2:	3 year term/Grounds Board
CompanyNameJob3:	Park Meadows Homes
AddressJob3:	4277 W College ave
TelephoneJob3:	6083121474
StartDateandPositionJob3:	2026/Board Member at Large
EndDateandPositionJob3:	Present
Signature:	David J Ahles
Date:	10/06/2026
Signature2:	David J Ahles
Date2:	10/06/2026
Address:	4277 W College ave
PriorityListing:	EDC
WhyInterested:	Franklin has always been home to me. I grew up here, attended Franklin schools, and graduated from Franklin High School, so I've seen firsthand how this community has grown and changed over the years. Today my son is a sophomore at Franklin High School, which gives me a personal stake in the kind of city he and his classmates will inherit. I believe a strong local economy is built on people who are invested in where they live. I'm a strong supporter of entrepreneurship and leadership, and I'm especially interested in helping the next generation of local businesses find the guidance, resources, and support they need to succeed. Small businesses and new ventures create jobs, give neighborhoods their character, and keep talented young people rooted in the community. Serving on this board would allow me to give back to the city that shaped me. I would bring a lifelong understanding of Franklin, a genuine commitment to its future, and a willingness to listen, collaborate, and help move
DescriptionofDutiesJob1:	Sales/Direct store Budget/cost
DescriptionofDutiesJob2:	Security/budgeting Community involvement Organizing/marketing
DescriptionofDutiesJob3:	Budgeting/organization Arbitration/daily operations
AdditionalExperience:	As an Air Force veteran, I learned the value of discipline, accountability, and teamwork, and I've carried those principles with me ever since. I'm well versed in budgeting, organization, and the management of site locations and security. That experience has taught me how to plan carefully, use resources responsibly, and keep operations running smoothly. These skills translate directly to the work of an economic development board, where careful stewardship and practical planning help good ideas become lasting results.

Outside of work, I enjoy the arts and the strong sense of community that makes Franklin such a great place to live. I love biking in Whitnall Park, reading a good book, and spending time with friends. Those experiences keep me connected to the people and places that make our city special, and they remind me why investing in Franklin's future matters.

[See Current Results](#)

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
REPORTS AND RECOMMENDATIONS	A RESOLUTION TO AWARD THE SOUTH 76 TH STREET WATER MAIN EXTENSION PROJECT TO THE LOWEST BIDDER, TJ EXCAVATORS IN THE AMOUNT OF \$558,870.48.	ITEM NUMBER <i>95.1.</i> District # 1

BACKGROUND

Milwaukee County Department of Transportation (MCDOT) is planning a road resurfacing project on South 76th Street (CTH U) from West Ryan Road (STH 100) to West Park Circle Way. The project schedule has a current letting date in Fall of 2026 and a construction start in Spring of 2027.

The Engineering Department surveyed the adjacent property owners for sewer and water per Council authorization and results were presented on June 16, 2026.

On June 16, 2026, the Common Council authorized staff to begin design of the S. 76th Street water main extension.

On July 21, 2026, The Common Council authorized staff to solicit and receive bids for the water main extension project.

ANALYSIS

The bid opening was held on Thursday, October 8, 2026 and eight bids were received.

	Total Base Bid
<i>Engineer's Estimate</i>	<i>\$650,000.00</i>
TJ Excavators	\$558,870.48
Globe Contractors, Inc.	\$569,663.70
UPI Construction LLC	\$609,083.00
Zignego Company, Inc.	\$717,053.48
Super Excavators, Inc.	\$742,558.00
A.W. Oakes & Sons, Inc.	\$744,735.00
Mid City Corporation	\$753,195.50
Vinton Construction Company	\$793,686.80

TJ Excavators is the apparent low bidder. Prequalification reviews confirm TJ Excavators is capable to meet project requirements.

FISCAL NOTE

The Board of Water Commissioners has reviewed and approved moving forward with the S. 76th Street Water Main Extension Project. The project is necessary to address identified water system infrastructure needs and maintain reliable service within the utility system. Funding for this project was not included in the initially adopted Water Utility Budget. However, based on further recommendation and review by the Board of Water Commissioners, the project has been determined to be necessary and time sensitive due to the timing of the Milwaukee County project.

The project will require General Obligation (GO) debt financing and is anticipated to be included in the GO debt borrowing scheduled to occur later this year. A formal budget amendment to incorporate the project and associated funding will be presented to the Board of Water Commissioners for approval at their next meeting.

STAFF RECOMMENDATION

Staff recommends that the Council authorize the awarding of the S. 76th Street Water Main Extension Project to TJ Excavators in the amount of \$558,870.48.

COUNCIL ACTION REQUESTED

Motion to adopt Resolution No. 2026 - _____, a resolution to award the S. 76th Street Water Main Extension Project to TJ Excavators in the amount of \$558,870.48.

Engineering – MNP; DOA – KH; Finance - DB

STATE OF WISCONSIN: CITY OF FRANKLIN: MILWAUKEE COUNTY

RESOLUTION NO. 2026- _____

A RESOLUTION TO AWARD
THE SOUTH 76TH STREET WATER MAIN EXTENSION PROJECT TO THE LOWEST
BIDDER, TJ EXCAVATORS IN THE AMOUNT OF \$558,870.48.

WHEREAS, the City of Franklin advertised and solicited bids for the South 76th Street Water Main Extension Project; and

WHEREAS, eight bids were received on October 8, 2026 and TJ Excavators was the lowest responsive and responsible bidder; and

WHEREAS, TJ Excavators provided prequalification information that was reviewed by staff and confirmed TJ Excavators is capable to meet project requirements; and

WHEREAS, it is in the best interest of the City as recommended by the City's Staff to award the contract for the South 76th Street Water Main Extension Project in the amount of \$558,870.48 to TJ Excavators.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Common Council of the City of Franklin, Wisconsin, to award the South 76th Street Water Main Extension Project to TJ Excavators.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized and directed to execute a contract with TJ Excavators on behalf of the City.

Introduced at a regular meeting of the Common Council of the City of Franklin this _____ day of _____, 2026 by Alderman _____.

Passed and adopted at a regular meeting of the Common Council of the City of Franklin this _____ day of _____, 2026.

APPROVED:

John R. Nelson, Mayor

ATTEST:

Shirley J. Roberts, City Clerk

AYES _____ NOES _____ ABSENT _____

South 76th Street Water Main Extension (#10375924)
Owner: City of Franklin
Solicitor: Franklin City of
10/08/2026 02:00 PM CDT

Section Title	Line Item	Item Description	UoM	Quantity	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
				TJ Excavators		Globe Contractors Inc		UPI Construction LLC		Zignego Company Inc		Super Excavators, Inc		A.W. Oakes & Son Inc		Mid City Corporation		Vinton Construction Company		
1 South 76th Street Water Main Extension						\$558,870.48		\$569,663.70		\$609,083.00		\$717,053.48		\$742,558.00		\$744,735.00		\$753,195.50		\$793,686.80
	1	Traffic Control	LS	1	\$50,000.00	\$50,000.00	\$13,450.00	\$13,450.00	\$3,000.00	\$3,000.00	\$69,000.00	\$69,000.00	\$31,914.00	\$31,914.00	\$49,000.00	\$49,000.00	\$68,750.00	\$68,750.00	\$73,300.00	\$73,300.00
	2	Erosion Control	LS	1	\$8,800.00	\$8,800.00	\$2,662.50	\$2,662.50	\$3,100.00	\$3,100.00	\$2,662.50	\$2,662.50	\$13,039.00	\$13,039.00	\$13,000.00	\$13,000.00	\$5,250.00	\$5,250.00	\$11,145.00	\$11,145.00
	3	8-Inch Dia. PVC Water Main w/ Slurry Backfill	LF	13	\$202.00	\$2,626.00	\$295.00	\$3,835.00	\$470.00	\$6,110.00	\$769.00	\$9,997.00	\$258.00	\$3,354.00	\$375.00	\$4,875.00	\$306.00	\$3,978.00	\$685.86	\$8,916.18
	4	12-Inch Dia. PVC Water Main w/ Granular Backfill	LF	1508	\$141.92	\$214,015.36	\$182.65	\$275,436.20	\$213.00	\$321,204.00	\$213.24	\$321,565.92	\$212.00	\$319,696.00	\$202.00	\$304,616.00	\$222.00	\$334,776.00	\$258.01	\$389,079.08
	5	12-Inch Dia. PVC Water Main w/ Slurry Backfill	LF	310	\$232.89	\$72,195.90	\$325.00	\$100,750.00	\$323.00	\$100,130.00	\$263.24	\$81,604.40	\$306.00	\$94,860.00	\$370.00	\$114,700.00	\$335.00	\$103,850.00	\$365.39	\$113,270.90
	6	16-Inch Dia. PVC Water Main w/ Granular Backfill	LF	3	\$1,334.17	\$4,002.51	\$1,155.00	\$3,465.00	\$2,190.00	\$6,570.00	\$1,666.66	\$4,999.98	\$742.00	\$2,226.00	\$370.00	\$1,110.00	\$991.00	\$2,973.00	\$284.68	\$854.04
	7	12-Inch Gate Valve	EA	5	\$6,625.00	\$33,125.00	\$5,625.00	\$28,125.00	\$5,670.00	\$28,350.00	\$6,300.00	\$31,500.00	\$5,715.00	\$28,575.00	\$5,600.00	\$28,000.00	\$7,010.00	\$35,050.00	\$6,033.85	\$30,169.25
	8	1 1/4-Inch HDPE Water Lateral w/ Granular Backfill	EA	5	\$7,257.59	\$36,287.95	\$4,125.00	\$20,625.00	\$5,995.00	\$29,975.00	\$3,844.98	\$19,224.90	\$6,059.00	\$30,295.00	\$6,300.00	\$31,500.00	\$9,240.00	\$46,200.00	\$6,568.93	\$32,844.65
	9	2-Inch HDPE Water Lateral w/ Granular Backfill	EA	1	\$7,750.00	\$7,750.00	\$4,999.00	\$4,999.00	\$7,600.00	\$7,600.00	\$5,217.78	\$5,217.78	\$6,884.00	\$6,884.00	\$7,700.00	\$7,700.00	\$9,925.00	\$9,925.00	\$7,623.31	\$7,623.31
	10	Hydrant Assembly	EA	5	\$10,571.00	\$52,855.00	\$11,110.00	\$55,550.00	\$11,000.00	\$55,000.00	\$7,999.00	\$39,995.00	\$12,233.00	\$61,165.00	\$13,300.00	\$66,500.00	\$9,920.00	\$49,600.00	\$10,902.51	\$54,512.55
	11	Connect to Ex. Water Main	EA	2	\$3,267.00	\$6,534.00	\$9,200.00	\$18,400.00	\$8,900.00	\$17,800.00	\$5,000.00	\$10,000.00	\$3,833.00	\$7,666.00	\$10,000.00	\$20,000.00	\$5,115.00	\$10,230.00	\$4,907.74	\$9,815.48
	12	Lawn Restoration	LF	1370	\$7.00	\$9,590.00	\$7.80	\$10,686.00	\$9.00	\$12,330.00	\$7.80	\$10,686.00	\$67.00	\$91,790.00	\$15.00	\$20,550.00	\$9.75	\$13,357.50	\$23.50	\$32,195.00
	13	Curb Removal and Replacement	LF	10	\$123.00	\$1,230.00	\$350.00	\$3,500.00	\$130.00	\$1,300.00	\$1,000.00	\$10,000.00	\$97.00	\$970.00	\$100.00	\$1,000.00	\$250.00	\$2,500.00	\$118.00	\$1,180.00
	14	Asphalt Driveway Replacement	LF	116	\$206.89	\$23,999.24	\$55.00	\$6,380.00	\$45.00	\$5,220.00	\$250.00	\$29,000.00	\$138.00	\$16,008.00	\$270.00	\$31,320.00	\$151.00	\$17,516.00	\$57.10	\$6,623.60
	15	Gravel Driveway Replacement	LF	72	\$41.66	\$2,999.52	\$25.00	\$1,800.00	\$2.00	\$144.00	\$300.00	\$21,600.00	\$78.00	\$5,616.00	\$12.00	\$864.00	\$76.25	\$5,490.00	\$77.33	\$5,567.76
	16	Asphalt Roadway Replacement	LF	250	\$131.44	\$32,860.00	\$80.00	\$20,000.00	\$45.00	\$11,250.00	\$200.00	\$50,000.00	\$114.00	\$28,500.00	\$200.00	\$50,000.00	\$175.00	\$43,750.00	\$66.36	\$16,590.00
2 South 76th Street Water Main Extension (8-Inch for Special Assessment Purposes)						\$321,545.50		\$360,624.35		\$371,210.00		\$396,756.93		\$370,153.00		\$417,070.00		\$425,729.75		\$454,023.80
	17	8-Inch Dia. PVC Water Main w/ Slurry Backfill	LF	323	\$285.50	\$92,216.50	\$305.00	\$98,515.00	\$278.00	\$89,794.00	\$242.03	\$78,175.69	\$261.00	\$84,303.00	\$350.00	\$113,050.00	\$312.00	\$100,776.00	\$300.33	\$97,006.59
	18	8-Inch Dia. PVC Water Main w/ Granular Backfill	LF	1508	\$138.00	\$208,104.00	\$162.65	\$245,276.20	\$177.00	\$266,916.00	\$192.03	\$289,581.24	\$180.00	\$271,440.00	\$190.00	\$286,520.00	\$200.00	\$301,600.00	\$224.12	\$337,972.96
	19	8-Inch Gate Valve	EA	5	\$4,245.00	\$21,225.00	\$3,366.63	\$16,833.15	\$2,900.00	\$14,500.00	\$5,800.00	\$29,000.00	\$2,882.00	\$14,410.00	\$3,500.00	\$17,500.00	\$4,670.75	\$23,353.75	\$3,808.85	\$19,044.25

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
REPORTS & RECOMMENDATIONS	AUTHORIZATION TO BID WATER MAIN EXTENSION PROJECT ON SOUTH 92ND STREET AND WEST RYAN ROAD FROM HWY 100 TO THE 9700 BLOCK OF W. RYAN ROAD	ITEM NUMBER M.2. District # 1 & 6

BACKGROUND

Milwaukee County Department of Transportation (MCDOT) is planning a road resurfacing project on West Ryan Road (CTH H) from West Ryan Road (STH 100) to S. 96th Street. The project schedule has a current letting date in Fall of 2026 and a construction start in Spring of 2027. The properties on W. Ryan Road from STH 100 to S. 96th St. do not currently have City water main in front of their property. The nearest water main connection point is on S. 92nd Street approximately 2,300 feet north of West Ryan Road (CTH H). The City of Franklin Sewer and Water Department has received multiple requests from residents for public water main to their property. They are currently served by private well and their wells are going bad. The water main extension must be constructed prior to Spring of 2027 to get ahead of the County road improvement project on CTH H.

The Engineering Department surveyed the adjacent property owners on S. 92nd Street and W. Ryan Road for water. The results were brought to council on July 21, 2026. In summary, out of 33 properties surveyed, 10 were in favor, 6 were not in favor, and 17 were either not returned or returned and had no preference.

On July 21, 2026, the Common Council authorized staff to begin designing the S. 92nd Street/ W. Ryan Road water main extension project and the engineering department would be coming back to Council to request authorization to solicit and receive bids.

Pursuant to Municipal Code section 19.11, Common Council must authorize the solicitation of bids for public construction that exceeds \$50,000. Staff will come back to Council to either award or reject said bids.

ANALYSIS

This request is only for action to solicit and receive bids, however, below is the estimated breakdown of project costs:

Estimated project cost for water main extension= \$1,250,000.

Estimated special assessment reimbursement cost to the City, if authorized by Council= \$775,000.

FISCAL NOTE

The project is necessary to address identified water system infrastructure needs and maintain reliable service within the utility system. Funding for this project was not included in the initially adopted Water Utility Budget. However, based on further recommendation and review by the Board of Water Commissioners, the project has been determined to be necessary and time sensitive due to the timing of the Milwaukee County project.

The project will require General Obligation (GO) debt financing and is anticipated to be included in the GO debt borrowing scheduled to occur later this year. A formal budget amendment to incorporate the project and associated funding will be presented to the Board of Water Commissioners for approval at their next meeting.

NOTE * The timing of this project can't be delayed.

STAFF RECOMMENDATION

Authorize staff to solicit and receive bids for the S. 92nd Street and W. Ryan Road water main extension project.

S&W – GEB; Engineering – MNP; DOA – KH; Finance – DB



Map Title



Legend

Parcels

Tax Parcels



Administrative

Municipal Boundaries



Notes



This map is a user generated static output from an internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

MILWAUKEE COUNTY GIS AND LAND INFORMATION

APPROVAL	REQUEST FOR COUNCIL ACTION	MTG. DATE 10/20/2026
Reports & Recommendations	A Resolution to Issue Landmark Structures I, LP a Change Order No. 4 for Elevated Water Storage Tank (Contract B) at 8120 S. Lovers Lane Road (TKN 801-9986-000) To Decrease the Revised Contract Price by \$80,995.41.	ITEM NO. 13, Dist. #2

BACKGROUND

The Franklin Water Utility has been constructing a new elevated 1.0-million-gallon water storage tower in the vicinity of 8120 S. Lovers Lane Road (TKN 801-9986-000) currently known as Water Tower Park. This tower is needed to address inadequate storage in the western pressure zone and all of Franklin. Landmark Structures I, LP was awarded this contract on December 19, 2023 for \$6,833,000. Change Order No. 1 was issued on May 7, 2024 for \$67,932, Change Order No. 2 was issued on June 18, 2024 for \$8,138, and Change Order No. 3 was issued on August 19, 2025 for \$19,963.31.

ANALYSIS

This change order addresses the following scope changes:

1. Scope Adjustments

- a. The following allowances have been removed from the Landmark Structures contract. The contractor has been notified that these items will now be handled directly by the City:

- Replacement Allowance– Cash Allowance: \$15,000
- Skilled Trades Crew Allowance – Cash Allowance: \$20,000
- Utilities Allowance decrease – Cash Allowance - \$2,441.14
- Permit Allowance decrease - \$1,456.00
- Testing and Inspection Allowance decrease - \$11,876.00

2. Site Modifications

- a. Bid Item No. 4: Reduction of bid quantity to installed quantity
 - Total Credit: \$677.07
- b. Boring Depth and Location Adjustment decrease to City: Remainder of Change Order No. 3 Estimated costs for changes in location and alignment for the on-site 20-inch watermain; actual labor and material were less than anticipated.
 - Total Credit: \$31,147.70

The net amount of this change order is a decrease of \$80,995.41.

The Board of Water Commissioners is expected to discuss this at their October 20, 2026 meeting and a recommendation will be presented to the Common Council at the meeting on the same night.

FISCAL NOTE

Funds are in the 2023, 2024, and 2025 Capital Improvement Fund 46 budgets and all borrowing has been completed. The Landmark Contract (65-0771-5856) is as follows:

Cost	Item
\$6,833,000.00	Initial Landmark Bid
\$67,932.00	Change Order No. 1 (5/07/24)
\$8,138.00	Change Order No. 2 (6/19/24)
\$19,963.31	Change Order No. 3 (8/19/25)

(\$80,995.41)	Change Order No. 4 (10/20/26)
\$6,848,037.90	Current Project Cost

COUNCIL ACTION REQUESTED

Motion to adopt Resolution 2026-_____, a resolution to issue Landmark Structures I, LP a Change Order No. 4 for the Elevated Water Storage Tank (Contract B) at 8120 S. Lovers Lane Road (TKN 801-9986-000) to decrease the revised contract price by \$80,995.41.

S&W – GEB; Engineering – MNP; DOA – KH; Finance – DB

STATE OF WISCONSIN : CITY OF FRANKLIN : MILWAUKEE COUNTY

RESOLUTION NO. 2026 - _____

A RESOLUTION TO ISSUE LANDMARK STRUCTURES I, LP A CHANGE ORDER NO. 4
FOR ELEVATED WATER STORAGE TANK (CONTRACT B) AT 8120 S.
LOVERS LANE ROAD (TKN 801-9986-000) TO DECREASE THE REVISED
CONTRACT PRICE BY \$80,995.41.

WHEREAS, the City of Franklin awarded Landmark Structures I, LP for the
construction of the Elevated Water Storage Tank (Contract B) at 8120 S. Lovers Lane Road
(TKN 801-9986-000) in the amount of \$6,833,000.; and

WHEREAS, previous change orders to Landmark for this project have totaled
\$96,033.31; and

WHEREAS, scope adjustments and site modifications to result in a net decrease have
been proposed and found appropriate; and

NOW, THEREFORE BE IT RESOLVED by the Mayor and Common Council
of the City of Franklin, Wisconsin, to authorize change order 4 to Landmark Structures I, LP.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized and
directed to execute a contract change order with Landmark Structures I, LP on behalf of the
City.

Introduced at a regular meeting of the Common Council of the City of Franklin this
_____ day of _____, 2026 by Alderman _____.

Passed and adopted at a regular meeting of the Common Council of the City of
Franklin this _____ day of _____ 2026.

APPROVED:

John R. Nelson, Mayor

ATTEST:

Shirley J. Roberts, City Clerk

_____ AYES _____ NOES _____ ABSENT _____



October 13, 2026

Mr. Glen Beardsley, Superintendent
City Engineer & Utility Manager
9229 W. Loomis Road
Franklin, WI 53132

Re: Contract B
Change Order No. 4 Request

Dear Mr. Beardsley:

The following scope changes have been identified for a FINAL Contract Closeout and require a Change Order for **Contract B – Elevated Water Storage Tank**.

Change Order No. 4 results in a **net cost decrease of \$80,995.41**, bringing the **total contract price to \$6,848,037.90**, which is a total increase of the Original Contract Price of \$15,037.90.

Scope Adjustments

The following allowances have been removed or reduced from the Landmark Structures contract.

- **A. Replacement Allowance**— Cash Allowance: \$15,000
- **B. Skilled Trades Crew Allowance** – Cash Allowance: \$20,000
- **C. Utilities Allowance decrease** – Cash Allowance - \$2,441.14
- **E. Permit Allowance decrease** - \$1,456.00
- **Testing and Inspection Allowance decrease** - \$11,876.00

Site Modifications

- **Bid Item No. 4:** Reduction of bid quantity to installed quantity
 - **Total Credit:** \$677.07



- **Boring Depth and Location Adjustment decrease to City:** Remainder of Change Order No. 3 Estimated costs for changes in location and alignment for the on-site 20-inch watermain; actual labor and material were less than anticipated.
 - **Total Credit:** \$31,147.70

Please review and execute the enclosed Change Order No. 4. Contact our office with questions, concerns, or corrections.

Thank you for the opportunity to serve the City of Franklin.

Sincerely,
Applied Technologies, Inc.

Robert Doeringsfeld, PE
Department Manager
Enclosure

CHANGE ORDER NO.:4

Owner: City of Franklin
 Engineer: Applied Technologies, Inc.
 Contractor: Landmark Structures I LP
 Project: Elevated Water Storage Tank
 Contract Name: Contract B
 Date Issued: October 2, 2026
 Owner's Project No.:
 Engineer's Project No.: ATI PN 6434
 Contractor's Project No.:
 Effective Date of Change Order: Upon Execution

The Contract is modified as follows upon execution of this Change Order:

Description:

FINAL Change Order is a Contract Balance Change Order and is a net credit to the City through reductions in multiple bid items and unused allowances, including replacement, skilled trades, utilities, permits, testing, and lower-than-anticipated boring depth adjustment costs. A cost was also included for reimbursement to the Contractor for a PLC programming invoice.

Attachments:

Change Order No. 4 Summary, Ruekert & Mielke invoice, Landmark Structures PCCO #4

Change in Contract Price		Change in Contract Times [State Contract Times as either a specific date or a number of days]	
Original Contract Price:		Original Contract Times:	
\$ 6,833,000.00		Substantial Completion: November 15, 2025	
		Ready for final payment: December 15, 2025	
[Increase] [Decrease] from previously approved Change Orders No. 1 to No. 3 .		[Increase] [Decrease] from previously approved Change Orders No.1 to No. .	
\$ 96,033.31		Substantial Completion: 3 days	
		Ready for final payment: 3 days	
Contract Price prior to this Change Order:		Contract Times prior to this Change Order:	
\$ 6,929,033.31		Substantial Completion: November 18, 2025	
		Ready for final payment: December 18, 2025	
[Increase] [Decrease] this Change Order:		[Increase] [Decrease] this Change Order:	
\$ 80,995.41		Substantial Completion: 0 days	
		Ready for final payment: 286 days	
Contract Price incorporating this Change Order:		Contract Times with all approved Change Orders:	
\$ 6,848,037.90		Substantial Completion: November 18, 2025	
		Ready for final payment: September 30, 2026	

Recommended by Engineer (if required)		Accepted by Contractor	
By: <u>RE Dfdd</u>	Initial <u>DR</u>	Signed by: <u>Michael Wise</u>	1E29D10698E8430
Title: <u>Project Manager</u>		<u>Project Controls Director</u>	
Date: <u>10/5/2026</u>		<u>10/7/2026</u>	
<u>Authorized by Owner</u>		<u>Approved by Funding Agency (if applicable)</u>	
By: _____		_____	
Title: _____		_____	
Date: _____		_____	



CHANGE ORDER NO. 4 SUMMARY

City of Franklin – Elevated Water Storage Tank Contract B

Net cost decrease of items below = **\$80,995.41**

Project Adjustments

a. Description:

- I. Bid Item No. 4 decrease to City**
 - a. Installed quantity less than plan (7.9655 LF) (**\$677.07**)
- II. Replacement Allowance decrease to City**
 - a. Allowance not required during project (**\$15,000.00**)
- III. Skilled Trades Crew Allowance Credit (decrease) to City**
 - a. Allowance not required during project (**\$20,000.00**)
- IV. Utilities Allowance decrease to City**
 - a. Remainder of Allowance not utilized during project (**\$2,441.14**)
- V. Permit Allowance decrease to City**
 - a. - Remainder of Allowance not utilized during project (**\$1,456.00**)
- VI. Testing & Allowance decrease to City**
 - a. -Remainder of Allowance not utilized during project (**\$11,876.00**)
- VII. PLC Programing Allowance increase to City**
 - a. Allowance was removed in Change Order No. 3; however Contractor paid the initial invoice to Ruekert & Mielke – (**\$1,602.50**)
 - b. Invoice attached
- VIII. Boring Depth and Location Adjustment decrease to City**
 - a. Remainder of Change Order No. 3 estimated costs for the changes in location and alignment for the on-site 20-inch watermain; actual labor and material were less than anticipated (**\$31,147.70**)

**PCCO #004**

Landmark Structures
3120 Sabre Dr, Ste 350
Southlake, Texas 76092
Phone. 817 439 8888

Project: 1810 - 1810 Franklin WI - 1.0 MG CET
8130 S. 100th St
Franklin, Wisconsin 53132

Prime Contract Change Order #004: Contract Close Out

TO:	City of Franklin 9229 W Loomis Rd Franklin, Wisconsin 53132	FROM:	Landmark Structures 3120 Sabre Dr. Suite 350 Southlake, Texas 76092
DATE CREATED:	9/15/2026	CREATED BY:	Drew Rockafellow (Landmark Structures)
CONTRACT STATUS:	Pending - In Review	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION:	
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	Client Request
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Unit/Quantity Based	SCHEDULE IMPACT:	300 days
SIGNED CHANGE ORDER RECEIVED DATE:		CONTRACT FOR:	1-1810 Franklin WI - 1.0 MG CET Prime Contract
FIELD CHANGE:	No	TOTAL AMOUNT:	(\$80,995.41)

DESCRIPTION:Contract Close Out/Balance

Change Order to balance the contract to match actuals installed or remove unused allowances with extending schedule to actual completion date

ATTACHMENTS:**CHANGE ORDER LINE ITEMS:**

#	Budget Code	Description	Qty	Units	Unit Cost	Subtotal
1		1.53 - 12 02 North Entrance Paving - Deduct	-7 9655	LF	\$85.00	\$(677.07)
2		1 58 - 14A 01 Replacement Allowance - Deduct	-1.0	LS	\$15,000.00	\$(15,000.00)
3		1 59 - 14A 02 Skilled Trades Crew Allowance - Deduct	-1 0	LS	\$20,000.00	\$(20,000.00)
4		1.60 - 14A 03 Utilities Allowance - Deduct	-1.0	LS	\$2,441.14	\$(2,441.14)
5		1.62 - 14A 05 Permit Allowance - Deduct	-1 0	LS	\$1,456.00	\$(1,456.00)
6		1 65 - 14A.08 Testing & Inspection Allowance - Deduct	-1 0	LS	\$11,876.00	\$(11,876.00)
7		2.3.1 3 PLC Programing Allowance - Single Invoice Addition	1 0	LS	\$1,602.50	\$1,602.50
8		2 3 1 5 Boring Depth and Location Adjustment - Deduct	-1 0	LS	\$31,147.70	\$(31,147.70)
Grand Total:						\$(80,995.41)

The original (Contract Sum)	\$6,833,000.00
Net change by previously authorized Change Orders	\$96,033.31
The contract sum prior to this Change Order was	\$6,929,033.31
The contract sum would be changed by this Change Order in the amount of	(\$80,995.41)
The new contract sum including this Change Order will be	\$6,848,037.90
The contract time will be increased by this Change Order by 300 days.	



INVOICE

Ruekert & Mielke, Inc.
W233 N2080 Ridgeview Parkway - Ste 300
Waukesha, WI 53188

Franklin, WI, City of
Landmark Structures
APServices@teamlandmark.com
1665 Harmon Road
Fort Worth, TX 76177

Invoice number 156942
Date 05/13/2025
Project 58-10041 FranklinC - 2025 Water
Storage Tank SCADA Integration

For Professional Services From February 22, 2025 through April 18, 2025

700 - SCADA Integration

Professional Fees

	Date	Hours	Rate	Billed Amount
Senior SCADA Analyst 2				
David C. Beyer Jr.				
	02/24/2025	1.50	220.00	330.00
<i>Project administration. Quote letter and forms emailed to Landmark Structures.</i>				
	03/27/2025	0.75	220.00	165.00
<i>SCADA IO list and PLC program development.</i>				
	03/28/2025	1.00	220.00	220.00
<i>SCADA IO list and PLC program development.</i>				
	04/03/2025	0.50	220.00	110.00
<i>Update project invoice details with accounting.</i>				
	04/08/2025	1.00	220.00	220.00
<i>Phone call with Glen Beardsley discussing project status and invoice details. System control and communication programming.</i>				
	Subtotal	4.75		1,045.00
Senior SCADA Analyst 1				
Gwendolyn C. Lipinski				
	03/28/2025	3.00	170.00	510.00
<i>Create Tower PLC program and update IO list.</i>				
Administrative Assistant				
Susan J. Shird				
	02/24/2025	0.50	95.00	47.50
<i>Beto Cipres, Landmark Structures, Elevated Water Storage Tank Contract B,</i>				
	Professional Fees subtotal	8.25		1,602.50
Invoice total				1,602.50

APPROVAL	REQUEST FOR COUNCIL ACTION	MTG. DATE 10/20/2026
Reports & Recommendations	A Resolution Authorizing Certain Officials to Execute an Intergovernmental Agreement For Cost Sharing of WisDOT Engineering Services Between the City of Oak Creek and the City of Franklin For the Planned Traffic Signal at WIS 241 / South 27th Street, Together With Related Improvements at the I-94 Eastbound and Westbound Ramps.	ITEM NO. M.4. Ald. Dist. # 4

BACKGROUND

The Wisconsin Department of Transportation ("WisDOT") has provided an Engineering Services Request (the "Services Request") for WisDOT electrical field inspection services and state-furnished traffic signal equipment associated with the planned traffic signal at WIS 241 / South 27th Street and Costco Driveway / Road B / New Public Road, together with related improvements at the I-94 eastbound and westbound ramps at West Drexel Avenue. The named improvements address development and transportation needs within both the City of Oak Creek and the City of Franklin including along or in proximity to the municipalities' shared boundary. The Services Request names the City of Oak Creek as the lead municipality for execution and administration of the Services Request.

ANALYSIS

To establish their respective responsibilities for the costs of the WisDOT engineering services and related eligible improvements, the city of Franklin and the city of Oak Creek will execute the Intergovernmental Agreement for Cost Sharing of WisDOT Engineering Services Between the City of Oak Creek and the City of Franklin (the "Intergovernmental Agreement").

OPTIONS

It is recommended that the Common Council approve the enclosed Intergovernmental Agreement with the attached Exhibits "A" through "D".

FISCAL NOTE

The Intergovernmental Agreement provides for equal cost-sharing between the city of Oak Creek and the city of Franklin of the estimated \$123,437.78 eligible project costs.

RECOMMENDATION

Motion to adopt Resolution No. 2026-_____ a resolution authorizing certain officials to execute an Intergovernmental Agreement with the city of Oak Creek contingent upon all necessary signatures, substantially in the form presented to the Common Council, and subject to approval as to form by the City Attorney.

Legal: CML

STATE OF WISCONSIN: CITY OF FRANKLIN: MILWAUKEE COUNTY

RESOLUTION NO. 2026- _____

A RESOLUTION AUTHORIZING CERTAIN OFFICIALS TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT FOR COST SHARING OF WISDOT ENGINEERING SERVICES BETWEEN THE CITY OF OAK CREEK AND THE CITY OF FRANKLIN FOR THE PLANNED TRAFFIC SIGNAL AT WIS 241 / SOUTH 27TH STREET, TOGETHER WITH RELATED IMPROVEMENTS AT THE I-94 EASTBOUND AND WESTBOUND RAMPS.

WHEREAS, the Wisconsin Department of Transportation ("WisDOT") has provided an Engineering Services Request (the "Services Request") for WisDOT electrical field inspection services and state-furnished traffic signal equipment associated with the planned traffic signal at WIS 241 / South 27th Street and Costco Driveway / Road B / New Public Road, together with related improvements at the I-94 eastbound and westbound ramps at West Drexel Avenue; and

WHEREAS, the named improvements address development and transportation needs within both the City of Oak Creek and the City of Franklin including along or in proximity to the municipalities' shared boundary; and

WHEREAS, per the Services Request, the City of Oak Creek will function as the lead municipality for execution and administration of the Services Request; and

WHEREAS the Services Request sets forth a current project cost estimate of \$123,437.78 for the requested inspection services and traffic signal equipment; and

WHEREAS, the City of Oak Creek and the City of Franklin have negotiated an Intergovernmental Agreement for Cost Sharing of WisDOT Engineering Services Between the City of Oak Creek and the City of Franklin (the "Intergovernmental Agreement") in accordance with Wis. Stat. § 66.0301 to allocate eligible project costs equally; and

WHEREAS, based on the current estimate set forth in the Services Request, each municipality's share of the eligible project costs is \$61,718.89, subject to adjustment based on actual goods and services provided and any developer or property owner payments; and

WHEREAS, the Common Council finds that entering into the Intergovernmental Agreement with the City of Oak Creek serves the public interest and will expedite the completion of transportation improvements that benefit residents of both municipalities.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Common Council of the City of Franklin, that the Mayor and the City Clerk are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of the City of Franklin with the City of Oak Creek, substantially in the form presented to the Common Council, subject to approval as to form by the City Attorney.

Introduced at a regular meeting of the Common Council on the _____ day of _____, 2026 by Alder _____.

Passed and adopted by the Common Council on the _____ day of _____, 2026.

APPROVED:

John R. Nelson, Mayor

ATTEST:

Shirley J. Roberts, City Clerk

AYES _____ NOES _____ ABSENT _____

**INTERGOVERNMENTAL AGREEMENT FOR
COST SHARING OF WISDOT ENGINEERING SERVICES
BETWEEN THE CITY OF OAK CREEK AND THE CITY OF FRANKLIN**

WIS 241 / S. 27th Street and Costco Driveway / Road B; I-94 and Drexel Avenue Ramps

This Agreement is made and entered into this ____ day of _____, 2026, by and between the CITY OF OAK CREEK ("Oak Creek") and the CITY OF FRANKLIN ("Franklin"), both municipal corporations located in Milwaukee County, Wisconsin (collectively, the "Parties").

WITNESSETH

WHEREAS, Section 66.0301, Wis. Stats., authorizes municipalities to enter into intergovernmental cooperation agreements for the receipt or furnishing of services or the joint exercise of any power or duty required or authorized by law;

WHEREAS, the Wisconsin Department of Transportation ("WisDOT") has requested that the City of Oak Creek execute an Engineering Services Agreement for WisDOT inspection services and state-furnished traffic signal equipment associated with improvements at WIS 241 / S. 27th Street and Costco Driveway / Road B, together with related improvements at the I-94 eastbound and westbound ramps at West Drexel Avenue (the "Project");

WHEREAS, the improvements serve transportation and development needs in both municipalities and are located along or near the municipal boundary; and

WHEREAS, Oak Creek and Franklin desire to establish their respective responsibilities for the costs of the WisDOT engineering services and related eligible improvements;

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth below, the Parties agree as follows:

Article I: Project and Exhibits.

The Project consists of WisDOT engineering services, inspection services, state-furnished traffic signal equipment, and related eligible work for: (a) WIS 241 / South 27th Street and Costco Driveway / Road B / New Public Road; (b) the I-94 eastbound ramps at West Drexel Avenue; and (c) the I-94 westbound ramps at West Drexel Avenue. The following documents are attached and incorporated into this Agreement:

- Exhibit A – WisDOT Engineering Services Agreement / Request for Log 602 and Log 1134;
- Exhibit B – WisDOT Engineering Services Estimate for Log 602 and Log 1134;
- Exhibit C – WisDOT STAR Setup Agreement for Log 602 and Log 1134; and
- Exhibit D – Municipal Cost Distribution Summary.

Article II: Lead Municipality and Scope.

Oak Creek shall serve as the lead municipality for execution and administration of the WisDOT Engineering Services Agreement, unless the Parties and WisDOT agree otherwise in writing. Oak Creek shall coordinate with WisDOT, receive and administer applicable invoices, provide Franklin reasonable supporting documentation, and keep Franklin informed of material scope, cost, or schedule changes. Franklin shall cooperate with Oak Creek and WisDOT as reasonably necessary to complete the Project. This Agreement does not make Franklin a party to the WisDOT Engineering Services Agreement unless WisDOT separately requires or approves that arrangement.

Article III: Cost Sharing and Payment.

The Parties shall share actual eligible Project costs equally, with Oak Creek responsible for fifty percent (50%) and Franklin responsible for fifty percent (50%). As shown in Exhibit D, the current estimated total cost is

\$123,437.78, and each Party's estimated share is \$61,718.89. Eligible Project costs include costs charged by WisDOT under Exhibit A, including inspection services, state-furnished traffic signal equipment, and directly related WisDOT-required work. Internal staff time, each Party's attorney fees, unrelated development costs, and penalties or interest caused by a Party's late payment are excluded unless approved in writing by both Parties.

Oak Creek shall provide Franklin with a reimbursement request and reasonable supporting documentation for Franklin's share of each eligible WisDOT invoice. Franklin shall pay all undisputed amounts within thirty (30) days after receipt. If Franklin disputes an amount, Franklin shall notify Oak Creek in writing within fifteen (15) days after receipt, identify the basis for the dispute, and timely pay all undisputed amounts. The Parties shall cooperate in good faith to resolve disputed amounts.

Article IV: Estimate, Changes, and Third-Party Contributions.

The cost estimate is subject to adjustment based upon actual goods and services provided. Oak Creek shall notify Franklin of a material change in scope, schedule, or an anticipated cost increase exceeding ten percent (10%) of the estimate. Except for changes required by WisDOT or reasonably necessary to avoid delay or protect public safety, Oak Creek shall obtain Franklin's written concurrence before approving a material scope change that increases Franklin's cost responsibility. Any developer or property owner payment attributable to eligible Project costs shall be credited against total eligible costs before final allocation, unless the Parties agree otherwise in writing.

Article V: Final Accounting.

After WisDOT issues its final invoice or cost statement, Oak Creek shall provide Franklin a final accounting of eligible costs, payments, credits, and balances. Any underpayment or overpayment shall be resolved within thirty (30) days after the final accounting. This Agreement remains in effect until the final accounting is complete and all amounts due under this Agreement have been paid.

Article VI: Records and Public Records.

Each Party shall maintain records relating to this Agreement and make records reasonably necessary to verify costs and payments available to the other Party upon request. Records shall be retained in accordance with applicable law and municipal record retention requirements. The Parties acknowledge that records in the custody of either Party may be subject to the Wisconsin Public Records Law.

Article VII: Liability and Indemnification.

Each Party shall be responsible for its own acts, errors, and omissions, and those of its officers, officials, employees, agents, representatives, and contractors. To the fullest extent permitted by law, each Party shall indemnify, defend, and hold harmless the other Party and its elected and appointed officials, officers, employees, agents, representatives, and volunteers from and against claims, damages, liabilities, costs, and expenses arising out of the indemnifying Party's negligent or intentional acts or omissions in connection with this Agreement. Nothing in this Agreement waives any statutory defense, immunity, notice requirement, or limitation of liability available under Wisconsin law.

Article VIII: General Provisions.

This Agreement does not transfer roadway jurisdiction, ownership, operation, or maintenance responsibility for any roadway, traffic signal, ramp, utility, public improvement, or right-of-way. Future maintenance or operating responsibilities, if any, shall be governed by a separate agreement, WisDOT requirement, or applicable law. Neither Party may assign its obligations under this Agreement without the other Party's written consent. This Agreement shall be construed under Wisconsin law, and venue for any action arising from this Agreement shall be Milwaukee County Circuit Court. This Agreement may be amended only by a written instrument signed by both Parties. If any provision is held invalid or unenforceable, the remaining provisions remain in effect. This Agreement and its Exhibits constitute the entire agreement between the Parties regarding the Project cost share and supersede prior discussions on that subject. In the event of a conflict, this Agreement

controls as between Oak Creek and Franklin, while Exhibit A controls the relationship between Oak Creek and WisDOT.

Article IX: Notices.

Any notice required under this Agreement shall be in writing and delivered personally, by certified mail, or by email with confirmation of receipt to the following addresses, or to such other address as either Party may later designate in writing:

City of Oak Creek	City of Franklin
8040 South 6th Street Oak Creek, WI 53154 Attn: City Clerk	9229 West Loomis Road Franklin, WI 53132 Attn: City Clerk

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF OAK CREEK

By: _____
Daniel J. Bukiewicz, Mayor

ATTEST:

Catherine A. Roeske, City Clerk

COUNTERSIGNED:

I hereby certify that sufficient funds are available to meet the expense hereof.

Maxwell Gaglin
Deputy City Administrator/Finance Director

Examined and approved as to form this ____ day of _____, 2026.

City Attorney

CITY OF FRANKLIN

By: _____
John Nelson _____, Mayor

ATTEST:

Shirley Roberts _____, City Clerk

Examined and approved as to form this ____ day of _____, 2026.

Christina Lucchesi, City Attorney

EXHIBIT A
WISDOT ENGINEERING SERVICES AGREEMENT / REQUEST

Attach the executed or final WisDOT Engineering Services Agreement / Request for Log 602 and Log 1134.

EXHIBIT B
WISDOT ENGINEERING SERVICES ESTIMATE

Attach the Engineering Services Estimate for Log 602 and Log 1134.

EXHIBIT C
WISDOT STAR SETUP AGREEMENT

Attach the STAR Setup Agreement for Log 602 and Log 1134.

EXHIBIT D
MUNICIPAL COST DISTRIBUTION SUMMARY

Description	Total Estimated Cost	Oak Creek (50%)	Franklin (50%)
WisDOT Engineering Services, inspection services, and state-furnished traffic signal equipment	\$123,437.78	\$61,718.89	\$61,718.89

The amounts shown are estimates only. Final cost allocation shall be based on actual eligible Project costs as provided in the Agreement.

ENGINEERING SERVICES REQUEST

DT2195 2005 (Replaces ED419)

Wisconsin Department of Transportation

Project ID	Date
Highway STH 241	Connecting Street ☐ Yes ☒ No
Limits	
City/County City of Oak Creek/Milwaukee	Cost Estimate \$123,437.78
Local Municipality / Company Name City of Oak Creek	
Billing Address 8040 South 6 th Street, Oak Creek, WI 53154	
Contact Person Matthew Sullivan	

Check all types of services required.

We request engineering services from the Wisconsin Department of Transportation as follows:

- | | |
|---|--|
| ☐ Aerial Photography | ☐ Process Documents and Plans |
| ☐ Appraisal and Acquisition Assistance | ☐ Railroad Negotiations |
| ☒ Electrical Field Inspection | ☐ Relocation |
| ☐ Environmental Reports | ☐ Soils Report |
| ☐ Pavement Design | ☐ Survey |
| ☐ Preliminary and Final Plans | ☐ Traffic Projections |
| ☐ Preliminary and Final Structure Plans | ☐ Traffic Signal Design |
| ☐ Prepare P.S. & E. | ☒ Traffic Signal Equipment - State Furnished Materials |

Others - Describe

This agreement includes all WisDOT inspection services and state-furnished traffic signal equipment for the new traffic signal at STH 241 (s. 27th St) & New Public Rd, IH 94 EB Ramps & W. Drexel Ave, and IH 94 WB Ramps & W Drexel Ave

The municipality will be billed for costs, but the developer may pay the invoice.

*The estimate is subject to change based on the actual provided goods and services.

All necessary costs, or, that part of such costs, which are not eligible for Federal or other funding, accumulated for such services, will be paid by the county / city / village upon presentation of an invoice by the Wisconsin Department of Transportation. The cost estimate is specified above.

Signed on behalf of _____

X _____

X _____

X _____

X _____

X _____

X _____

For Wisconsin Department of Transportation Use Only

- ☐ Approved
☐ Not Approved

X
(Region Authorization) (Date)

ENGINEERING SERVICES AGREEMENT ESTIMATE

WIS 241 (27th Street) and Costco Driveway/Road B and I94 & Drexel Ave Ramps
EQUIPMENT

DESCRIPTION	UNIT	UNIT COST	QUANTITY	TOTAL
Monotube pole, Type 9	EA	\$ 4,152 00		\$ -
Monotube pole, Type 9 OH	EA	\$ 4,233 00		\$ -
Monotube pole, Type 9 Special	EA	\$ 5,624 00	2	\$ 11,248.00
Monotube pole, Type 9 Special OH	EA	\$ 7,733 00		\$ -
Monotube pole, Type 10	EA	\$ 5,204 00		\$ -
Monotube pole, Type 10 OH	EA	\$ 5,201 00		\$ -
Monotube pole, Type 10 Special	EA	\$ 6,651 00	2	\$ 13,302.00
Monotube pole, Type 10 Special OH	EA	\$ 9,278 00		\$ -
Monotube mast arm, 15'	EA	\$ 1,682 00		\$ -
Monotube mast arm, 20'	EA	\$ 1,758 00		\$ -
Monotube mast arm, 25'	EA	\$ 1,896 00		\$ -
Monotube mast arm, 30'	EA	\$ 2,578 00		\$ -
Monotube pole, Type 12	EA	\$ 8,512 00		\$ -
Monotube pole, Type 12 OH	EA	\$ 9,380 00		\$ -
Monotube pole, Type 13	EA	\$ 10,087 00		\$ -
Monotube pole, Type 13 OH	EA	\$ 10,142 00		\$ -
Monotube mast arm, 35'	EA	\$ 4,719 00		\$ -
Monotube mast arm, 35' Special	EA	\$ 2,304 00		\$ -
Monotube mast arm, 40'	EA	\$ 5,378 00		\$ -
Monotube mast arm, 40' Special	EA	\$ 2,377 00	2	\$ 4,754.00
Monotube mast arm, 45'	EA	\$ 6,982 00		\$ -
Monotube mast arm, 45' Special	EA	\$ 2,444 00	2	\$ 4,888.00
Monotube mast arm, 50'	EA	\$ 8,488 00		\$ -
Monotube mast arm, 55'	EA	\$ 9,726 00		\$ -
Types 9 & 10 bottom template; monotube poles	EA	\$ 68 00	0	\$ -
Types 12 & 13, bottom template, monotube poles	EA	\$ 123 00	0	\$ -
Types 9 & 10 top template, monotube poles	EA	\$ 42 00	0	\$ -
Types 12 & 13 top template; monotube poles	EA	\$ 60 00	0	\$ -
Anchor bolts, straight, type 9 & 10 monotube poles	EA	\$ 48 00	0	\$ -
Anchor bolts, straight, type 12 & 13 monotube poles	EA	\$ 106 00	0	\$ -

Luminaire arm for monotube, 6 ft	EA	\$ 417.00		\$ -
Luminaire arm for monotube, 15 ft	EA	\$ 530 00	3	\$ 1,590 00

Cabinet & Controller	EA	\$ 27,000.00	1	\$ 27,000.00
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InSync equipment	INTERSECTION	\$ 45,000.00	0	\$ -
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EVP equipment	INTERSECTION	\$ 6,850 00	1	\$ 6,850.00
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Radar detection equipment	INTERSECTION	\$ -		\$ -
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Video detection equipment	INTERSECTION	\$ -		\$ -
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APS Button	EA	\$ 585 00	7	\$ 4,095 00
APS Manager	EA	\$ 2,850.00	1	\$ 2,850 00

LABOR/FLEET

Electricians (3 for 3 days)	HOUR	\$ 65.00	72	\$ 4,680.00
Bucket truck (3 for 3 days)	HOUR	\$ 65 00	72	\$ 4,680 00
Bucket truck (3 for 3 days)	MILE	\$ 1.75	100	\$ 225.00

*each electrician typically has own truck

New signal design	EA	\$ 4,000 00	1	\$ 4,000 00
Existing signal revision design	EA	\$ 2,500 00	2	\$ 5,000 00
Underground inspection/mapping	INTERSECTION	\$ 3,000 00	0	\$ -

Sign bridge inspection	EA	\$ 2,000.00	0	\$ -
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ESTIMATE SUBTOTAL **\$ 95,162.00**

89% LABOR FRINGE BENEFITS **\$ 12,175.20**

15% CONTINGENCY **\$ 16,100.58**

TOTAL ESTIMATE **\$ 123,437.78**

*Estimate is subject to change



STAR Customer Setup and Change Information

See Page 3 for Instructions

Section 1 – Agency Information			
Agency Number:		Agency Name:	
Agency Contact Name:		Agency Contact Title:	Agency Contact Phone Number: Ext:
Agency Contact Fax Number:		Agency Contact Email Address:	
Section 2 – Customer Information – Check appropriate box and enter new or changed information below			
☒ New Customer ☐ Change Customer ☐ Inactivate Customer		Effective Date or Current Date (mmddyyyy): 10/14/2026	
Check one box & enter Taxpayer ID No. (TIN)	☐ Social Security Number (SSN):000-00-0000	☒ Federal Employer ID Number (EIN):00-0000000 39-6005897	
Customer ID. (Required for changes or inactivation.)		Check one box for type of customer ☒ Municipality ☐ Federal Agency ☐ State Agency ☐ Other _____ ☐ DWD-DVR Confidential	
Customer DUNS Number (if applicable)			
Customer Name 1: City of Franklin		Customer Name 2. (if applicable)	
Customer Address 1: (Primary Street Address, Ste /Apt #) (DOAS-include PFR code with primary address) 9229 W Loomis Rd			
Address 2: (PO BOX)			
Address to be replaced if changed:			
Additional Address:			
City: Franklin		County: Milwaukee	State: WI
Zip Code/Postal: 53132	Country: USA	Sponsor: ☐ Yes ☒ No (Also Complete DOA-6455 STAR Sponsor Information)	
Financial Manager Approval Signature: <i>Michael M. Paul</i>		Date (mm/dd/yyyy): 10/14/2026	
Agency Comments			

Please allow 2-3 business days for DOA to process. Emergency requests will be processed within 4-8 hours on business days. After the new/change/inactive process is complete, the agency will receive an email with the new customer number or be notified when changes or inactivation is complete.

This Page explains the business process flow for the State of Wisconsin Customer Table in STAR

The Process Flow for adding New, Changing or Inactivating Customers/Sponsors in STAR

AGENCY:

1. Agency has a billable receivable.
2. Performs the Agency Customer Verification Checklist.
3. Processor validates/checks for duplicate Customer/Sponsor in STAR.
4. If Customer/Sponsor already exists in STAR, this customer will not be setup again. Agency should determine if internal interface and crosswalk procedures should be followed.
5. If Customer/Sponsor does not exist in STAR agency will complete the STAR Customer Setup and Change Information form.
6. Complete the STAR Customer Contact Information Form.
7. If Customer is a Sponsor complete the STAR Sponsor Form.
8. Agency Financial Manager signs and dates the form – approve if your agency has a business relationship with this customer or Financial Manager will email wicustomers@wi.gov delegating a staff name to submit form without signature.
9. Processor submits forms via SharePoint to DOA.

DOA:

1. Processor confirms the agency approval.
2. Performs the DOA Customer Verification Checklist.
3. If customer is ineligible, DOA notifies the agency with the reason.
4. If the submission is missing information/approval, submission will be denied on SharePoint and returned to Agency submitter.
5. If submission is received and approved with no issues, DOA Processor will enter the customer information into STAR.
6. Processor will notify the agency when complete and will provide the new Customer ID when applicable.

AGENCY:

1. Agency receives notice from DOA Processor of the new Customer ID changes/inactivation is complete.
2. Agency determines if internal interface and crosswalk procedures should be followed.
3. Agency can proceed with billing.

The following documents should be completed by the Agency Processor.

DOA-6453 STAR Customer Setup and Change Information w/instructions - REQUIRED

DOA-6454 STAR Customer Contact Information. (REQUIRED only if contact name is different than customer name)

DOA-6455 STAR Sponsor Information (REQUIRED only if Customer is a Sponsor)

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE October 20, 2026
REPORTS & RECOMMENDATIONS	RESOLUTION AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO EXCEED \$10,200,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2026A	ITEM NUMBER H, 5.

Background

The amended 2026 City of Franklin budget includes numerous critical capital projects and infrastructure investments necessary to maintain City facilities, address existing infrastructure needs, support essential municipal services, and preserve the long-term functionality and reliability of City assets. These projects represent necessary investments in the City's infrastructure and public facilities and are intended to address current needs while reducing the risk of deferred maintenance and potentially more costly repairs in future years.

The City's capital needs include roadway and municipal infrastructure improvements, water projects, bridge reconstruction projects, park improvements, and the replacement of essential equipment. These investments are necessary to maintain the City's infrastructure, support public safety and service delivery, and ensure that City assets continue to serve residents and businesses effectively.

The Common Council's consideration of the amended 2026 budget included the need to balance these capital priorities with the financial impact on taxpayers. Because the costs associated with major capital projects can be significant, long-term borrowing provides a means of financing eligible capital expenditures over a period that more closely aligns with the useful life of the improvements being financed.

Analysis

The use of general obligation borrowing allows the City to distribute the cost of eligible capital investments over multiple years rather than requiring the entire cost to be funded through a single year's operating revenues, fund balance, or property tax levy. This approach can help preserve available financial resources for ongoing municipal operations and other priorities while ensuring that needed capital improvements move forward.

The proposed resolution authorizes a maximum aggregate principal amount of \$10,200,000. The authorized maximum may change after final borrowing needs and results come in.

The proposed resolution authorizes the issuance of the notes and establishes parameters for their sale. This authorization is necessary to proceed with the financing and complete the required legal, financial, and administrative steps.

The sale will be competitive.

Quarles & Brady prepared Council Resolutions providing for the authorizing and bond sale for review. An updated resolution based on the results of the sale will be presented at the sale meeting for adoption. The draft resolutions are attached.

Our Financial Advisor for this transaction is Ehlers & Associates, LLC, represented by Todd Taves and Ariana Schmidt. Mr. Taves will be in attendance to describe the Pre-Sale Report for the proposed offering.

COUNCIL ACTION REQUESTED

Motion to adopt Resolution No. 202 - _____, a Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$10,200,000 General Obligation Promissory Notes, Series 2026A.

STATE OF WISCONSIN: CITY OF FRANKLIN: MILWAUKEE COUNTY

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND
ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO
EXCEED \$10,200,000 GENERAL OBLIGATION
PROMISSORY NOTES, SERIES 2026A

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Franklin, Milwaukee County, Wisconsin (the "City") to raise funds for public purposes, including paying the cost of projects included in the City's Capital Improvement Plan, such as streets, parking lot, facility and water system improvements and equipment replacements (collectively, the "Project");

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the City is authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes;

WHEREAS, it is the finding of the Common Council that it is in the best interest of the City to direct its financial advisor, Ehlers & Associates, Inc. ("Ehlers"), to take the steps necessary for the City to offer and sell general obligation promissory notes (the "Notes") at a public sale and to obtain bids for the purchase of the Notes; and

WHEREAS, in order to facilitate the sale of the Notes in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the Director of Administration or the Director of Finance & Treasurer (each, an "Authorized Officer") the authority to accept on behalf of the City the bid for the Notes that results in the lowest true interest cost for the Notes (the "Proposal") and meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by this reference (the "Approving Certificate").

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Authorization and Sale of the Notes; Parameters. For the purpose of paying the cost of the Project, the City is authorized to borrow pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of not to exceed TEN MILLION TWO HUNDRED THOUSAND DOLLARS (\$10,200,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the condition set forth in Section 16 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the financial institution that submitted the Proposal (the "Purchaser") for, on behalf of and in the name of the City, Notes aggregating the principal amount of not to exceed TEN MILLION TWO

HUNDRED THOUSAND DOLLARS (\$10,200,000). The purchase price to be paid to the City for the Notes shall not be less than 98.75% nor more than 110.00% of the principal amount of the Notes.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2026A"; shall be issued in the aggregate principal amount of up to \$10,200,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; and shall be numbered R-1 and upward. The Notes shall mature or be subject to mandatory redemption on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity or mandatory redemption amount may be (a) increased by up to \$515,000 per maturity or mandatory redemption amount and (b) decreased by the following amounts per maturity or mandatory redemption amount: (i) in the year 2027 by not more than \$55,000 and (ii) in the years 2028 through 2046 by not more than \$385,000. The aggregate principal amount of the Notes shall not exceed \$10,200,000. The schedule below assumes the Notes are issued in the aggregate principal amount of \$10,200,000.

<u>Date</u>	<u>Principal Amount</u>
03-01-2027	\$ 60,000
03-01-2028	390,000
03-01-2029	405,000
03-01-2030	420,000
03-01-2031	440,000
03-01-2032	460,000
03-01-2033	480,000
03-01-2034	510,000
03-01-2035	530,000
03-01-2036	560,000
03-01-2037	590,000
03-01-2038	615,000
03-01-2039	655,000
03-01-2040	685,000
03-01-2041	725,000
03-01-2042	475,000
03-01-2043	500,000
03-01-2044	535,000
03-01-2045	565,000
03-01-2046	600,000

Interest shall be payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2027. The true interest cost on the Notes (computed taking the Purchaser's compensation into account) shall not exceed 5.75%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 3. Redemption Provisions. The Notes shall be subject to optional redemption as set forth in the Approving Certificate. If the Proposal specifies that certain of the Notes shall be subject to mandatory redemption, the terms of such mandatory redemption shall be set forth in an attachment to the Approving Certificate labeled as Schedule MRP. Upon the optional redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in the Approving Certificate in such manner as the City shall direct.

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit B and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2026 through 2045 for the payments due in the years 2027 through 2046 in the amounts as are sufficient to meet the principal and interest payments when due.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There shall be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series 2026A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be

deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes: Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 11. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Bond Trust Services Corporation, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter into a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

Section 12. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 13. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 15. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to a financial institution selected by Ehlers at Closing for further distribution as directed by Ehlers. The remaining proceeds shall be forwarded for deposit into the City's account with American Deposit Management.

Section 16. Condition on Issuance and Sale of the Notes. The issuance of the Notes and the sale of the Notes to the Purchaser are subject to approval by an Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price for the Notes, which approval shall be evidenced by execution by an Authorized Officer of the Approving Certificate.

The Notes shall not be issued, sold or delivered until this condition is satisfied. Upon satisfaction of this condition, an Authorized Officer is authorized to execute a Proposal with the Purchaser providing for the sale of the Notes to the Purchaser.

Section 17. Official Statement. The Common Council hereby directs an Authorized Officer to approve the Preliminary Official Statement with respect to the Notes and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by an Authorized Officer or other officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 18. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 19. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 20. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 21. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Introduced at a regular meeting of the Common Council of the City of Franklin this 20th day of October, 2026.

Passed and adopted at a regular meeting of the Common Council of the City of Franklin this 20th day of October, 2026.

APPROVED:

John R. Nelson, Mayor

ATTEST:

Shirley J. Roberts, City Clerk

(SEAL)

AYES ____ NOES ____ ABSENT ____

EXHIBIT A

APPROVING CERTIFICATE

The undersigned [Director of Administration] [Director of Finance & Treasurer] of the City of Franklin, Milwaukee County, Wisconsin (the "City"), hereby certifies that:

1. Resolution. On October 20, 2026, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$10,200,000 General Obligation Promissory Notes, Series 2026A of the City (the "Notes") after a public sale and delegating to me the authority to approve the Preliminary Official Statement, to approve the purchase proposal for the Notes, and to determine the details for the Notes within the parameters established by the Resolution.

2. Proposal; Terms of the Notes. On the date hereof, the Notes were offered for public sale and the bids set forth on the Bid Tabulation attached hereto as Schedule I and incorporated herein by this reference were received. The institution listed first on the Bid Tabulation, _____ (the "Purchaser") offered to purchase the Notes in accordance with the terms set forth in the Proposal attached hereto as Schedule II and incorporated herein by this reference (the "Proposal"). Ehlers & Associates, Inc. recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Notes shall be issued in the aggregate principal amount of \$ _____, which is not more than the \$10,200,000 approved by the Resolution, and shall mature on March 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule III and incorporated herein by this reference. The principal amount of each maturity or mandatory redemption amount has not increased (\$515,000) or decreased (\$55,000 in 2027 and \$385,000 all other years) from the schedule included in the Resolution by an amount greater than permitted by the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
03-01-2027	\$ 60,000	\$ _____
03-01-2028	390,000	_____
03-01-2029	405,000	_____
03-01-2030	420,000	_____
03-01-2031	440,000	_____
03-01-2032	460,000	_____
03-01-2033	480,000	_____
03-01-2034	510,000	_____
03-01-2035	530,000	_____
03-01-2036	560,000	_____
03-01-2037	590,000	_____
03-01-2038	615,000	_____
03-01-2039	655,000	_____

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
03-01-2040	\$685,000	\$ _____
03-01-2041	725,000	_____
03-01-2042	475,000	_____
03-01-2043	500,000	_____
03-01-2044	535,000	_____
03-01-2045	565,000	_____
03-01-2046	600,000	_____

The true interest cost on the Notes (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 5.75%, as required by the Resolution.

3. Purchase Price of the Notes. The Notes shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$_____, plus accrued interest, if any, to the date of delivery of the Notes, which is not less than 98.75% nor more than 110.00% of the principal amount of the Notes, as required by the Resolution.

4. Redemption Provisions of the Notes. The Notes maturing on March 1, 20__ and thereafter shall be subject to redemption prior to maturity, at the option of the City, on March 1, 20__ or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption. [The Proposal specifies that [some of] the Notes are subject to mandatory redemption. The terms of such mandatory redemption are set forth in an attachment hereto as Schedule MRP and incorporated herein by this reference.]

5. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same respectively falls due, the full faith, credit and taxing powers of the City have been irrevocably pledged and there has been levied on all of the taxable property in the City, pursuant to the Resolution, a direct, annual irrepealable tax in an amount and at the times sufficient for said purpose. Such tax shall be for the years and in the amounts set forth on the debt service schedule attached hereto as Schedule IV.

6. Preliminary Official Statement. The Preliminary Official Statement with respect to the Notes is hereby approved and deemed "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

7. Approval. This Certificate constitutes my approval of the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Notes and the direct annual irrepealable tax levy to repay the Notes, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2026 pursuant to the authority delegated to me in the Resolution.

Kelly Hersh
Director of Administration]

OR

Danielle Brown
Director of Finance & Treasurer]

SCHEDULE I TO APPROVING CERTIFICATE

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

NO
BID

SCHEDULE II TO APPROVING CERTIFICATE

Proposal

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)



SCHEDULE III TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)



SCHEDULE IV TO APPROVING CERTIFICATE

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)



[SCHEDULE MRP TO APPROVING CERTIFICATE

Mandatory Redemption Provision

The Notes due on March 1, _____, _____ and _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on March 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on March 1, 20

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on March 1, 20

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on March 1, 20

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on March 1, 20

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT B

(Form of Note)

REGISTERED UNITED STATES OF AMERICA
STATE OF WISCONSIN DOLLARS
MILWAUKEE COUNTY
NO. R-____ CITY OF FRANKLIN \$_____
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2026A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:

March 1, _____, 2026 _____ % _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$_____)

FOR VALUE RECEIVED, the City of Franklin, Milwaukee County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2027 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by Bond Trust Services Corporation (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$_____, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including paying the cost of projects included in the City's Capital Improvement Plan, such as streets, parking lot, facility and water system improvements and equipment replacements, as authorized by a resolution adopted on October 20, 2026, as supplemented by an Approving Certificate, dated _____, 2026 (collectively,

the "Resolution"). Said Resolution is recorded in the official minutes of the Common Council for said date.

The Notes maturing on March 1, 20__ and thereafter are subject to redemption prior to maturity, at the option of the City, on March 1, 20__ or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the Resolution, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date,

(ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Franklin, Milwaukee County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF FRANKLIN
MILWAUKEE COUNTY, WISCONSIN

By: _____

John R. Nelson
Mayor

(SEAL)

By: _____

Shirley J. Roberts
City Clerk

Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned Resolution of the City of Franklin, Milwaukee County, Wisconsin.

BOND TRUST SERVICES CORPORATION

By _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

**CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW PUBLIC NOTICE REQUIREMENTS**

I, _____, _____
(name) (title)
of _____
(official name of municipality)

hereby certify that:

1. **Meeting Date.** On the _____ day of _____, 20__ a
_____ meeting was held commencing
(County Board, Common Council, etc.)
at _____ o'clock ____m. at _____
(location)

2. **Posting.** On the _____ day of _____, 20__ at approximately
_____ o'clock ____m., I posted or caused to be posted a notice setting forth the time, date,
place and subject matter (including specific reference to the borrowing) of said meeting in the
following public places (include any posting of the notice on the municipality's website and
attach an extra sheet if necessary):

AND/OR

Publication. The _____
(County, City, etc.)
caused a notice setting forth the time, date, place and subject matter (including specific reference
to the borrowing) of said meeting to be published on the _____ day of _____, 20__
by the following news medium or media (attach an extra sheet if necessary):

(If notice was published rather than posted, attach copy
of published notice).

3. **Notification of Media.** On the _____ day of _____, 20__ at approximately _____ o'clock __.m., I communicated or caused to be communicated, the time, date, place and subject matter (including specific reference to the borrowing) of said meeting to those news media who have filed a written request for such notice, and to the official newspaper of the _____, or, if none exists, to a news medium (County, City, etc.)

likely to give notice in the area.

4. **Open Meeting Law Compliance.** Said meeting was a _____ meeting of the (regular, special, adjourned annual, etc.) _____ which was called, noticed, held and (County Board, Common Council, etc.) conducted in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes and any other applicable local rules and State statutes.

Name:
Title:

Attest:

Name:
Title:

(SEAL)

(Note: Questions regarding this form or open meeting law compliance generally should be directed to local counsel or Quarles & Brady LLP.)

Excerpts of Minutes of Meeting
of the
Common Council of the
City of Franklin

A meeting of the Common Council of the City of Franklin, Milwaukee County, Wisconsin, was duly called, noticed, held and conducted in the manner required by the Common Council and the pertinent Wisconsin Statutes on October 20, 2026. The Mayor called the meeting to order at _____.m.

The following members were present:

The following members were absent:

(Here occurred other business.)

The following resolution was then moved by _____ and seconded by _____:

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND
ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO
EXCEED \$10,200,000 GENERAL OBLIGATION
PROMISSORY NOTES, SERIES 2026A

(A true copy of the resolution as adopted is attached hereto and incorporated herein by reference.)

Upon the vote being taken, the following voted

Aye:

Nay:

Abstaining:

and the resolution was declared adopted.

(Here occurred other business.)

Upon motion made and seconded, the Common Council adjourned.

* * * * *

Certification of Minutes Excerpt

I, Shirley J. Roberts, am the duly qualified and acting City Clerk of the City of Franklin, Wisconsin. I hereby certify that the foregoing is a true and correct excerpt of the official minutes of the Common Council meeting of October 20, 2026.

I further certify that the attached is a true and correct copy of the resolution adopted by the Common Council at such meeting.

IN WITNESS WHEREOF, I have executed this Certificate in my official capacity on October 20, 2026.

(SEAL)

Shirley J. Roberts
City Clerk



411 East Wisconsin Avenue
Suite 2400
Milwaukee, Wisconsin 53202-4428
414.277.5000
Fax 414.271.3552
www.quarles.com

Attorneys at Law in
Chicago
Denver
Indianapolis
Madison
Milwaukee
Minneapolis
Naples
Phoenix
St. Louis
San Diego
Tampa
Tucson
Washington, D C.

October 13, 2026

VIA EMAIL

Danielle Brown
Director of Finance & Treasurer
City of Franklin
City Hall
9229 West Loomis Road
Franklin, WI 53132

Scope of Engagement Re: Proposed Issuance of \$10,200,000 City of Franklin (the "City") General Obligation Promissory Notes, Series 2026A (the "Securities")

Dear Danielle:

We are pleased to be working with you again as the City's bond counsel and disclosure counsel. Thank you for your confidence in us.

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel and disclosure counsel in connection with the issuance of the above-referenced Securities. If you have any questions about this letter or the services we will provide, or if you would like to discuss modifications, please contact me.

Role of Bond Counsel

Our bond counsel engagement is a limited, special counsel engagement. Bond counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of municipal obligations. If you desire additional information about the role of bond counsel, we would be happy to provide you with a copy of a brochure prepared by the National Association of Bond Lawyers.

As bond counsel we will: examine applicable law; prepare authorizing and closing documents; consult with the parties to the transaction, including the City's financial advisor or underwriter or placement agent, prior to the issuance of the Securities; review certified proceedings; and undertake such additional duties as we deem necessary to render the bond counsel opinion described below. As bond counsel, we do not advocate the interests of the City or any other party to the transaction. We assume that the parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

QB\105233810 1

Subject to the completion of proceedings to our satisfaction, we will render our opinion that:

- 1) the Securities are valid and binding general obligations of the City;
- 2) all taxable property in the territory of the City is subject to ad valorem taxation without limitation as to rate or amount to pay the Securities; and
- 3) the interest paid on the Securities will be excludable from gross income for federal income tax purposes (subject to certain limitations which may be expressed in the opinion).

The bond counsel opinion will be executed and delivered by us in written form on the date the Securities are exchanged for their purchase price (the "Closing") and will be based on facts and law existing as of its date. In rendering the bond counsel opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

A form of our bond counsel opinion and a form of a Continuing Disclosure Certificate (which we may prepare) may be included in the Official Statement or other disclosure document for the Securities.

Role of Disclosure Counsel

Our disclosure counsel engagement is similarly a limited, special counsel engagement. As disclosure counsel, we will review the disclosure document prepared in connection with the sale of the Securities, namely the Official Statement, Private Placement Memorandum, or similar documents (the "City's Offering Document"). It is the City's responsibility to verify the information contained in the materials provided to us or confirmed for us by the City. We will not undertake an independent investigation to verify the accuracy or completeness of this information, beyond reviewing the materials provided to us or confirmed for us by the City. Nor will we render any opinion or make any representation as to the suitability of the Securities for investment by any investor.

In our capacity as the City's disclosure counsel, we will review the City's Offering Document and undertake due diligence with respect to the material representations therein so that we may provide the negative assurance letter described in the following paragraph. Our due diligence will consist of reviewing materials provided to us or confirmed for us by the City; reviewing the City's responses to questions posed in a due diligence questionnaire; assisting the City in its review of its continuing disclosure compliance in the last five years, if applicable (although the City is ultimately responsible for this review and such compliance); and discussing the City's Offering Document with the City and Ehlers & Associates, Inc., Waukesha, Wisconsin ("Ehlers"). We may also maintain the materials provided to us or confirmed for us by the City in our files, and we expect to share certain of those materials with Ehlers, for its files.

Subject to satisfactory completion of our due diligence, we will provide the City with a negative assurance letter that:

based on our review of the City's Offering Document, our examination of certain materials provided by the City and its representatives, and our participation in conferences and conversations with the City and its representatives, no information has come to the attention of the attorneys in our firm rendering legal services in connection with the matter that has caused them to believe that the Preliminary Official Statement contained as of its date or the Final Official Statement contained as of its date or contains as of the date hereof any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; provided, however, we do not express any belief with respect to any financial and statistical data and forecasts, projections, numbers, estimates, assumptions and expressions of opinion, information about bond insurers, or any information regarding the Depository Trust Company and the book-entry system for the Securities contained or incorporated by reference in the City's Offering Document and its appendices, which we expressly exclude from the scope of this paragraph.

If requested, we may also provide Ehlers with a separate letter allowing it to rely on the above-described negative assurance letter.

Please note that our negative assurance letter is not a guarantee; although we expect our above-described due diligence review to assist the City in identifying, confirming and presenting potentially material information, neither our participation in the financing nor our provision of the above-described negative assurance letter will relieve the City of its obligations under the federal securities laws. As noted above, ultimate responsibility for disclosing to potential purchasers of the Securities all City information material to their investment decision rests with the City.

Limitations on Scope of Engagement; No Financial Advice; Conclusion of Representation

All matters and responsibilities other than those expressly set forth above are outside the scope of our engagement as the City's bond counsel and disclosure counsel. These include, without limitation, any obligation to any underwriter, placement agent or financial advisor involved with the issuance of the Securities, other than providing a reliance letter as described above, if applicable. In particular we wish to note that this engagement does not entail any responsibility for us to review matters or provide advice to any party with respect to such matters as the rules promulgated by the Municipal Securities Rulemaking Board ("MSRB"), "blue sky" securities law matters, or other general securities law matters pertaining to any party's status as a broker-dealer or municipal advisor.

Further, we are neither qualified nor engaged to provide financial advice, and hence we will make no representation whatsoever about the suitability of the Securities for purchase by investors, the desirability of the proposed plan of finance, the feasibility of the project(s) financed or refinanced by the Securities, or any such related matters.

Our responsibilities as bond counsel and disclosure counsel will be concluded with respect to this financing upon the delivery of our bond counsel opinion and negative assurance letter, respectively. Please note that, unless separately engaged, we will not provide any advice to the City on post-closing matters including, without limitation, (i) actions necessary to ensure that interest paid on the Securities will continue to be excluded from gross income for federal income tax purposes, (ii) regulatory surveys or audits of the Securities, or (iii) actions necessary to comply with the continuing disclosure requirements applicable to the Securities.

Diversity of Practice; Consent to Unrelated Engagements

Because of the diversity of practice of our firm, the firm may be asked to represent other clients in matters adverse to the City, for example, in zoning, licensing, land division, real estate, property tax or other matters which are unrelated to our bond counsel and disclosure counsel work. Ethical requirements require that we obtain the City's consent to such representations. We do not represent you in legal matters regularly, although we may be called upon for special representation occasionally, and our bond counsel and disclosure counsel work does not usually provide us information that will be disadvantageous to you in other representations. We do not believe that such representations of others would adversely affect our relationship with you, and we have found that local governments generally are agreeable to the type of unrelated representation described above. Your approval of this letter will serve to confirm that the City consents and agrees to our representation of other present or future clients in matters adverse to the City which are not substantially related to the borrowing and finance area or any other area in which we have agreed to serve it. We agree, however, that your prospective consent to conflicting representation contained in this paragraph shall not apply in any instance where, as a result of our representation of the City, we have obtained proprietary or other confidential information, that, if known to the other client, could be used by that client to your material disadvantage. We will not disclose to the other client(s) any confidential information received during the course of our representation of the City. If you have any questions or would like to discuss this consent further, please call us.

We also want to advise you that from time to time we represent underwriters and purchasers of municipal obligations, as well as other bond market participants. In past transactions or matters that are not related to the issuance of the Securities and our role as bond counsel and disclosure counsel, we may have served as counsel to the financial institution that has or will underwrite, purchase or place the Securities or that is serving as the City's financial advisor. We may also be asked to represent financial institutions and other market participants, including the underwriter, purchaser or placement agent of the Securities or the City's financial advisor, in future transactions or matters that are not related to the issuance of the Securities or our role as bond counsel and disclosure counsel. By engaging our services under the terms of this letter, the City consents to our firm undertaking representations of this type.

Fees

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we assume, we estimate that our fee will be \$32,000 for our services as bond counsel, and \$20,800 for our services as disclosure counsel. Such fee and expenses may vary: (i) if the principal amount of Securities actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time, expenses or responsibility. If at any time we believe that circumstances require an adjustment of our original fee estimate, we will consult with you. It is our understanding that our fee will be paid out of proceeds of the Securities at Closing.

If, for any reason, the financing is not consummated or is completed without the rendition of our opinion as bond counsel or the negative assurance letter as disclosure counsel, we will expect to be compensated at our normal hourly rates for time actually spent, plus out-of-pocket expenses. Our fee is usually paid either at the Closing out of proceeds of the Securities or pursuant to a statement rendered shortly thereafter. We customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing.

Terms of Engagement

Either the City or Quarles & Brady may terminate the engagement at any time for any reason by written notice, subject on our part to applicable rules of professional conduct. If the City terminates our services, the City is responsible for promptly paying us for all fees, charges, and expenses incurred before the date we receive termination. We reserve the right to withdraw from representing the City if, among other things, the City fails to honor the terms of this engagement letter – including the City's failing to pay our bills, the City's failing to cooperate or follow our advice on a material matter, or our becoming aware of any fact or circumstance that would, in our view, render our continuing representation unlawful or unethical.

Unless previously terminated, our representation will terminate when we send to the City (or its representative) our final bill for services rendered. If the City requests, we will promptly return the City's original papers and property to you, consistent with our need to ensure payment of any outstanding bills. We may retain copies of the documents. We will keep our own files, including attorney work product, pertaining to our representation of the City. For various reasons, including the minimization of unnecessary storage expenses, we may destroy or otherwise dispose of documents and materials a reasonable time after termination of the engagement.

City Responsibilities

We will provide legal counsel and assistance to the City in accordance with this letter and will rely upon information and guidance the City and its personnel provide to us. We will keep the City reasonably informed of progress and developments, and respond to the City's inquiries. To enable us to provide the services set forth in this letter, the City will disclose fully and accurately all facts and keep us apprised of all developments relating to this matter. The officers and agents of the City will review the City's Offering Document, participate in a due diligence conference to review the City's Offering Document and provide a certificate as to the accuracy and completeness of the City's Offering Document stating that it does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading. The City agrees to pay our bills for services and expenses in accordance with this engagement letter. The City will also cooperate fully with us and be available to attend meetings, conferences, hearings and other proceedings on reasonable notice, and stay fully informed on all developments relating to this matter.

Limited Liability Partnership

Our firm is a limited liability partnership ("LLP"). Because we are an LLP, no partner of the firm has personal liability for any debts or liabilities of the firm except as otherwise required by law, and except that each partner can be personally liable for his or her own malpractice and for the malpractice of persons acting under his or her actual supervision and control. As an LLP we are required by our code of professional conduct to carry at least \$10,000,000 of malpractice insurance; currently, we carry coverage with limits substantially in excess of that amount. Please call me if you have any questions about our status as a limited liability partnership.

Use of Artificial Intelligence Tools

We may use artificial intelligence ("AI") tools to assist in the delivery of legal services, including both predictive AI tools and generative AI tools. If you would like more information about how we use these tools, the tools themselves, and/or any attendant risks, please let us know immediately and we will be happy to discuss.

Conclusion and Request for Signed Copy

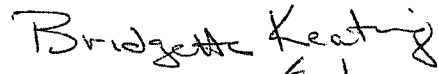
If the foregoing terms of this engagement are acceptable to you, please so indicate by returning a copy of this letter dated and signed by an appropriate officer, retaining the original for your files. If we do not hear from you within thirty (30) days, we will assume that these terms are acceptable to you, but we would prefer to receive a signed copy of this letter from you.

Danielle Brown
October 13, 2026
Page 7

If you have any questions, please do not hesitate to contact me at any time. We are looking forward to working with you and the City in this regard.

Very truly yours,

QUARLES & BRADY LLP


Bridgette Keating *BW*

BK/JPL/SMW/bea
#360022.00069
#360022.00070

cc: Kelly Hersh (via email)
Shirley Roberts (via email)
Margaret Poplar (via email)
Todd Taves (via email)
Ariana Schmidt (via email)
Dan Pagac (via email)
Beth Mueller (via email)
Alex Gore (via email)
Jacob P. Lichter (via email)
Jess Kaye (via email)
Sue Weber (via email)
bondsale@ehlers-inc.com

Accepted and Approved:

CITY OF FRANKLIN

By: _____

Its: _____
Title

Date: _____

PRE-SALE REPORT FOR

City of Franklin, Wisconsin

\$10,200,000 General Obligation Promissory Notes, Series 2026A



Prepared by:

Ehlers
N19W24400 Riverwood Drive,
Suite 100
Waukesha, WI 53188

Advisors:

Todd Taves, Senior Municipal Advisor
Ariana Schmidt, Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$10,200,000 General Obligation Promissory Notes, Series 2026A ("Notes")

Purposes:

The proposed issue includes financing for projects in the City's Capital Improvement Plan including street, parking lot, facility, and water system improvements, and purchase of capital equipment. Debt service will be paid from ad valorem property taxes. The City will utilize water system revenues to abate payments associated with that portion of the debt proceeds to be spent on water system improvements.

Authority:

The Notes are being issued pursuant to Wisconsin Statute 67.12(12) and will be general obligations of the City for which its full faith, credit and taxing powers are pledged. The Notes count against the City's General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Notes, the City's total General Obligation debt principal outstanding will be approximately \$68.6 million, which is 19% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$299.5 million.

Term/Call Feature:

The Notes are being issued for a term of 20 years. Principal on the Notes will be due on March 1 in the years 2027 through 2046. Interest will be due every six months beginning March 1, 2027. The Notes will be subject to prepayment at the discretion of the City on March 1, 2035 or any date thereafter.

Bank Qualification:

Because the City is issuing, or expects to issue, more than \$10,000,000 in tax-exempt obligations during the calendar year, the City will be not able to designate the Notes as "bank qualified" obligations.

Rating:

The City's most recent bond issues were rated by Moody's Ratings. The current rating on those bonds is "Aa2". The City will request a new rating for the Notes. If the winning bidder on the Notes elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.

Basis for Recommendation:

Based on your objectives, financial situation and need, risk tolerance, liquidity needs, experience with the issuance of Notes and long-term financial capacity, as well as the tax status considerations related to the Notes and the structure, timing and other similar matters related to the Notes, we are recommending the issuance of Notes as a suitable option.

Method of Sale/Placement:

We are recommending the Notes be issued as municipal securities and offered through a competitive underwriting process. You will solicit competitive bids, which we will compile on your behalf, for the purchase of the Notes from underwriters and banks. An allowance for discount bidding will be incorporated in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction. If the Notes are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid over face value is considered "reoffering premium." For this issue of Notes, any premium amount received that is more than the underwriting discount and any capitalized interest amounts must be placed in the debt service fund and used to pay a portion of the interest payments due on the Notes. The amount of premium allowed can be restricted in the bid specifications. Restrictions on premiums may result in fewer bids but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Notes intended to achieve the City's objectives for this financing.

Parameters:

The Common Council will consider adopting a Parameters Resolution on October 20, 2026, which delegates authority to the Director of Finance & Treasurer or Director of Administration to accept and approve a bid for the Notes so long as the bid meets certain parameters. These parameters are:

- Issue size not to exceed \$10,200,000
- Maximum Bid of 110.00%
- Minimum Bid of 98.75%
- Maximum True Interest Cost (TIC) of 5.75%
- Maturity Schedule Adjustments:
 - Maximum increase of up to \$515,000 per maturity.
 - The 2027 maturity may decrease by up to \$55,000
 - Maturities in the years 2028 through 2046 may decrease by up to \$385,000.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities currently. We will continue to monitor the market and the call dates for the City's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt subject to a continuing disclosure undertaking (including this issue) and this issue does not meet an available exemption from continuing disclosure, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The City must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations ("Arbitrage Rules") throughout the life of the issue to maintain the tax-exempt status of the Notes. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The City's specific arbitrage responsibilities will be detailed in the Tax Exemption Certificate (the "Tax Compliance Document") prepared by your Bond Attorney and provided at closing.

The Notes may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitations, 6) investments yield restrictions, 7) de minimis rules, or; 8) borrower limited requirements.

An Ehlers arbitrage expert will contact the City within 30 days after the sale date to review the City's specific responsibilities for the Notes. The City is currently receiving arbitrage services from Ehlers in relation to the Notes.

Investment of Note Proceeds:

Ehlers can assist the City in developing a strategy to invest your Note proceeds until the funds are needed to pay project costs.

Risk Factors:

The issuer is abating all or a portion of G.O. debt service payments for the issue with water utility revenues. In the event these revenues are not available, the City is obligated to levy property taxes in an amount sufficient to make all debt payments.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services, please contact us.

Bond Counsel and Disclosure Counsel: Quarles & Brady LLP

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody's Ratings

PROPOSED DEBT ISSUANCE SCHEDULE

Common Council Approval of Parameters Resolution:	October 20, 2026
Due Diligence Call to Review Official Statement:	Week of November 2, 2026
Conference with Rating Agency:	Week of November 2, 2026
Distribute Official Statement:	November 12, 2026
Designated Officials Award Sale of the Notes:	November 19, 2026
Estimated Closing Date:	December 10, 2026

Attachments

Table 1 - Existing General Obligation Debt Levy Impact

Table 2 - Capital Improvement Plan & Funding Sources

Table 3 - Note Sources & Uses

Table 4 - Allocation of Note Debt Service

Table 5 - Financing Plan Tax Levy Impact

Table 6 - General Obligation Debt Capacity Analysis

Bond Buyer Index

EHLERS' CONTACTS

Todd Taves, Senior Municipal Advisor	(262) 796-6173
Ariana Schmidt, Municipal Advisor	(262) 796-6181
Dan Pagac, Public Finance Analyst	(262) 796-6163
Beth Mueller, Senior Financial Analyst	(651) 697-8553

Table 1
Existing General Obligation Debt Levy Impact
City of Franklin, WI

Year Ending	Total G.O. Debt Payments	Interest Income	Transfer In Impact Fees	Paying Agent Fees	Addition to Fund Bal	Existing Debt								Net Tax Levy	Equalized Value (TID OUT)	Tax Rate Per \$1,000	Annual Taxes	
						Less: Water	Less: Sewer	Less: TID #5	Less: TID #6	Less: TID #7	Less: TID #8	Less: TID #9	\$350,000 Home				Year Ending	
2025													0	6,252,546,400	\$0.00	\$0.00	2025	
2026	7,264,473	(29,000)	(162,420)	1,800	25,845	(306,625)	(1,859,544)	(2,304,693)	(871,553)	(315,759)	(159,825)	(142,700)	1,140,000	6,877,855,200	\$0.17	\$58.01	2026	
2027	7,597,220					(304,550)	(1,860,572)	(2,466,095)	(917,053)	(316,413)	(231,150)	(144,575)	1,356,813	7,025,960,910	\$0.19	\$67.59	2027	
2028	7,195,371					(307,150)	(1,866,364)	(2,537,655)	(965,653)	(311,863)	(241,125)	(146,200)	819,363	7,177,255,885	\$0.11	\$39.96	2028	
2029	9,992,109					(304,425)	(1,861,994)	(2,605,583)	(1,005,328)	(2,910,543)	(240,800)	(147,575)	915,863	7,331,808,801	\$0.12	\$43.72	2029	
2030	7,318,101					(306,375)	(1,863,213)	(2,640,025)	(1,028,153)	(140,273)	(251,150)	(143,825)	945,088	7,489,689,815	\$0.13	\$44.16	2030	
2031	6,909,096					(302,953)	(1,864,970)	(2,652,323)	(1,051,540)	(137,723)	(252,200)	(144,950)	502,438	7,650,970,591	\$0.07	\$22.98	2031	
2032	5,371,831					(299,234)	(185,100)	(2,786,265)	(1,068,871)	(135,073)	(253,150)	(145,825)	498,313	7,815,724,341	\$0.06	\$22.32	2032	
2033	4,381,848					(305,063)	(192,000)	(1,705,098)	(1,069,734)	(206,316)	(254,000)	(146,450)	503,188	7,984,025,849	\$0.06	\$22.06	2033	
2034	4,189,966					(300,438)	(193,750)	(1,765,355)	(1,078,601)	(226,110)	(259,700)	(146,825)	219,188	8,155,951,513	\$0.03	\$9.41	2034	
2035	3,009,748					(221,688)	(195,400)	(1,684,125)	0	(269,748)	(270,150)	(146,950)	221,688	8,331,579,373	\$0.03	\$9.31	2035	
2036	2,810,410					(219,613)	(201,900)	(1,469,900)		(277,210)	(275,350)	(146,825)	219,613	8,510,989,151	\$0.03	\$9.03	2036	
2037	2,802,699					(218,009)	(203,250)	(1,466,863)		(274,118)	(280,350)	(142,100)	218,009	8,694,262,287	\$0.03	\$8.78	2037	
2038	1,084,344					(220,997)	(214,400)	0		0	(285,150)	(142,800)	220,997	8,881,481,973	\$0.02	\$8.71	2038	
2039	1,080,575					(218,563)	(210,400)				(289,750)	(143,300)	218,563	9,072,733,193	\$0.02	\$8.43	2039	
2040	1,105,350					(220,700)	(211,350)				(309,000)	(143,600)	220,700	9,268,102,760	\$0.02	\$8.33	2040	
2041	1,098,888					(217,519)	(217,150)				(303,000)	(143,700)	217,519	9,467,679,357	\$0.02	\$8.04	2041	
2042	581,381					(218,891)	0				0	(143,600)	218,891	9,671,553,579	\$0.02	\$7.92	2042	
2043	582,706					(219,703)						(143,300)	219,703	9,879,817,968	\$0.02	\$7.78	2043	
2044	142,800					0						(142,800)	0	10,092,567,061	\$0.00	\$0.00	2044	
2045	0											0	0	10,309,897,430	\$0.00	\$0.00	2045	
Total	74,518,915	(29,000)	(162,420)	1,800	25,845	(4,712,494)	(13,201,359)	(26,083,978)	(9,056,484)	(5,521,145)	(4,155,850)		8,875,931				Total	

Notes:

Legend:

Represents +/- 25% Change over previous year

Table 2
Capital Improvement Plan & Funding Sources
City of Franklin, WI

Projects	Purpose/Dept.	Plan Issue	Funding	2026	Totals
Facilities Improvements	Levy - 20 Years	None	Future Finan	355,000	355,000
Facilities Needs Assessment	Levy - 20 Years	None	Future Finan	50,000	50,000
Station 1 Improvements	Levy - 20 Years	None	Future Finan	180,000	180,000
Emergency Medical Dispatch	Levy - 20 Years	None	Future Finan	100,000	100,000
Parking Lot Replacement	Levy - 20 Years	None	Future Finan	550,950	550,950
Parking Lot Replacement	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	349,050	349,050
S. 51st Street Design	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	300,000	300,000
S. 51st Street Reconstruction	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	3,700,000	3,700,000
WisDOT Project	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	190,950	190,950
Elm Road Design	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	360,000	360,000
W. Drexel Design	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	450,000	450,000
Equipment	Levy - 15 Years	2026 G.O. Notes	G.O. Debt	2,800,000	2,800,000
Salt Dome	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	200,000	200,000
Ken Windl Park Improvements	Levy - 20 Years	2026 G.O. Notes	G.O. Debt	350,000	350,000
S. Chapel Hill Relay	Water	2026 G.O. Notes	G.O. Debt	700,000	700,000
S. 27th Street Water Main Design	Water	2026 G.O. Notes	G.O. Debt	300,000	300,000
92nd Street Design	Water	2026 G.O. Notes	G.O. Debt	300,000	300,000
Actual CIP Costs				11,235,950	11,235,950

Percent Inflation 0%
Inflated Project Costs 11,235,950 11,235,950

Sources of Funding		
G.O. Debt	10,000,000	10,000,000
Future Financing	1,235,950	1,235,950
Total	11,235,950	11,235,950

Debt Obligations		
2026 G.O. Notes	Levy - 20 Years	5,900,000
2026 G.O. Notes	Levy - 15 Years	2,800,000
2026 G.O. Notes	Water	1,300,000
Total		10,000,000

Notes:

Table 3 Note Sources and Uses

City of Franklin, WI

		2026 - 20 Years			
		G.O. Notes	Levy - 20 Years Portion	Levy - 15 Years Portion	Water Portion
CIP Projects¹		10,000,000	5,900,000	2,800,000	1,300,000
Estimated Issuance Expenses					
Municipal Advisor (Ehlers)		52,700	31,103	14,751	6,846
Bond Counsel		35,000	20,657	9,797	4,547
Disclosure Counsel		22,750	13,427	6,368	2,955
Rating Fee		33,000	19,476	9,237	4,287
Maximum Underwriter's Discount	12.50	127,500	75,250	35,688	16,563
Paying Agent		850	502	238	110
Subtotal Issuance Expenses		271,800	160,415	76,077	35,307
TOTAL TO BE FINANCED		10,271,800	6,060,415	2,876,077	1,335,307
Estimated Interest Earnings	3.00%	(75,000)	(44,250)	(21,000)	(9,750)
Assumed spend down (months)	3.00				
Rounding		3,200	3,835	(77)	(557)
NET BOND SIZE		10,200,000	6,020,000	2,855,000	1,325,000

Notes:

1) Project Total Estimates

Table 4 Allocation of Note Debt Service

City of Franklin, WI

Year Ending	Levy - 20 Years Portion				Levy - 15 Years Portion				Water Portion				Year Ending	Totals		
	Principal	Est. Rate ¹	Interest	Total	Principal	Est. Rate	Interest	Total	Principal	Est. Rate	Interest	Total		Principal (3/1)	Interest	Total
2027	0	4.30%	228,822	228,822	0	4.30%	101,748	101,748	60,000	4.30%	48,699	108,699	2027	60,000	379,270	439,270
2028	200,000	4.27%	311,347	511,347	150,000	4.27%	137,140	287,140	40,000	4.27%	65,517	105,517	2028	390,000	514,004	904,004
2029	205,000	4.33%	302,638	507,638	155,000	4.33%	130,582	285,582	45,000	4.33%	63,689	108,689	2029	405,000	496,909	901,909
2030	215,000	4.38%	293,492	508,492	160,000	4.38%	123,722	283,722	45,000	4.38%	61,729	106,729	2030	420,000	478,943	898,943
2031	225,000	4.48%	283,743	508,743	170,000	4.48%	116,410	286,410	45,000	4.48%	59,736	104,736	2031	440,000	459,889	899,889
2032	235,000	4.51%	273,404	508,404	175,000	4.51%	108,656	283,656	50,000	4.51%	57,600	107,600	2032	460,000	439,660	899,660
2033	245,000	4.68%	262,372	507,372	185,000	4.68%	100,381	285,381	50,000	4.68%	55,303	105,303	2033	480,000	418,055	898,055
2034	260,000	4.67%	250,568	510,568	195,000	4.67%	91,498	286,498	55,000	4.67%	52,848	107,848	2034	510,000	394,914	904,914
2035	270,000	4.81%	238,003	508,003	205,000	4.81%	82,015	287,015	55,000	4.81%	50,241	105,241	2035	530,000	370,259	900,259
2036	285,000	4.90%	224,527	509,527	215,000	4.90%	71,817	286,817	60,000	4.90%	47,449	107,449	2036	560,000	343,793	903,793
2037	300,000	5.04%	209,985	509,985	225,000	5.04%	60,880	285,880	65,000	5.04%	44,341	109,341	2037	590,000	315,205	905,205
2038	315,000	5.17%	194,282	509,282	235,000	5.17%	49,135	284,135	65,000	5.17%	41,022	106,022	2038	615,000	284,439	899,439
2039	335,000	5.27%	177,312	512,312	250,000	5.27%	36,473	286,473	70,000	5.27%	37,498	107,498	2039	655,000	251,282	906,282
2040	350,000	5.55%	158,772	508,772	260,000	5.55%	22,670	282,670	75,000	5.55%	33,572	108,572	2040	685,000	215,014	900,014
2041	370,000	5.62%	138,663	508,663	275,000	5.62%	7,728	282,728	80,000	5.62%	29,243	109,243	2041	725,000	175,633	900,633
2042	395,000	5.69%	117,028	512,028					80,000	5.69%	24,719	104,719	2042	475,000	141,746	616,746
2043	415,000	5.75%	93,859	508,859					85,000	5.75%	19,999	104,999	2043	500,000	113,858	613,858
2044	440,000	5.80%	69,168	509,168					95,000	5.80%	14,800	109,800	2044	535,000	83,968	618,968
2045	465,000	5.85%	42,806	507,806					100,000	5.85%	9,120	109,120	2045	565,000	51,926	616,926
2046	495,000	5.90%	14,603	509,603					105,000	5.90%	3,098	108,098	2046	600,000	17,700	617,700
Total	6,020,000		3,885,389	9,905,389	2,855,000		1,240,853	4,095,853	1,325,000		820,219	2,145,219	Total	10,200,000	5,946,461	16,146,461

Notes:

1) Estimated Rate assumes current GO Non-BQ "Aa2" Market Rates + 50 Bps TIC is 5.52%

Table 5
Financing Plan Tax Levy Impact

City of Franklin, WI

Year Ending	Existing Debt											2026 G.O. Notes 10,200,000 Dated 12/10/2026 Total P&I	Proposed Debt					Year Ending				
	Total Debt Payments	Less Water	Less: Sewer	Less: TID #5	Less: TID #6	Less: TID #7	Less: TID #8	Less: TID #9	Net Debt Service Levy	Change From Prior Year Levy	Equalized Value (TID OUT)		Tax Rate Per \$1,000 Home	Annual Taxes \$350,000 Home	Abatements		Debt Service Levy		Taxes			
															Less: Water	Total Net Debt Service Levy	Levy Change from Prior Year		Total Tax Rate for Debt Service	Annual Taxes \$350,000 Home	Annual Taxes Difference From Existing	
2026	7,264,473	(306,625)	(1,859,544)	(2,304,693)	(871,553)	(315,759)	(159,825)	(142,700)	1,140,000		6,877,855,200	\$0.17	\$58.01	0	0	1,140,000		\$0.17	\$58	\$0.00	2026	
2027	7,597,220	(304,550)	(1,860,572)	(2,466,095)	(917,053)	(316,413)	(231,150)	(144,575)	1,356,813	216,813	7,025,960,910	\$0.19	\$67.59	439,270	(108,699)	1,687,383	547,383	\$0.24	\$84	\$16	2027	
2028	7,195,371	(307,150)	(1,866,364)	(2,537,655)	(965,653)	(311,863)	(241,125)	(146,200)	819,363	(537,450)	7,177,255,885	\$0.11	\$39.96	904,004	(105,517)	1,617,849	(69,534)	\$0.23	\$79	\$39	2028	
2029	9,992,109	(304,425)	(1,861,994)	(2,605,583)	(1,005,328)	(2,910,543)	(240,800)	(147,575)	915,863	96,500	7,331,808,801	\$0.12	\$43.72	901,909	(108,689)	1,709,083	91,234	\$0.23	\$82	\$38	2029	
2030	7,318,101	(306,375)	(1,863,213)	(2,640,025)	(1,028,153)	(140,273)	(251,150)	(143,825)	945,088	29,225	7,489,689,815	\$0.13	\$44.16	898,943	(106,729)	1,737,301	28,219	\$0.23	\$81	\$37	2030	
2031	6,909,096	(302,953)	(1,864,970)	(2,652,323)	(1,051,540)	(137,723)	(252,200)	(144,950)	502,438	(442,650)	7,650,970,591	\$0.07	\$22.98	899,889	(104,736)	1,297,591	(439,711)	\$0.17	\$59	\$36	2031	
2032	5,371,831	(299,234)	(185,100)	(2,786,265)	(1,068,871)	(135,073)	(253,150)	(145,825)	498,313	(4,125)	7,815,724,341	\$0.06	\$22.32	899,660	(107,600)	1,290,372	(7,219)	\$0.17	\$58	\$35	2032	
2033	4,381,848	(305,063)	(192,000)	(1,705,098)	(1,069,734)	(206,316)	(254,000)	(146,450)	503,188	4,875	7,984,025,849	\$0.06	\$22.06	898,055	(105,303)	1,295,940	5,568	\$0.16	\$57	\$35	2033	
2034	4,189,966	(300,438)	(193,750)	(1,765,355)	(1,078,601)	(226,110)	(259,700)	(146,825)	219,188	(284,000)	8,155,951,513	\$0.03	\$9.41	904,914	(107,848)	1,016,253	(279,686)	\$0.12	\$44	\$34	2034	
2035	3,009,748	(221,688)	(195,400)	(1,684,125)	0	(269,748)	(270,150)	(145,950)	221,688	2,500	8,331,579,373	\$0.03	\$9.31	900,259	(105,241)	1,016,705	452	\$0.12	\$43	\$33	2035	
2036	2,810,410	(219,613)	(201,900)	(1,469,900)	0	(277,210)	(275,350)	(146,825)	219,613	(2,075)	8,510,989,151	\$0.03	\$9.03	903,793	(107,449)	1,015,957	(749)	\$0.12	\$42	\$33	2036	
2037	2,802,699	(218,009)	(203,250)	(1,466,863)	0	(274,118)	(280,350)	(142,100)	218,009	(1,603)	8,694,262,287	\$0.03	\$8.78	905,205	(109,341)	1,013,873	(2,083)	\$0.12	\$41	\$32	2037	
2038	1,084,344	(270,997)	(214,400)	0	0	0	(285,150)	(142,800)	220,997	2,987	8,881,481,973	\$0.02	\$8.71	899,439	(106,022)	1,014,413	540	\$0.11	\$40	\$31	2038	
2039	1,080,575	(218,563)	(210,400)	0	0	0	(289,750)	(143,300)	218,563	(2,434)	9,072,733,193	\$0.02	\$8.43	906,282	(107,498)	1,017,347	2,933	\$0.11	\$39	\$31	2039	
2040	1,105,350	(220,700)	(211,350)	0	0	0	(309,000)	(143,600)	220,700	2,138	9,268,102,760	\$0.02	\$8.33	900,014	(108,572)	1,012,142	(5,205)	\$0.11	\$38	\$30	2040	
2041	1,098,888	(217,519)	(217,150)	0	0	0	(303,000)	(143,700)	217,519	(3,181)	9,467,679,357	\$0.02	\$8.04	900,633	(109,243)	1,008,909	(3,233)	\$0.11	\$37	\$29	2041	
2042	581,381	(218,891)	0	0	0	0	0	(143,600)	218,891	1,372	9,671,553,579	\$0.02	\$7.92	616,746	(104,719)	730,918	(277,990)	\$0.08	\$26	\$19	2042	
2043	582,706	(219,703)	0	0	0	0	0	(143,300)	219,703	813	9,879,817,968	\$0.02	\$7.78	613,858	(104,999)	728,562	(2,357)	\$0.07	\$26	\$18	2043	
2044	142,800	0	0	0	0	0	0	(142,800)	0	(219,703)	10,092,567,061	\$0.00	\$0.00	618,968	(109,800)	509,168	(219,394)	\$0.05	\$18	\$18	2044	
2045	0	0	0	0	0	0	0	0	0	0	10,309,897,430	\$0.00	\$0.00	616,926	(109,120)	507,806	(1,361)	\$0.05	\$17	\$17	2045	
2046	0	0	0	0	0	0	0	0	0	0	10,531,907,728	\$0.00	\$0.00	617,700	(108,098)	509,603	1,796	\$0.05	\$17	\$17	2046	
2047	0	0	0	0	0	0	0	0	0	0	10,758,698,730	\$0.00	\$0.00	0	0	0	(509,603)	\$0.00	\$0	\$0	2047	
Total	74,518,915	(4,712,494)	(13,201,359)	(26,083,978)	(9,056,484)	(5,521,145)	(4,155,850)	(2,747,900)	8,875,931					16,146,461	(2,145,219)					579	Total	

Notes:

Table 6 **General Obligation Debt Capacity Analysis**

City of Franklin, WI

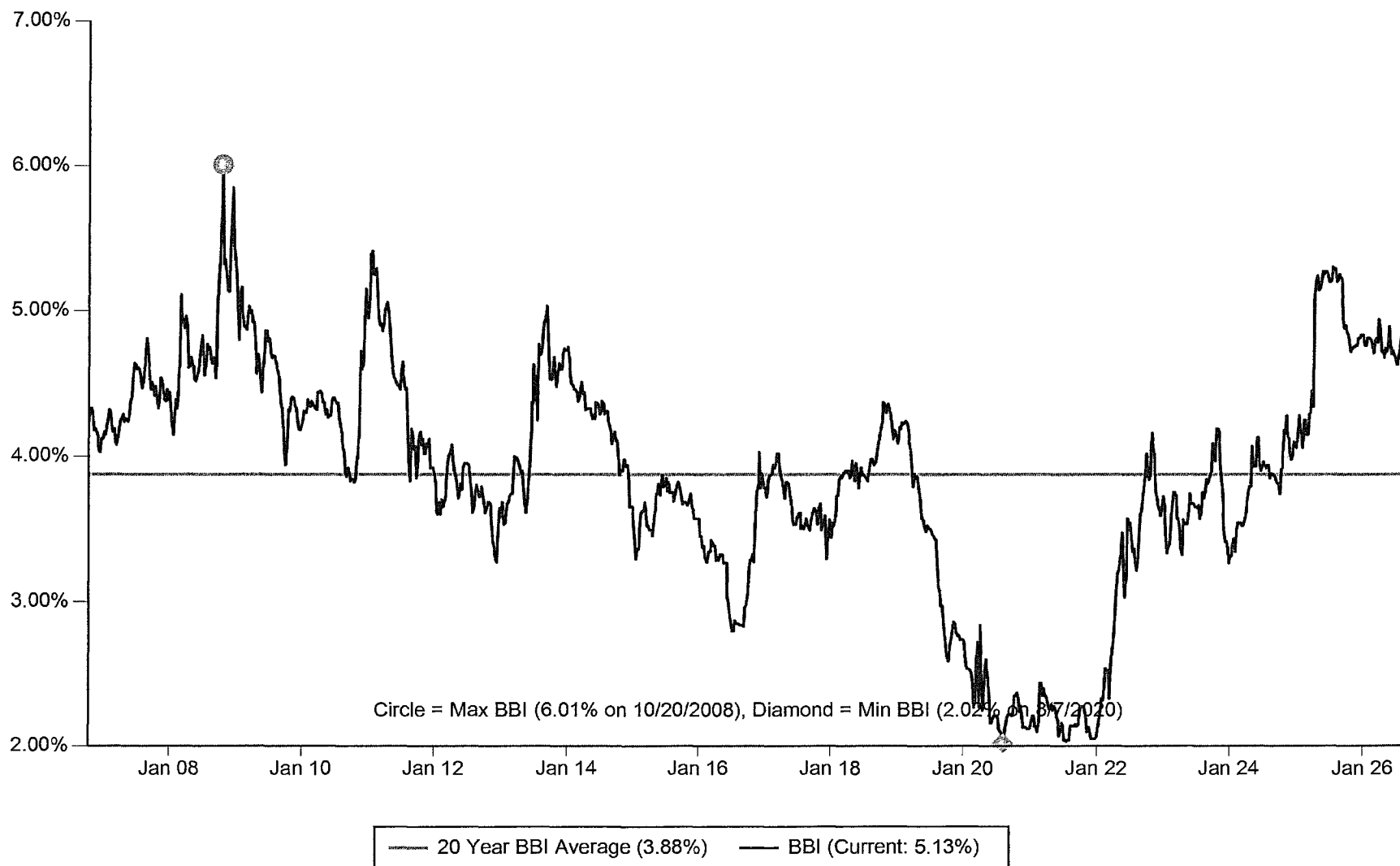
Existing Debt					Proposed Debt				
Year Ending	Projected Equalized Value (TID IN) ¹	Debt Limit	Existing Principal Outstanding	% of Limit	Combined Principal Existing			Residual Capacity	Year Ending
					2026 G.O. Notes	& Proposed	% of Limit		
2025	7,245,524,200	362,276,210	63,977,003	18%		\$63,977,003	18%	\$298,299,207	2025
2026	7,388,208,239	369,410,412	58,421,365	16%	10,200,000	\$68,621,365	19%	\$300,789,047	2026
2027	7,533,702,115	376,685,106	52,369,397	14%	10,140,000	\$62,509,397	17%	\$314,175,709	2027
2028	7,682,061,159	384,103,058	46,550,204	12%	9,750,000	\$56,300,204	15%	\$327,802,854	2028
2029	7,833,341,796	391,667,090	37,732,870	10%	9,345,000	\$47,077,870	12%	\$344,589,219	2029
2030	7,987,601,559	399,380,078	31,386,456	8%	8,925,000	\$40,311,456	10%	\$359,068,622	2030
2031	8,144,899,116	407,244,956	25,280,000	6%	8,485,000	\$33,765,000	8%	\$373,479,956	2031
2032	8,305,294,289	415,264,714	20,560,000	5%	8,025,000	\$28,585,000	7%	\$386,679,714	2032
2033	8,468,848,078	423,442,404	16,710,000	4%	7,545,000	\$24,255,000	6%	\$399,187,404	2033
2034	8,635,622,685	431,781,134	12,950,000	3%	7,035,000	\$19,985,000	5%	\$411,796,134	2034
2035	8,805,681,537	440,284,077	10,285,000	2%	6,505,000	\$16,790,000	4%	\$423,494,077	2035
2036	8,979,089,309	448,954,465	7,750,000	2%	5,945,000	\$13,695,000	3%	\$435,259,465	2036
2037	9,155,911,951	457,795,598	5,155,000	1%	5,355,000	\$10,510,000	2%	\$447,285,598	2037
2038	9,336,216,711	466,810,836	4,230,000	1%	4,740,000	\$8,970,000	2%	\$457,840,836	2038
2039	9,520,072,160	476,003,608	3,280,000	1%	4,085,000	\$7,365,000	2%	\$468,638,608	2039
2040	9,707,548,223	485,377,411	2,275,000	0%	3,400,000	\$5,675,000	1%	\$479,702,411	2040
2041	9,898,716,199	494,935,810	1,245,000	0%	2,675,000	\$3,920,000	1%	\$491,015,810	2041
2042	10,093,648,790	504,682,440	705,000	0%	2,200,000	\$2,905,000	1%	\$501,777,440	2042
2043	10,292,420,134	514,621,007	140,000	0%	1,700,000	\$1,840,000	0%	\$512,781,007	2043
2044	10,495,105,825	524,755,291	0	0%	1,165,000	\$1,165,000	0%	\$523,590,291	2044
2045	10,701,782,947	535,089,147		0%	600,000	\$600,000	0%	\$534,489,147	2045
2046	10,912,530,103	545,626,505		0%	0	\$0	0%	\$545,626,505	2046

Notes:

1) Projected TID IN EV based on discounted 5-year average at 1.97% annual inflation.

20 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates October, 2006 - October, 2026



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA

Source: The Bond Buyer



2026 Financing Plan

October 20, 2026

Note Issue Summary

	Series 2026A Notes
Purpose	Street, facility, and water system improvements, and purchase of capital equipment
Security	General Obligation
Payment Sources	Tax levy, water utility revenues
Tax Status	Tax-Exempt
Term	20 Years - prepayable 3-1-2035 or any date thereafter
Method of Sale	Competitive Public Offering

Sources and Uses

Sources	Levy - 20 Year	Levy - 15 Year	Water - 20 Year	Total
Presale Issue Size	\$ 6,020,000	\$ 2,855,000	\$ 1,325,000	\$ 10,200,000
Estimated Temporary Investment Earnings	\$ 44,250	\$ 21,000	\$ 9,750	\$ 75,000
Subtotal Sources	\$ 6,064,250	\$ 2,876,000	\$ 1,334,750	\$ 10,275,000

Uses				Total
Deposit to Project Fund	\$ 5,900,000	\$ 2,800,000	\$ 1,300,000	\$ 10,000,000
Rounding (Additional Funds for Project)	\$ 3,835	\$ (77)	\$ (557)	\$ 3,200
Estimated Cost of Issuance				
Municipal Advisor (Ehlers)	\$ 31,103	\$ 14,751	\$ 6,846	\$ 52,700
Bond Counsel (Quarles & Brady)	\$ 20,657	\$ 9,797	\$ 4,547	\$ 35,000
Disclosure Counsel (Quarles & Brady)	\$ 13,427	\$ 6,368	\$ 2,955	\$ 22,750
Rating (Moody's)	\$ 19,476	\$ 9,237	\$ 4,287	\$ 33,000
Paying Agent (BTSC)	\$ 502	\$ 238	\$ 110	\$ 850
Underwriting Discount (Maximum)	\$ 75,250	\$ 35,688	\$ 16,563	\$ 127,500
Subtotal Uses	\$ 6,064,250	\$ 2,876,000	\$ 1,334,750	\$ 10,275,000

Debt Structure

Year	Levy - 20 Year		Levy - 15 Year		Water - 20 Year		Total Estimated Debt Service			Year
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Est. Rate	Interest	
2027		228,822		101,748	60,000	48,699	60,000	4.300%	379,270	2027
2028	200,000	311,347	150,000	137,140	40,000	65,517	390,000	4.270%	514,004	2028
2029	205,000	302,638	155,000	130,582	45,000	63,689	405,000	4.330%	496,909	2029
2030	215,000	293,492	160,000	123,722	45,000	61,729	420,000	4.380%	478,943	2030
2031	225,000	283,743	170,000	116,410	45,000	59,736	440,000	4.480%	459,889	2031
2032	235,000	273,404	175,000	108,656	50,000	57,600	460,000	4.510%	439,660	2032
2033	245,000	262,372	185,000	100,381	50,000	55,303	480,000	4.680%	418,055	2033
2034	260,000	250,568	195,000	91,498	55,000	52,848	510,000	4.670%	394,914	2034
2035	270,000	238,003	205,000	82,015	55,000	50,241	530,000	4.810%	370,259	2035
2036	285,000	224,527	215,000	71,817	60,000	47,449	560,000	4.900%	343,793	2036
2037	300,000	209,985	225,000	60,880	65,000	44,341	590,000	5.040%	315,205	2037
2038	315,000	194,282	235,000	49,135	65,000	41,022	615,000	5.170%	284,439	2038
2039	335,000	177,312	250,000	36,473	70,000	37,498	655,000	5.270%	251,282	2039
2040	350,000	158,772	260,000	22,670	75,000	33,572	685,000	5.550%	215,014	2040
2041	370,000	138,663	275,000	7,728	80,000	29,243	725,000	5.620%	175,633	2041
2042	395,000	117,028			80,000	24,719	475,000	5.690%	141,746	2042
2043	415,000	93,859			85,000	19,999	500,000	5.750%	113,858	2043
2044	440,000	69,168			95,000	14,800	535,000	5.800%	83,968	2044
2045	465,000	42,806			100,000	9,120	565,000	5.850%	51,926	2045
2046	495,000	14,603			105,000	3,098	600,000	5.900%	17,700	2046
Totals	6,020,000	3,885,389	2,855,000	1,240,853	1,325,000	820,219	10,200,000		5,946,461	

Projected Levy Impact

Year	Existing Debt	Series 2026A G.O. Notes Proj. Debt Service				Less Water	Projected Net	Change in Levy	Year
	Net Tax Levy	Prin (3/1)	Est. Rate	Interest	Total	Debt Svc	Tax Levy		
2026	1,140,000						1,140,000		2026
2027	1,356,813	60,000	4.300%	379,270	439,270	(108,699)	1,687,383	547,383	2027
2028	819,363	390,000	4.270%	514,004	904,004	(105,517)	1,617,849	(69,534)	2028
2029	915,863	405,000	4.330%	496,909	901,909	(108,689)	1,709,083	91,234	2029
2030	945,088	420,000	4.380%	478,943	898,943	(106,729)	1,737,301	28,219	2030
2031	502,438	440,000	4.480%	459,889	899,889	(104,736)	1,297,591	(439,711)	2031
2032	498,313	460,000	4.510%	439,660	899,660	(107,600)	1,290,372	(7,219)	2032
2033	503,188	480,000	4.680%	418,055	898,055	(105,303)	1,295,940	5,568	2033
2034	219,188	510,000	4.670%	394,914	904,914	(107,848)	1,016,253	(279,686)	2034
2035	221,688	530,000	4.810%	370,259	900,259	(105,241)	1,016,705	452	2035
2036	219,613	560,000	4.900%	343,793	903,793	(107,449)	1,015,957	(749)	2036
2037	218,009	590,000	5.040%	315,205	905,205	(109,341)	1,013,873	(2,083)	2037
2038	220,997	615,000	5.170%	284,439	899,439	(106,022)	1,014,413	540	2038
2039	218,563	655,000	5.270%	251,282	906,282	(107,498)	1,017,347	2,933	2039
2040	220,700	685,000	5.550%	215,014	900,014	(108,572)	1,012,142	(5,205)	2040
2041	217,519	725,000	5.620%	175,633	900,633	(109,243)	1,008,909	(3,233)	2041
2042	218,891	475,000	5.690%	141,746	616,746	(104,719)	730,918	(277,990)	2042
2043	219,703	500,000	5.750%	113,858	613,858	(104,999)	728,562	(2,357)	2043
2044	0	535,000	5.800%	83,968	618,968	(109,800)	509,168	(219,394)	2044
2045	0	565,000	5.850%	51,926	616,926	(109,120)	507,806	(1,361)	2045
2046	0	600,000	5.900%	17,700	617,700	(108,098)	509,603	1,796	2046
Totals	8,875,931	10,200,000		5,946,461	16,146,461	(2,145,219)	22,877,173		

G.O. Debt Limit Projection

Existing Debt					Proposed Debt				
Year Ending	Projected Equalized Value (TID IN) ¹	Debt Limit	Existing Principal Outstanding	% of Limit	Combined Principal Existing				Year Ending
					2026 G.O. Notes	& Proposed	% of Limit	Residual Capacity	
2025	7,245,524,200	362,276,210	63,977,003	18%		\$63,977,003	18%	\$298,299,207	2025
2026	7,388,208,239	369,410,412	58,421,365	16%	10,200,000	\$68,621,365	19%	\$300,789,047	2026
2027	7,533,702,115	376,685,106	52,369,397	14%	10,140,000	\$62,509,397	17%	\$314,175,709	2027
2028	7,682,061,159	384,103,058	46,550,204	12%	9,750,000	\$56,300,204	15%	\$327,802,854	2028
2029	7,833,341,796	391,667,090	37,732,870	10%	9,345,000	\$47,077,870	12%	\$344,589,219	2029
2030	7,987,601,559	399,380,078	31,386,456	8%	8,925,000	\$40,311,456	10%	\$359,068,622	2030
2031	8,144,899,116	407,244,956	25,280,000	6%	8,485,000	\$33,765,000	8%	\$373,479,956	2031
2032	8,305,294,289	415,264,714	20,560,000	5%	8,025,000	\$28,585,000	7%	\$386,679,714	2032
2033	8,468,848,078	423,442,404	16,710,000	4%	7,545,000	\$24,255,000	6%	\$399,187,404	2033
2034	8,635,622,685	431,781,134	12,950,000	3%	7,035,000	\$19,985,000	5%	\$411,796,134	2034
2035	8,805,681,537	440,284,077	10,285,000	2%	6,505,000	\$16,790,000	4%	\$423,494,077	2035
2036	8,979,089,309	448,954,465	7,750,000	2%	5,945,000	\$13,695,000	3%	\$435,259,465	2036
2037	9,155,911,951	457,795,598	5,155,000	1%	5,355,000	\$10,510,000	2%	\$447,285,598	2037
2038	9,336,216,711	466,810,836	4,230,000	1%	4,740,000	\$8,970,000	2%	\$457,840,836	2038
2039	9,520,072,160	476,003,608	3,280,000	1%	4,085,000	\$7,365,000	2%	\$468,638,608	2039
2040	9,707,548,223	485,377,411	2,275,000	0%	3,400,000	\$5,675,000	1%	\$479,702,411	2040
2041	9,898,716,199	494,935,810	1,245,000	0%	2,675,000	\$3,920,000	1%	\$491,015,810	2041
2042	10,093,648,790	504,682,440	705,000	0%	2,200,000	\$2,905,000	1%	\$501,777,440	2042
2043	10,292,420,134	514,621,007	140,000	0%	1,700,000	\$1,840,000	0%	\$512,781,007	2043
2044	10,495,105,825	524,755,291	0	0%	1,165,000	\$1,165,000	0%	\$523,590,291	2044
2045	10,701,782,947	535,089,147		0%	600,000	\$600,000	0%	\$534,489,147	2045
2046	10,912,530,103	545,626,505		0%	0	\$0	0%	\$545,626,505	2046

Parameters

The Director of Finance & Treasurer and Director of Administration are delegated authority to award the sale of the Notes provided the following parameters are met:

	Series 2026A Notes
Not to Exceed Par Amount	\$10,200,000
Maximum True Interest Cost*	5.75%
Minimum Price	98.75%
Maximum Price	110%
Maturity Schedule Maximum Increase	\$515,000
Maturity Schedule Maximum Decrease	\$385,000 (\$55,000 for 2017 Maturity)

* The schedules in the Presale Reports assume a TIC of 5.526% which assumed rates 0.75% higher than market the week of October 5

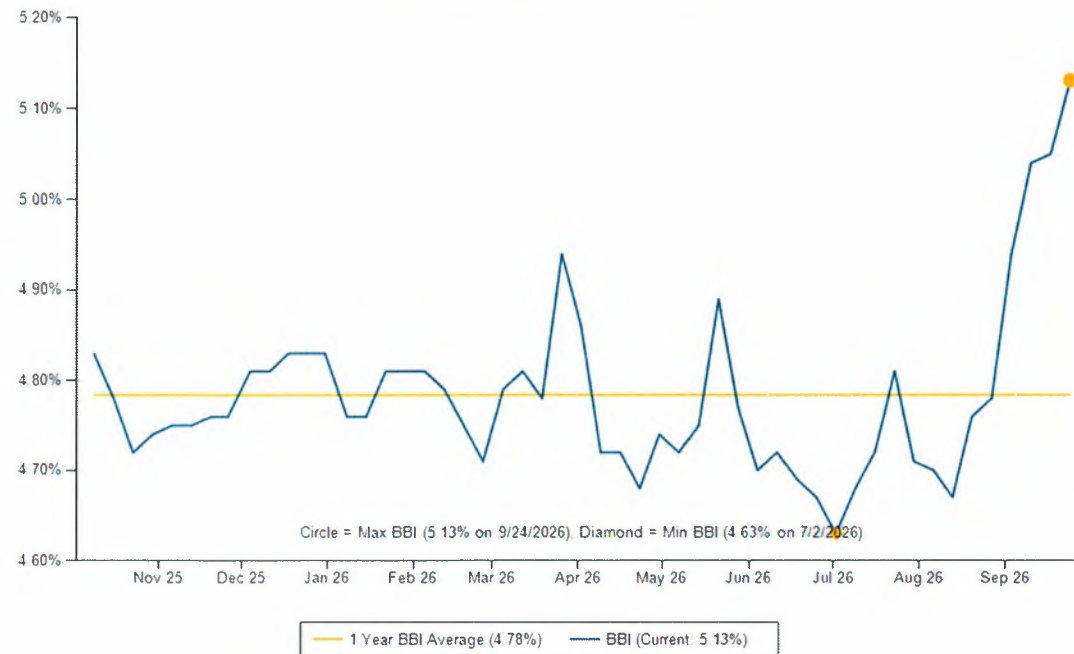
Market Conditions

Bond Buyer Index (BBI)

- 1-Year Trend
- Tax-Exempt Index

1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates October, 2025 - October, 2026



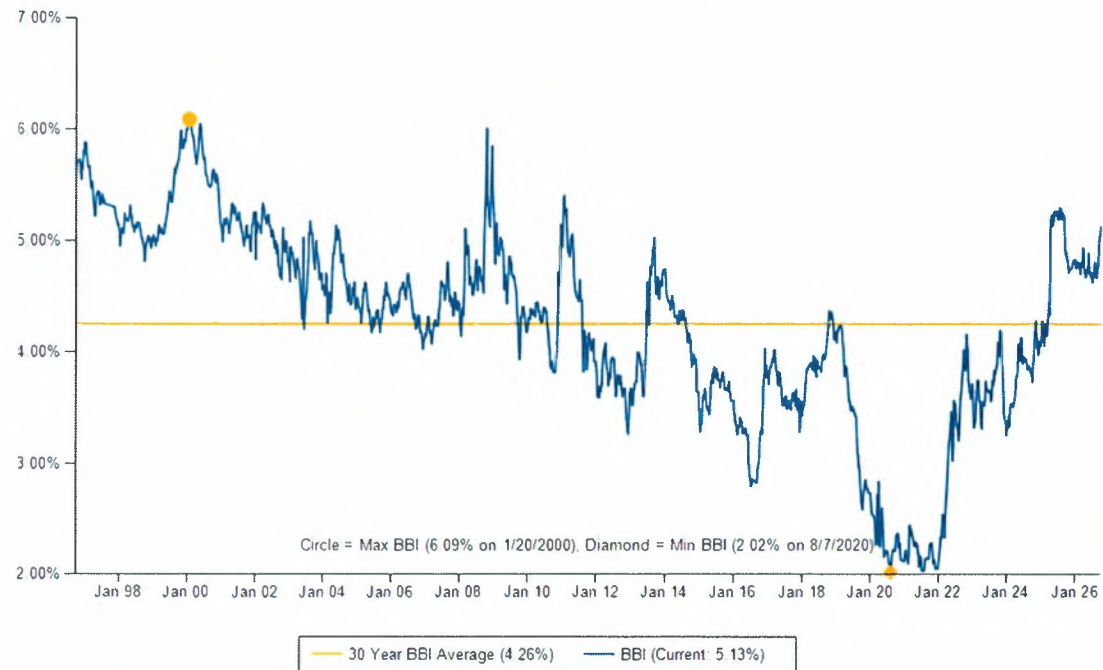
Market Conditions

Bond Buyer Index (BBI)

- 30-Year Trend
- Tax-Exempt Index

30 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates October, 1996 - October, 2026



Timeline



October 20 – Common Council Approval of Parameters Resolution



November 3 – Rating call with Moody's



November 12 – Distribute Official Statement



November 19 – Sale



December 10 – Closing/Receipt of Funds

APPROVAL	REQUEST FOR COMMON COUNCIL ACTION	MEETING DATE October 20, 2026
REPORTS & RECOMMENDATIONS	A RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$10,200,000 IN GENERAL OBLIGATION DEBT TO FUND CRITICAL CAPITAL IMPROVEMENT PROJECTS AND PROVIDING DIRECTION FOR FUTURE LONG- TERM DEBT PLANNING	ITEM NUMBER J.S. 6.

Background

The amended 2026 City budget includes several critical capital improvement projects requiring financing through the issuance of general obligation debt. The Common Council previously contemplated borrowing of up to \$10,000,000 to support these projects. To provide for \$10,000,000 to pay the cost of capital projects, a total Note size of \$10,200,000 is required. The additional \$200,000 reflects estimated cost of issuance (Ehlers, Quarles & Brady, Moody's) and an underwriting discount allowance. To the extent actual costs of issuance are less, or if there is unused discount, the Note size will be reduced on the day of sale.

The proposed increase of \$200,000 provides additional flexibility to accommodate the costs associated with issuing the debt and other financing considerations identified during the preparation of the borrowing documents and sale parameters.

Debt issuance involves costs beyond the principal amount needed to fund capital projects. These may include bond counsel and financial advisory services, rating agency fees, printing and dissemination expenses, underwriter-related costs, and other costs associated with completing the financing. The final amount of these costs will depend on the structure and terms of the issuance.

Increasing the authorized amount also provides a reasonable contingency for final financing adjustments and helps ensure that sufficient borrowing authority is available to complete the transaction without requiring an additional Council action if eligible financing costs or other necessary issuance-related adjustments exceed initial estimates.

Recommendation

The resolution establishes a maximum authorized issuance of \$10,200,000 in General Obligation Promissory Notes, Series 2026A, to support the capital projects included in the amended 2026 budget and applicable financing costs.

Staff recommends approval of the resolution authorizing the issuance and sale of not to exceed \$10,200,000 in General Obligation Promissory Notes, Series 2026A. The increased authorization provides flexibility to cover anticipated project financing requirements and issuance-related costs while establishing a maximum borrowing limit for the transaction.

The 2027 proposed budget accommodates the updated debt service proposals at the \$10,200,000 levels.

COUNCIL ACTION REQUESTED

Motion to Authorize Resolution 2026-____, a Resolution Authorizing the Issuance of up to \$10,200,000 in General Obligation Debt to Fund Critical Capital Improvement Projects.

Finance – DB/DOA-KH/Mayor Nelson

STATE OF WISCONSIN : CITY OF FRANKLIN: MILWAUKEE COUNTY

RESOLUTION NO. 2026 - _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$10,200,000 IN GENERAL
OBLIGATION DEBT TO FUND CRITICAL CAPITAL IMPROVEMENT PROJECTS

WHEREAS, the City of Franklin continues to experience increasing capital infrastructure and equipment replacement needs that are necessary to maintain reliable municipal services; and

WHEREAS, much of the City's infrastructure is aging, significant equipment has reached or exceeded its useful life, and numerous capital improvement projects have been deferred over several budget cycles due to limited financial resources; and

WHEREAS, delaying these critical investments increases the risk of infrastructure failures, emergency repairs, service interruptions, and higher long-term replacement costs; and

WHEREAS, the Common Council desires to provide funding flexibility for the City's highest-priority capital projects while preserving the opportunity to evaluate alternative financing options, including utility revenue-supported borrowing, where appropriate; and

WHEREAS, authorizing borrowing capacity does not obligate the City to issue the full authorized amount but establishes a maximum borrowing authority to allow the City to proceed with financing as project priorities, funding sources, and costs are finalized; and

WHEREAS, the Common Council recognizes that the issuance of General Obligation debt will increase the City's debt service obligations and may result in an increase to the property tax levy and tax rate; however, the Council finds that prudent investment in essential public infrastructure and equipment is necessary to protect public assets, maintain service levels, and avoid greater future costs.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Common Council of the City of Franklin, that the proper City Officials are hereby authorized and directed:

1. The Common Council authorizes the issuance of **up to Ten Million Two Hundred Thousand Dollars (\$10,200,000)** in General Obligation debt for the purpose of financing critical capital improvement projects, subject to final project costs, available funding sources, and all applicable statutory requirements.
2. This authorization establishes the maximum borrowing capacity and shall not be construed as authorization to issue the full \$10,200,000. The final amount of debt to be issued shall be determined based on the City's capital project priorities, available alternative funding sources, updated cost estimates, and financing recommendations.
3. City staff is directed to continue evaluating all available financing alternatives, including utility revenue-supported debt and other appropriate funding sources, to minimize the City's reliance on General Obligation borrowing whenever feasible.

Resolution introduced at a regular meeting of the Common Council of the City of Franklin
this _____ day of _____, 2026.

PASSED AND ADOPTED by the Common Council of the City of Franklin this _____ day
of _____, 2026.

APPROVED:

John R. Nelson, Mayor

ATTEST:

Shirley J. Roberts, City Clerk

AYES____NOES____ABSENT____

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
REPORTS & RECOMMENDATIONS	Request to Authorize the use of Arctic Wolf MDR/EDR Security Services as a Replacement to Rapid7 InsightIDR and Bitdefender Funding Account 01-0144-5257	ITEM NUMBER 15.7.

Background:

In 2022 the City of Franklin contracted Rapid7 to provide security monitoring services with Rapid7. This project was generated from a new regulated mandate that the City of Franklin Police Department implement SIEM (Security Information and Event Monitoring services) as part of its updates to the CJIS (DOJ: Criminal Justice Information System) framework and requirements. The new security requirements are applied enterprise-wide to all users and systems, instead of being specific to the Police Department. This broadened security monitoring of all devices within the organization and lessened the security footprint and potential impact. The Rapid7 MDR (Managed Detection and Response) service monitors all incoming log file traffic for potential areas of security compromise. This data is analyzed by both AI and Security Operations Center analysts (SOC), which potentially allows for proactive identification of hacker activity that is on the network and actively attacking production systems. The Rapid7 SOC can force remove any computer from the network via their network agent software. The monitoring and inoculation of compromised systems lowers the security impact of any potential security incident.

Recommendation:

Rapid7 is the security event monitoring and security incident management platform. Bitdefender is used at the desktop, and the security services perform antivirus, patch management, and ATM (Advanced Threat Management) process monitoring of rogue/hostile applications. Both MDR/SIEM and ATM EDR (Endpoint Detection and Response) are required for all computers as stipulated by the CJIS security framework.

Due to escalating costs of the security services, an alternative platform is being implemented that will combine MDR and EDR services into a single vendor solution. Currently, Bitdefender log file traffic cannot be processed by Rapid7 as a SIEM event source, therefore, it is recommended by the Franklin Technology Commission to combine services into a single security architecture. Arctic Wolf provides similar security services to Rapid7, has three-level security engineering SOC, integrated antivirus and threat management detection at the desktop, cloud service security monitoring, a dedicated account manager who provides quarterly security reviews, one-year log file retention, and a \$3M security warranty to help remediate costs for any incurred security incident. Arctic Wolf also provides security awareness training services, which is also a requirement of the DOJ CJIS regulations.

Fiscal Impact:

Billing for Rapid7 occurs on the first day of every fiscal year. MDR/XDR security services must be installed and fully available several months prior to the expiration of existing security services, to prevent a period where no security monitoring is carried out. Two bridge months are being provided as part of the installation services, while one additional month is being subscribed to within 2026 to bring the software live prior to the start of 2027. End-user training services will begin at the beginning of the fiscal year. Arctic Wolf services are being contracted through NASPO rates for the State of Wisconsin, and being ordered through CDW-G.

Cost savings for the project are estimated below:

2026 Existing Costs:

- | | |
|--|----------|
| • Rapid7 InsightIDR MDR/XDR | \$84,070 |
| • Bitdefender ATM/EDR + Patch Management | \$15,502 |
| • KnowBe4 Security Training | \$4,500 |

Total Annual Existing Cost of Security Services	\$104,072
---	-----------

2026 Arctic Wolf Costs:

- | | |
|-----------------------------------|------------|
| • Arctic Wolf MDR & SIEM Services | \$3,518.21 |
|-----------------------------------|------------|

2027 Arctic Wolf Costs (363 endpoints)

- | | |
|-----------------------------------|-------------|
| • Arctic Wolf MDR & SIEM Services | \$42,218.50 |
| • Arctic Wolf EDR Services | \$11,797.50 |

Total Arctic Wolf Bridge Months + 2027 12-Month	\$57,534.21
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Total Annual Cost Savings (Estimate)	\$46,537.79
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Budgetary Impact:

An estimated surplus of \$6,700 is available in IT Software Maintenance budget to account for the anticipated bridge months of service.

COUNCIL ACTION REQUESTED

Motion to execute a three-year contract with Arctic Wolf for replacement MDR, EDR, and security awareness training services for the first-year cost of \$57,534.21, funded by Account 01-144-5257 (IT Software Maintenance).



Thank you for choosing CDW. We have received your quote.

Hardware

Software

Services

IT Solutions

Brands

Research Hub

QUOTE CONFIRMATION

Pricing and Availability Notice

Due to ongoing supply chain challenges, some hardware manufacturers cannot guarantee product availability or pricing until the product is shipped. While we make every effort to honor quoted pricing, if a hardware manufacturer increases its price to CDW after a quote is issued or order is accepted, we may need to update your quoted price to reflect that change irrespective of any timeframes or validity periods set forth in the quote, including up to the date of shipment. In the event of a price adjustment, we will notify you prior to shipment. Any price adjustment would only occur if the hardware manufacturer increases its pricing to CDW.

JAMES MATELSKI,

Thank you for considering CDW•G for your technology needs. The details of your quote are below. **If you are an eProcurement or single sign on customer, please log into your system to access the CDW site.** You can search for your quote to retrieve and transfer back into your system for processing.

For all other customers, click below to convert your quote to an order.

This quote is subject to CDW's Third Party Cloud Services Order Form Terms and Conditions set forth at

Convert Quote to Order

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
PZRL219	9/25/2026	PZRL219	0929696	\$45,736.71

QUOTE DETAILS

ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
Mfg. Part#: AW-TOTAL-USER-SILVER Electronic distribution - NO MEDIA Contract: MARKET	305	7979564	\$8.42	\$2,568.10
Mfg. Part#: AW-TOTAL-SERVER-SILVER Electronic distribution - NO MEDIA Contract: MARKET	58	7979567	\$7.50	\$435.00
Mfg. Part#: AW-MDR-1YR Electronic distribution - NO MEDIA Contract: MARKET	363	6124471	\$0.38	\$137.94
Mfg. Part#: AW-MDR-2XX-S Electronic distribution - NO MEDIA Contract: MARKET	1	5745583	\$75.22	\$75.22

QUOTE DETAILS (CONT.)				
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	305	5744235	\$0.32	\$97.60
Mfg. Part#: AW-MDR-O365 Electronic distribution - NO MEDIA Contract: MARKET				
	305	7986276	\$0.67	\$204.35
Mfg. Part#: AW-MSAT-MAP-ADDON Electronic distribution - NO MEDIA Contract: MARKET				
	1	8398273	\$0.00	\$0.00
Mfg. Part#: AW-WARRANTY-3000 Electronic distribution - NO MEDIA Contract: MARKET				
	1	7040196	\$0.00	\$0.00
Mfg. Part#: AW-PLATFORM-BASE Electronic distribution - NO MEDIA Contract: MARKET				
	1	9031163	\$0.00	\$0.00
Mfg. Part#: AW-37MO-COMMIT Electronic distribution - NO MEDIA Contract: MARKET				
	1	7969163	\$0.00	\$0.00
Mfg. Part#: AW-OB Electronic distribution - NO MEDIA Contract: MARKET				
	1	9171803	\$0.00	\$0.00
Mfg. Part#: AW-PROMO Electronic distribution - NO MEDIA Contract: MARKET				
	305	7979564	\$101.00	\$30,805.00
Mfg. Part#: AW-TOTAL-USER-SILVER Electronic distribution - NO MEDIA Contract: MARKET				
	58	7979567	\$90.00	\$5,220.00
Mfg. Part#: AW-TOTAL-SERVER-SILVER Electronic distribution - NO MEDIA Contract: MARKET				
	363	6124471	\$4.50	\$1,633.50
Mfg. Part#: AW-MDR-1YR Electronic distribution - NO MEDIA Contract: MARKET				
	1	5745583	\$900.00	\$900.00
Mfg. Part#: AW-MDR-2XX-S Electronic distribution - NO MEDIA Contract: MARKET				

QUOTE DETAILS (CONT.)

	305	5744235	\$8.00	\$2,440.00
Mfg. Part#: AW-MDR-O365 Electronic distribution - NO MEDIA Contract: MARKET				
	305	7986276	\$4.00	\$1,220.00
Mfg. Part#: AW-MSAT-MAP-ADDON Electronic distribution - NO MEDIA Contract: MARKET				
	1	8398273	\$0.00	\$0.00
Mfg. Part#: AW-WARRANTY-3000 Electronic distribution - NO MEDIA Contract: MARKET				
	1	7040196	\$0.00	\$0.00
Mfg. Part#: AW-PLATFORM-BASE Term: 2026-12-01 - 2027-12-31 Expiration Date : 10/17/2026 Billing Cycle : Semiannual Committed Terms : 37 Quote Term : 13 Number of Payments : 2 End User Terms : *The Net Total price for each item in the table above will increase by 8.0% on (i) the annual anniversary of the Subscription Start Date or (ii) the end of any prepaid, in full multi-year Committed Term (the "Increase"). Thereafter, pricing for any subsequent renewals is as set forth in the Agreement.Arctic Wolf's delivery of the products, services, and Solutions described herein are governed by the applicable Agreement located at https://arcticwolf.com/terms (or such other agreement executed by Arctic Wolf and the end user). The terms of this Order Form are Confidential Information and may not be disclosed except as otherwise provided in the applicable Agreement.All costs and expenses, other than freight costs, related to the shipping of Equipment to Customer to locations outside of the United States, Canada, the United Kingdom, the European Union, Norway, Switzerland, or Australia will be Customers responsibility.Promotional Terms The terms of this Order Form are subject to acceptance of the Order Form provided simultaneously herewith for Aurora Managed Endpoint Defense. If the Order Form for Aurora Managed Endpoint Defense is not accepted, Customer is not eligible for the SecOps + AMED Security Operations Warranty even though included on this Order Form. Terms pertaining to the Security Operations Warranty should be reviewed at time of enrollment to understand eligibility and coverage requirements pertaining to the Security Operations Warranty benefit.Additional TermsSubscription Term. The Subscription Term under this Order Form is for a thirty-seven (37) month period (the Committed Term) as set forth above, beginning on the Subscription Start Date set forth in the table above (the Table). The Subscription set				

QUOTE DETAILS (CONT.)

forth herein reflect the Fees payable during the first thirteen (13) months of the Committed Term and contemplates a one-time discount reflecting Fees for a twelve (12) month annual subscription period. In the event a purchase order reflecting a thirteen (13) month Subscription Term is issued, a subsequent Order Form may be issued upon request and for administrative purposes only, for the remaining two annual periods of the Committed Term. Acceptance of this Order Form is a legal obligation for a thirty-seven (37) month Committed Term.

Invoice Schedule. All payments below are due and payable in accordance with the Payment Terms listed above. Invoice 1 includes 1/13th of the Subtotal One-Time Fees and the entirety of the Subtotal Subscription Fees and shall be invoiced on the Order Form Effective Date.

Invoice 2 includes the remainder of the Subtotal Subscription Fees and shall be invoiced on 01/01/2027.

Invoice 3 includes the Subtotal Subscription Fees set forth in the Table above, plus the Increase, and shall be invoiced on the first anniversary of the Subscription Start Date.

Invoice 4 includes the Subtotal Subscription Fees reflected on Invoice 3, plus the Increase, and shall be invoiced on the second anniversary of the Subscription Term Start Date.

Solution Comments:

The Order Form, the Partner Agreement located at <https://www.arcticwolf.com/terms/> (or equivalent agreement executed by the parties), as may be amended from time to time, and the applicable Addendum (collectively, the "Partner Agreement") govern Partner's obligations as a Partner to Arctic Wolf for all products and Solutions set forth above. Partner's Order Form to Customer (referenced in the "Ship To" above) and the applicable agreement for the product or Solutions listed herein and located at

<https://www.arcticwolf.com/terms/> (or equivalent agreement executed by the parties), as may be amended from time to time (collectively the "Agreement") is entered into between Arctic Wolf and Customer.

Acceptance of an Order Form is acceptance of any updated terms in the Agreement, unless otherwise set forth in your Agreement. The terms of this Order Form are Confidential Information and may not be disclosed except as otherwise agreed.

Credit Cards are strictly not accepted for recurring billing opportunities, a terms account is necessary

While the committed term is 37 months, the term shown on the quote is 13 month(s). As such, we only require 12 month(s) of the PO at time of initial order (This avoids credit hold-ups for multi-year deals, and allows for mid-term upsell without a rip and replace). You will receive a new quote for Year 2 and year 3 60 days prior to

QUOTE DETAILS (CONT.)

anniversary date. A new PO will be required each year.

Any mid-subscription increases in usage and/or the license of additional solutions are not included in the fees set forth herein.

Invoice 1 \$3,518.21: Invoiced when the order is placed, with Net 30 payment terms. This represents 1/13 of the total amount.

Invoice 2 \$42,218.50: Invoiced on 1/1/2027, with Net 30 payment terms and payment due on 2/1/2027.

Invoice 3 \$45,595.98: Invoiced on 1/1/2028 with Net 30 payment terms and payment due 2/1/2028. *Pricing is based on like configuration.

Invoice 4 \$49,243.66: Invoiced on 1/1/2029 and with Net 30 payment terms and payment due 2/1/2029.

*Pricing is based on the like configuration.

Electronic distribution - NO MEDIA
Contract: MARKET

These services are considered Third Party Services, and this purchase is subject to CDW's [Third Party Cloud Services Terms and Conditions](#), unless you have a written agreement with CDW covering your purchase of products and services, in which case this purchase is subject to such other written agreement.

The third-party Service Provider will provide these services directly to you pursuant to the Service Provider's standard terms and conditions or such other terms as agreed upon directly between you and the Service Provider. The Service Provider, not CDW, will be responsible to you for delivery and performance of these services. Except as otherwise set forth in the Service Provider's agreement, these services are non-cancellable, and all fees are non-refundable.

SUBTOTAL	\$45,736.71
SHIPPING	\$0.00
SALES TAX	\$0.00
GRAND TOTAL	\$45,736.71

PURCHASER BILLING INFO

Billing Address:
CITY OF FRANKLIN
ACCTS PAYABLE
9229 W LOOMIS RD
FRANKLIN, WI 53132-9728
Phone: (414) 425-7500
Payment Terms: NET 30-VERBAL

DELIVER TO

Shipping Address:
CITY OF FRANKLIN
LISA HUENING
9229 W LOOMIS RD
FRANKLIN, WI 53132-9728
Phone: (414) 425-7500
Shipping Method: ELECTRONIC DISTRIBUTION

Please remit payments to:

CDW Government
75 Remittance Drive
Suite 1515
Chicago, IL 60675-1515



Thank you for choosing CDW. We have received your quote.

Hardware

Software

Services

IT Solutions

Brands

Research Hub

QUOTE CONFIRMATION

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Convert Quote to Order

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
PZTN440	10/8/2026	PZTN440	0929696	\$11,797.50

QUOTE DETAILS

ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
Mfg. Part#: AW-MES-MNGD-EPDEF-MDR-DEVICE Electronic distribution - NO MEDIA Contract: MARKET	363	8259063	\$32.50	\$11,797.50
Mfg. Part#: AW-MES-MNGD-EPDEF-OB Electronic distribution - NO MEDIA Contract: MARKET	363	8260336	\$0.00	\$0.00
Mfg. Part#: AW-33MO-COMMIT Electronic distribution - NO MEDIA Contract: MARKET	1	9031168	\$0.00	\$0.00
Mfg. Part#: AW-PROMO Expiration Date : 10/17/2026 Billing Cycle : Annual	1	9171803	\$0.00	\$0.00

QUOTE DETAILS (CONT.)

Committed Terms : 33

Quote Term : 9

Number of Payments : 1

End User Terms :

*The Net Total price for each item in the table above will increase by 8.0% on (i) the annual anniversary of the Subscription Start Date or (ii) the end of any prepaid, in full multi-year Committed Term (the "Increase"). Thereafter, pricing for any subsequent renewals is as set forth in the Agreement. Arctic Wolf's delivery of the products, services, and Solutions described herein are governed by the applicable Agreement located at <https://arcticwolf.com/terms> (or such other agreement executed by Arctic Wolf and the end user). The terms of this Order Form are Confidential Information and may not be disclosed except as otherwise provided in the applicable Agreement. Promotional Terms The terms of this Order Form are subject to acceptance of the Order Form for provided simultaneously herewith for the SecOps solutions. Terms pertaining to the Security Operations Warranty should be reviewed at time of enrollment to understand eligibility and coverage requirements pertaining to the Security Operations Warranty benefit. The Subscription Start Date reflected on the Order Form reflects the date on which Customers paid for subscription (Paid Subscription) to the Aurora Managed Endpoint Defense (AMED) solution begins. An invoice will be issued for the Paid Subscription thirty (30) days prior to the Subscription Start Date and must be paid in accordance with the payment terms herein. Notwithstanding, this Order Form reflects a one-time promotional discount for no cost Info onboarding services for the implementation of the AMED solution, provided the AMED solution is deployed within ninety (90) calendar days from the Order Form Effective Date, and (ii) license to use the AMED solution prior to the Subscription Start Date, subject to the terms of the Solution License Agreement (or such other agreed upon terms pertaining thereto). Additional Terms Subscription Term. The Subscription Term under this Order Form is for a thirty-three (33) month period (the Committed Term) as set forth above, beginning on the Subscription Start Date set forth in the table above (the Table). The Subscription set forth herein reflects the Fees payable during the nine (9) months of the Committed Term. Fees for the remaining two (2) years of the Committed Term are subject to the Increase and payable in accordance with the terms set forth herein. In the event a purchase order reflecting a nine-month Subscription Term is issued, a subsequent Order Form may be issued upon request and for administrative purposes only, for the remaining two annual periods of the Committed Term. Acceptance of this Order Form is a legal obligation for a thirty-three (33)

QUOTE DETAILS (CONT.)

month Committed Term.

Invoice Schedule. All payments below are due and payable in accordance with the Payment Terms listed above.

Invoice 1 includes the entirety of the Subtotal Subscription Fees and Subtotal One-Time Fees listed above and shall be invoiced thirty (30) days prior to the Subscription Start Date.

Invoice 2 includes the entirety of the Subtotal Subscription Fees set forth in the Table, annualized for a twelve (12) month period, plus the Increase, and shall be invoiced eight (8) months following the Subscription Term Start Date.

Invoice 3 includes the entirety of the Subtotal Subscription Fees payable on Invoice 2, plus the Increase, and shall be invoiced on the anniversary of Invoice 2.

Solution Notes:

"The Order Form, the Partner Agreement located at <https://www.arcticwolf.com/terms/> (or equivalent agreement executed by the parties), as may be amended from time to time, and the applicable Addendum (collectively, the "Partner Agreement") govern Partner's obligations as a Partner to Arctic Wolf for all products and Solutions set forth above. Partner's Order Form to Customer (referenced in the "Ship To" above) and the applicable agreement for the product or Solutions listed herein and located at

<https://www.arcticwolf.com/terms/> (or equivalent agreement executed by the parties), as may be amended from time to time (collectively the "Agreement") is entered into between Arctic Wolf and Customer.

Acceptance of an Order Form is acceptance of any updated terms in the Agreement, unless otherwise set forth in your Agreement. The terms of this Order Form are Confidential Information and may not be disclosed except as otherwise agreed.

While the committed term is 33 months, the term shown on the quote is 9 month(s). As such, we only require 12 month(s) of the PO at time of initial order (This avoids credit hold-ups for multi-year deals, and allows for mid-term upsell without a rip and replace).

You will receive a new quote for Year 2 and year 3 60 days prior to anniversary date. A new PO will be required each year.

Any mid-subscription increases in usage and/or the license of additional solutions are not included in the fees set forth herein.

Invoice 1 - \$11,797.50: You will receive the managed endpoint service at no charge from signature through 3/31/2027. The first managed endpoint invoice will be issued on 3/1/2027 for nine months of service, totaling \$11,797.50, and will be due on 4/1/2027.

Invoice 2 - \$16,988.36 Invoiced on 1/1/2028 for 12 months of service on net 30 terms and payment due on 2/1/2028, based on the like configuration.

Invoice 3 - \$18,347.43 Invoiced on 1/1/2029 for 12 months of service on net 30 terms and payment due on

QUOTE DETAILS (CONT.)

2/1/2029, based on the like
configuration
Electronic distribution - NO MEDIA
Contract: MARKET

These services are considered Third Party Services, and this purchase is subject to CDW's [Third Party Cloud Services Terms and Conditions](#), unless you have a written agreement with CDW covering your purchase of products and services, in which case this purchase is subject to such other written agreement.

The third-party Service Provider will provide these services directly to you pursuant to the Service Provider's standard terms and conditions or such other terms as agreed upon directly between you and the Service Provider. The Service Provider, not CDW, will be responsible to you for delivery and performance of these services. Except as otherwise set forth in the Service Provider's agreement, these services are non-cancellable, and all fees are non-refundable.

SUBTOTAL	\$11,797.50
SHIPPING	\$0.00
SALES TAX	\$0.00
GRAND TOTAL	\$11,797.50

PURCHASER BILLING INFO

Billing Address:
CITY OF FRANKLIN
ACCTS PAYABLE
9229 W LOOMIS RD
FRANKLIN, WI 53132-9728
Phone: (414) 425-7500
Payment Terms: NET 30-VERBAL

DELIVER TO

Shipping Address:
CITY OF FRANKLIN
LISA HUENING
9229 W LOOMIS RD
FRANKLIN, WI 53132-9728
Phone: (414) 425-7500
Shipping Method: ELECTRONIC DISTRIBUTION

Please remit payments to:

CDW Government
75 Remittance Drive
Suite 1515
Chicago, IL 60675-1515

**Sales Contact Info**

Anna Bunch | 800.808.4239 |

Need Help?

My Account



Support



Call 800.800.4239

[About Us](#) | [Privacy Policy](#) | [Terms and Conditions](#)

This order is subject to CDW's Terms and Conditions of Sales and Service Projects at

For more information, contact a CDW account manager.

Arctic Wolf General Terms – Frequently Asked Questions

Thank you for reviewing the Arctic Wolf General Terms. We appreciate your interest in becoming a customer of Arctic Wolf. We hope the below information will help you better understand how Arctic Wolf's cybersecurity products (the "Product" or "Products") contracting model works.

Please note that this information is not considered part of the contract at any time. This is provided for information purposes only.

Who is Arctic Wolf?

- Arctic Wolf is a cybersecurity company that provides cybersecurity operations Products, including managed detection and response, managed risk, and managed security awareness, incident response (IR), IR retainers, and endpoint solutions to mitigate our customers' exposure to cyber threats.
- We offer standard, highly configurable, Products to our customers which allows us to leverage the power of scale across our customer base to deliver cost effective and operationally efficient Products.
- Arctic Wolf's customers may (i) subscribe to and license, for the purchased Subscription Term, the right to receive and use, in whole or in part, or (ii) purchase services for a fixed, hourly, or other identified billing method, the various Products offered by Arctic Wolf. All customers subscribing to a particular Product are on the same release using the same operational infrastructure and the same security and support operations for such Product.

Who is the Authorized Partner?

Arctic Wolf leverages its channel partner relationships (its "Authorized Partners") to resell our Products to our customers. The Authorized Partner may be selected by you or introduced to you by Arctic Wolf.

The Authorized Partners act as the financial arm in our transactions with you. You contract directly with the Authorized Partner related to purchase and payment of your Products. The Authorized Partners are not involved in the delivery of our Products and, therefore, are not contemplated in the obligations and liabilities within the Product Agreements related to the delivery of our Products to you. You and the Authorized Partner will have separate contractual terms in place to address the financial aspects of the subscription transaction.

What data do you provide to Arctic Wolf?

The data processed by Arctic Wolf to deliver the Products is dependent upon the Product purchased. The data processed across all Products is set forth in the General Terms. Data that is specific to a particular Product is identified within the applicable Product Supplemental Product Terms. Generally speaking, Arctic Wolf monitors systems telemetry data received from our customers via the sensors, scanners and agents our customers install within their environment. The systems telemetry data allows us to identify potential security threats that may impact your environment. Systems telemetry data may include names, email addresses, phone numbers, usernames, passwords IP Address, geolocation data, deviceID, and other system log metadata. Arctic Wolf should not receive other more sensitive information, including the content of your business files, your customer's business information, social security numbers, financial information, protected health information (PHI), etc. We trust that our customers have appropriate system and operational controls in place to prevent disclosure of such information to us.

Why does Arctic Wolf reserve the right to change to modify terms?

Like other subscription-based solutions providers, customer-generic terms that apply across our customer base are set forth as url links within the overarching General Terms. This allows Arctic Wolf to maintain consistency in the Products across its customers. To address any customer concerns related to this model, Arctic Wolf: (i) provides that the url terms are last in line from an order of precedence; (ii) agrees that we will not materially decrease the features and functionalities during any customer then-current Subscription Term; (iii) provides notice of the change; and (iv) allows customers to object to any specific modification for the remaining period of their then-current Subscription Term or services engagement.

Why doesn't Arctic Wolf allow modifications to its Supplemental Product Terms and Product Descriptions?

As previously indicated, Arctic Wolf's Products are not customized offerings. While highly configurable to provide certain flexibility across our customer base, the core Products and the environments within which they are provided are consistent across all customers. The Supplemental Product Terms contain the unique Product specific terms that apply to all customers. The Product Descriptions are the technical details about each specific Product and are not unique to any given customer.

Does Arctic Wolf offer service levels?

Depending on the Product, Arctic Wolf provides for response time service levels. If service levels are offered with respect to a given Product, the service levels are set forth in the Product Description located [here](#).

Does Arctic Wolf offer termination for convenience?

The IR services offering allows for a termination for convenience. However, Products offered as a subscription do not allow for termination for convenience as Arctic Wolf relies on committed subscription terms, in part, to manage our dedicated CST resource model and ensure adequate time to return data upon expiration of the Subscription Term, should you desire.

We have special data security requirements. Can we include our security and privacy requirements in the General Terms?

We are unable to include customer specific data security requirements in our General Terms. We offer consistent Product offerings and environments across our customer base. Arctic Wolf maintains the same IT security controls and processes for all customers. These controls and processes, depending on the Product, may be reflected in our SOC2 Type II Report, ISO 27001 certification, or other security due diligence support.

Where is the Statement of Work for the services described in the General Terms?

Other than IR services where an SOW is contemplated, Arctic Wolf's provides a subscription that, depending on the Product, is comprised of hardware, software and services. The designated components set forth in the applicable Supplemental Product Terms are required to use and receive the specific Product. While services may be an important part of the Product, we do not define the services component of the Product as separate "professional services". Unlike a traditional professional service offering, the services do not include deliverables and are not subject to acceptance.

Can we make changes to the Beta Terms?

Because participation in the beta programs is completely voluntary and there is no cost for participation, we do not agree to modifications to the beta terms.

We are a Covered Entity under HIPAA. Can we use our Business Associate Agreement?

Arctic Wolf should not receive PHI during the delivery of the Products to you, nor does Arctic Wolf process PHI on your behalf. Accordingly, Arctic Wolf asserts it is not a business associate under HIPAA with respect to its delivery of the Products to you. In the event Arctic Wolf provides IR services to you, depending on the information impacted as part of the incident, Arctic Wolf may receive PHI. In the event a business associate agreement (BAA) is requested for the delivery of Products to cover the exchange of any inadvertently disclosed PHI or related to the delivery of Services due to the impacted information, Arctic Wolf provides a template BAA in which each party's liabilities and requirements align to HIPAA requirements and incorporates such terms by url reference in the General Terms.

(For information purposes only, this FAQ does not form part of any contract)

GENERAL TERMS AND CONDITIONS¹

(executed)

These General Terms and Conditions (the "**General Terms**") is a legal agreement entered into by and between Arctic Wolf Networks, Inc. ("**Arctic Wolf**") and the customer identified in the signature block below ("**Customer**") and governs any order forms, quotes, statements of work ("**SOW**"), or other similarly intended ordering document (however named) executed or accepted by Customer (each an "**Order Form**") that reference this Agreement or pertains to purchase of an Arctic Wolf subscription, product, or service (collectively, "**Product**" or "**Products**"). The Order Form may be issued to Customer by Arctic Wolf or an authorized resale partner, as applicable ("**Authorized Partner**"). These General Terms are effective on the date (the "**Effective Date**") Customer executes an Order Form, accepts an Order Form by submitting a matching purchase order to Arctic Wolf or to the Authorized Partner, as applicable, or otherwise accepts delivery or receives the benefit of the Products. This Agreement governs Customer's purchase, receipt, or use of the Products, as identified on an Order Form, and sets forth the terms and conditions under which those Products will be delivered. Products are subject to additional terms and conditions ("**Supplemental Product Terms**" and also referred to as "**Product Agreement**") which are provided at <https://arcticwolf.com/terms/>. Any applicable Supplemental Product Terms, the Data Processing Addendum as set out in Section 7.2 below (as applicable), the Business Associate Addendum as set out in Section 13.9 below (as applicable), any Order Forms pertaining to the Product, together with the Privacy Notice and Acceptable Use URL terms (collectively the Privacy Notice and Acceptable Use Policy, "**URL Terms**") are each incorporated into these General Terms and form an agreement (hereinafter referred to as this "Agreement"). If there are conflicting terms, the order of precedence shall be as follows. (i) the applicable Supplemental Product Terms, (ii) these General Terms, and (iii) the URL Terms. If there is any conflict between these General Terms and the Data Processing Addendum or the Business Associate Addendum, the Data Processing Addendum and Business Associate Addendum shall prevail. For the avoidance of doubt, any other terms referenced by URL herein (but excluding the URL Terms) shall solely govern the products and services described therein. Capitalized terms have the meaning assigned to them in these General Terms, except as otherwise provided herein. Unless otherwise prohibited by the terms of any existing agreement Customer may have with Arctic Wolf for the Product(s), this Agreement shall apply to Customer's use and Arctic Wolf's delivery of the applicable Products to which Customer has subscribed or purchased in accordance with the "Updates" terms set forth in such existing agreement.

In consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Scope.

1.1 Products. Customer will purchase and Arctic Wolf, together with its Affiliates, will provide the specific Products as specified in the applicable Order Form. For purposes of this Agreement, "**Affiliate**" means any company or other entity, which directly or indirectly controls, is controlled by or is under joint control with a party.

A Product will be comprised of the components ("**Components**"), if applicable, as delineated and defined in the applicable Supplemental Product Terms which may be updated from time-to-time by Arctic Wolf in its sole discretion in accordance with Section 12 as needed to accommodate development, implementation, and deployment of new features and functionality and Customer's use and licensing thereof. Any data provided by Customer to Arctic Wolf necessary for the delivery of the Products will be set forth herein and in the Supplemental Product Terms (the "**Data**") and used in accordance with the terms of this Agreement and Arctic Wolf's Privacy Notice located at <https://arcticwolf.com/terms/privacy-notice-for-customers/> (the "**Privacy Notice**"). In the delivery of all Products, the Data will include Points of Contact Information "**Point of Contact Information**" means information collected by Arctic Wolf about Customer's permitted users of the Products, including Administrators (as defined in Section 4.3.1), during various phases of Product delivery and throughout the life of the subscription. Point of Contact Information may include the following personal data: first name, last name, corporate email address, phone number, job title, address, and organization hierarchy. For the avoidance of doubt and to the extent any executed General Terms apply, any technical controls pertaining to the Data described therein are specific to and apply only to Products to which such technical controls were intended to cover.

1.2 License Grant. Provided Customer is compliant with the terms of this Agreement, including payment of all applicable fees, Arctic Wolf grants to Customer a personal, revocable, non-exclusive, non-transferable license to internally install, access and/or use the Products identified on an Order Form. Additional license grants specific to the applicable Products may be set forth in the Supplemental Product Terms.

1.3 Use Rights. To the extent Customer has purchased or subscribed to a specific Product, Customer may access and use the Products, including any Components identified within the Supplemental Product Terms, and any Documentation associated therewith, solely for its own and its Affiliates' internal business purposes and in accordance with the terms and conditions of this Agreement, such associated Documentation, any scope of use restrictions and license counts, including by server, user, endpoint, or such other licensing metric designated in the applicable Order Form, and the Supplemental Product Terms. "**Documentation**" means user manuals, training materials, Product Descriptions (as defined in the Supplemental Product Terms), specifications, and other printed information relating to the applicable Product, as in effect and made generally available from Arctic Wolf at <https://docs.arcticwolf.com/> but expressly excluding marketing and sales collateral and materials.

1.4 Future Functionality. Subject to the warranties set forth in Section 9, Customer agrees that it has not relied on the promise of availability of any future functionality of the Products or any other future product or service in executing this Agreement or any Order Form. Customer acknowledges that information provided by Arctic Wolf regarding future functionality should not be relied upon to make a purchase decision. Should Arctic Wolf offer additional optional functionality in the future that complement the Products, Customer may elect to subscribe to and obtain a license to the optional functionality for an additional fee.

1.5 Modifications by Authorized Partner. Customer understands and agrees that any Authorized Partner may not modify this Agreement, except in the event specifically and expressly stated within this Agreement, or make any commitments related to the delivery or performance of

¹ These General Terms are formerly known as the Solutions Agreement.

the Products on Arctic Wolf's behalf and any proposals, marketing collateral, or other similar Product descriptions provided by the Authorized Partner shall not apply.

1.6 Beta Products.

1.6.1 From time-to-time Arctic Wolf may invite Customer to try, at no charge, Arctic Wolf products, features, or functionality that are not generally available to Arctic Wolf's customers ("**Beta Products**"). Customer may accept or decline any such trial in its sole discretion. Any Beta Products will be clearly designated as beta, pilot, limited release, developer preview, non-production or by a description of similar import.

1.6.2 Restrictions and Disclaimers. Beta Products are provided for evaluation purposes and not for production use, are not supported, may contain bugs or errors, and may be subject to additional terms. To the full extent permitted by applicable U.S. and foreign consumer protection laws, Beta Products are not considered Products hereunder and are provided solely and exclusively "AS IS" with no express or implied warranty of any kind. TO THE FULL EXTENT PERMITTED BY APPLICABLE U.S. AND FOREIGN CONSUMER PROTECTION LAWS, (THE "CONSUMER PROTECTION LAWS"), CUSTOMER ASSUMES AND UNCONDITIONALLY RELEASES ARCTIC WOLF FROM ALL RISKS ASSOCIATED WITH THE USE OF ANY BETA PRODUCTS. Arctic Wolf may discontinue the Beta Products at any time in its sole discretion and Arctic Wolf will make reasonable efforts to provide Customer with advanced notice of any such discontinuance. Arctic Wolf does not promise or represent that Beta Products will be made generally available.

1.6.3 NO DATA RETENTION. ANY DATA ENTERED INTO THE BETA PRODUCTS MAY BE PERMANENTLY LOST UNLESS CUSTOMER: (i) PURCHASES A SUBSCRIPTION TO THE COMMERCIALLY AVAILABLE VERSION OF THE BETA PRODUCTS AS MAY BE MADE AVAILABLE BY ARCTIC WOLF; OR (ii) TO THE EXTENT POSSIBLE, EXPORTS SUCH DATA PRIOR TO TERMINATION OF THE BETA PRODUCTS.

1.6.4 LIMITED LIABILITY. TO THE FULL EXTENT PERMITTED BY LAW, INCLUDING THE CONSUMER PROTECTION LAWS, ARCTIC WOLF'S ENTIRE LIABILITY IN CONNECTION WITH ANY USE OF THE BETA PRODUCTS WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, WILL NOT, AS TO ANY INDIVIDUAL CLAIM OR IN THE AGGREGATE, EXCEED FIFTY DOLLARS (\$50) USD. IF CUSTOMER DOES NOT AGREE TO THE ALLOCATION OF RISK IN THIS SECTION, ITS SOLE RECOURSE IS TO IMMEDIATELY DISCONTINUE THE USE OF THE BETA PRODUCTS.

1.6.5. Despite anything to the contrary in this Agreement, Customer acknowledges that (a) Beta Products may not be supported and may be changed at any time, including in a manner that reduces functionality, (b) Beta Products may not be available or reliable, and (c) Beta Products may not be subject to the same security or audits as the Products.

1.7 **Security Operations Warranty.** If Customer's Order Form includes the Arctic Wolf Security Warranty (the "**Service Warranty**"), upon finalization of the Order Form and for initial enrollment in the Service Warranty, Customer will receive a link with an embedded token from Arctic Wolf's third-party warranty provider. CUSTOMER MUST ENROLL IN THE SERVICE WARRANTY, RECEIVE AN ENROLLMENT CONFIRMATION EMAIL, AND AGREE TO THE SUBSCRIBER TERMS LOCATED AT <https://arcticwolf.com/terms/subscriber-terms/> (the "**Subscriber Terms**") TO RECEIVE THE SERVICE WARRANTY BENEFIT. Execution or acceptance of the Order Form or this Agreement DOES NOT constitute enrollment in the Service Warranty.

2. **Equipment** If the Order Form specifies that Customer will receive Equipment, then Customer is responsible for installing the Equipment at the location(s) identified by the parties and for the implementation of appropriate data protection practices related to the protection of any information included on such Equipment while the Equipment is located within Customer's environment. The Equipment may be included as part of the subscription to certain Products, as defined within the Supplemental Product Terms, for use by Customer during the applicable Term or Subscription Term. If Customer attempts to install or use the Equipment at a location other than the locations determined by Customer and communicated to Arctic Wolf during onboarding or at any time thereafter, the Products may fail to function or may function improperly. In the event Customer installs, uses, or relocates the Equipment, Customer understands it must promptly notify Arctic Wolf so that Equipment deployment information can be updated within Customer's account. Other than normal wear and tear, Customer is directly responsible for the replacement cost of the Equipment associated with any loss, repair, or replacement, including any other ancillary costs, damages, fees, and charges to repair the Equipment. If applicable, Arctic Wolf will ship Equipment to Customer and will pay the freight costs associated with shipping the Equipment to Customer's designated locations. Customer is responsible for all additional costs and expenses associated with shipping the Equipment to its designated locations and, unless otherwise agreed, for the return of the Equipment to Arctic Wolf. Such additional costs and expenses may be reflected on an Order Form, from time-to-time following shipment of the Equipment and will be invoiced by Arctic Wolf or the Authorized Partner. Customer understands and agrees if the Equipment is shipped outside of the United States or Canada (or such other locations identified by Arctic Wolf), Customer is responsible for acting as the importer of record.

3. Ownership.

3.1 **Arctic Wolf Technology.** Arctic Wolf owns or has the right to license Arctic Wolf Technology. "**Arctic Wolf Technology**" means the Products and Documentation and any such other Arctic Wolf Technology set forth in the Supplemental Product Terms. Customer acknowledges and agrees that: (a) the Arctic Wolf Technology is protected by United States and international copyright, trademark, patent, trade secret and other intellectual property or proprietary rights laws; (b) Arctic Wolf retains all right, title and interest (including, without limitation, all patent, copyright, trade secret and other intellectual property rights) in and to the Arctic Wolf Technology (excluding any rights, title, and interest in any Third Party Products (as defined in Section 9.5 below) which shall be retained by its third party licensor(s)), Threat Intelligence Data (as defined in Section 3.2), and any other deliverables, know-how, databases, developed programs, and registered or unregistered intangible property rights related to the foregoing; (c) there are no implied licenses and any rights not expressly granted to Customer hereunder are reserved by Arctic Wolf; (d) the Products, excluding any Professional Services, are licensed on a subscription basis, not sold, and Customer acquires no ownership or other interest (other than the license rights expressly stated herein); and (e) Customer has no right to obtain source code related to the Software Components included in any Products offered as an on-line, hosted solution.

3.2 **Threat Intelligence Data** "**Threat Intelligence Data**" is created by Arctic Wolf and is derived from the Data and means any malware, spyware, virus, worm, trojan, or other potentially malicious or harmful code or files, URLs, DNS data, public IP addresses, network telemetry,

commands, processes or techniques, tradecraft used by threat actors, metadata, or other information or data, in each case that is potentially related to unauthorized third parties associated therewith and that: (i) Customer provides to Arctic Wolf in connection with these General Terms, or (ii) is collected or discovered during the course of Arctic Wolf providing Products, excluding any such information or data that identifies Customer or to the extent that it includes Personal Data (as defined below) of the data subjects of Customer (but including personal information of threat actors or as otherwise provided in the Privacy Notice).

3.3 Data. As between the parties, Customer shall retain all right, title, and interest (including any and all intellectual property rights) in and to the Data (excluding any Arctic Wolf Technology used with the Data). Customer hereby grants Arctic Wolf, during the term of the Agreement, a non-exclusive, worldwide, royalty-free right to collect, use, copy, store, transmit, modify, and create derivative works of the Data to the extent necessary to provide the Products to Customer in accordance with these General Terms

4. Restrictions, Responsibilities, and Prohibited Use.

4.1 Restrictions Customer agrees not to, directly or indirectly: (i) modify, translate, copy (except to the extent reasonably necessary for back up purposes), or create derivative works of the Arctic Wolf Technology except as otherwise expressly permitted under applicable U.S. and foreign copyright laws ("**Copyright Laws**") which may not be excluded by agreement between the parties; (ii) reverse engineer, decompile, disassemble, or otherwise seek to obtain the intellectual property contained within the Products, except as otherwise expressly permitted under the Copyright Laws which may not be excluded by agreement between the parties; (iii) interfere with or disrupt the integrity or performance of the Products or the data and information contained therein or block or disrupt any use or enjoyment of the Products by any third party; (iv) attempt to gain unauthorized access to the Arctic Wolf Technology or related systems or networks; (v) remove or obscure any proprietary or other notice contained in the Arctic Wolf Technology, including on any reports or data printed from the Arctic Wolf Technology; (vi) use the Product in connection with a service bureau offering or as a service provider whereby Customer operates or uses the Products deployed within its end user environments for the benefit of any unrelated third party (excluding use with Customer's Affiliates, but including any end user or customer of Customer); (vii) use the Products to monitor or scan any environments for which Customer has not received consent; (viii) include material or information in the Arctic Wolf Technology that is obscene, defamatory, libelous, slanderous, that violates any person's right of publicity, privacy or personality, or otherwise results in any tort, injury, damage or harm to any person; (ix) challenge the title or any other rights of Arctic Wolf in or to the Arctic Wolf Technology or any parts, derivatives or variations thereof; (x) contest the validity of the copyrights or other proprietary interests in or to the Arctic Wolf Technology; (xi) claim any right, title or interest in or to the Arctic Wolf Technology or any parts, derivatives or variations thereof except as explicitly granted in this Agreement; (xii) provide Data or make its software, hardware, equipment, or systems available to Arctic Wolf in violation of any applicable law or contract; (xiii) act in contravention of the terms of the Acceptable Use Policy at <https://arcticwolf.com/terms/acceptable-user-policy/>; and (xiv) take any action that imposes an unreasonable or disproportionately large load on the infrastructure of the Product. Customer shall not disclose the results of any benchmark testing, technical results or other performance data relating to a Product without Arctic Wolf's prior written consent. Arctic Wolf adheres to U.S., EU, UK, and Canadian sanctions. Cloud updates and downloads are not guaranteed to be available in certain sanctioned regions. On-device protections remain active to accommodate customers who have determined that the presence of devices in such regions remains compliant with laws (e.g., under a general license or approval). In comprehensively embargoed locations, containment is enforced by customer-configured on-device policies rather than remote services

4.2 Arctic Wolf Responsibilities Arctic Wolf shall provide the Products Customer subscribes to or purchases as identified on an Order Form in accordance with the terms of this Agreement and as further described in the Supplemental Product Terms. Any Software provided as part of the Products shall include any updates, upgrades, bug fixes, version upgrades or any similar changes that are made generally available to Arctic Wolf's customers free of charge from time to time during any then-current Term or Subscription Term, as applicable

4.3. Customer Responsibilities.

4.3.1 Administrators. Customer is responsible for identifying the administrative users for its account which may include Customer's and its Affiliates' authorized (email authorization sufficient) third party service providers and agents ("**Administrators**"). Each Administrator will receive an administrator ID and password and will need to register with Arctic Wolf. Customer is responsible for registering and updating its Administrators, or notifying Arctic Wolf, as applicable, about changes to Administrators, including but not limited to termination, change of authority, and the addition of Administrators. Customer acknowledges and agrees that (i) Administrators will be able to view all Data and other traffic and activities that occur on Customer's network and that Customer is responsible for all activities that occur under Administrator accounts, and (ii) Administrators may communicate with Arctic Wolf using chat features within the Product dashboards and such communications may be monitored and recorded by Arctic Wolf and the third party tool provider for purposes of customer service, quality assurance, and any other business purposes and Customer consents to such activity. Administrator IDs are granted to individual, named persons and cannot be shared or used by more than one Administrator but may be reassigned from time-to-time to new Administrators.

4.3.2 Third Party Access. Customer and any third parties under its control shall keep its account and passwords confidential. Customer shall not permit any third party to access or use the applicable Product(s) except as otherwise set forth in this Agreement or unless Arctic Wolf has provided prior express written consent

4.3.3 Impacts and Requirements Transmission of Customer's Data to Arctic Wolf using the Products may be impacted by in-country technical issues and requirements. Arctic Wolf will provide reasonable assistance to Customer in such instances but is not liable if Customer's Data cannot be transmitted outside of such country. Customer is responsible for implementing appropriate internal procedures and oversight to the extent it utilizes the configuration of workflows and processes, including but not limited to Response Actions, and similar functionalities included with the Products. Hosting providers used by Arctic Wolf to deliver the Products may experience service interruptions and service outages outside the control of Arctic Wolf. If such a hosting provider issues an outage notice that could materially impact delivery of the Products, Arctic Wolf will use commercially reasonable efforts to promptly notify Customer about the outage and communicate the planned recovery time provided by the hosting provider. As part of the Products, Arctic Wolf may make recommendations to Customer relating to Customer's environment, the deployment of software and services, and enablement of Product features. Customer is responsible for making decisions, in its sole discretion, pertaining to the implementation of any Arctic Wolf recommendations and Arctic Wolf has no liability for such decisions. Customer acknowledges that any changes Customer makes to its code, infrastructure, or configuration of certain Products after initial deployment may cause the Product to cease working or function improperly or could prevent Arctic Wolf from delivering the Products and Arctic Wolf will have no responsibility for

the impact of any such Customer changes. Customer understands that depending on the Product deployed, a Product may consume additional CPU and memory in Customer's environment while running in production

4.4 Anti-corruption. In no event shall Arctic Wolf be obligated to take any action (including the shipping of any product or the provision of any service) or omit to take any action that Arctic Wolf believes in good faith would cause it to be in violation of any laws or regulations of the United States, United Kingdom, European Union, or other applicable jurisdictions regarding bribery or corruption, including, without limitation, the U.S. Foreign Corrupt Practices Act (the "**FCPA**"), as amended, or UK Bribery Act 2010. Neither party will (i) attempt to, directly or indirectly, improperly influence the sale or purchase of products by payments or other actions contrary to law or regulation, or (ii) take any action or permit or authorize any action that would violate or cause a party to violate the FCPA, the UK Bribery Act, or other applicable anti-corruption laws or regulations. Neither party will, for the purpose of influencing any act or decision to obtain or retain business or direct business to any person, pay, offer or promise to pay, or authorize the payment of, directly or indirectly, any money or anything of value to or for the use or benefit of any of the following: (a) any government official (including any person holding an executive, legislative, judicial or administrative office, whether elected or appointed, any representative of any public international organization, any officer, director, or employee of a state-owned or controlled entity, or any person acting in any official capacity for or on behalf of any government, state-owned entity or public international organization); (b) any political party, official thereof, or candidate for political office; or (c) any other person if a party or any respective partner, officer, director, employee, agent, representative or shareholder of such party knows or has reason to suspect or know that any part of such money or thing of value will be offered, given, or promised, directly or indirectly, to any of the above-identified persons or organizations. Each party acknowledges and agrees that none of its officers, directors, employees, agents or representatives is a government official or employee or an official or employee of any department or instrumentality of any government, nor is any of them an officer of a political party or candidate for political office, who will share directly or indirectly any part of the sums that may be paid pursuant to performance of these General Terms; and each party agrees to immediately notify the other party should the foregoing change during the term of these General Terms. Each party represents and warrants that neither these General Terms nor the performance of or exercise of rights under these General Terms is restricted by, in conflict with, requires registration or approval or tax withholding under, or will require any termination or expiration, compensation, or any compulsory licensing under, any applicable law or regulation of any country or other governmental entity, and each party will not make any claim to the contrary (each party is relying on this representation and warranty, among other provisions of these General Terms, in entering this Agreement and would not enter these General Terms in its absence).

4.5 Trade Controls. Customer understands that the Products may be subject to the export control, economic sanctions, customs, import, and anti-boycott laws, regulations, and orders promulgated or enforced by Canada, the United States, the United Kingdom, member states of the European Union, and any other country or governmental body having jurisdiction over the parties to these General Terms ("**Trade Controls**"). Customer shall ensure that the Products are not directly or indirectly exported, re-exported, provided or transferred (i) without any requisite authorizations, approvals, or licenses as required under applicable Trade Controls, or (ii) to any jurisdiction that is subject to a comprehensive embargo by any of the relevant Trade Controls (such as Cuba, Iran, North Korea, Syria, or restricted regions of Ukraine) ("**Embargoed Countries**"), or to any person or entity listed on, or which is 50% or more owned or otherwise controlled by persons listed on, any applicable restricted or prohibited persons list issued in connection with Trade Controls, including the U.S. Entity List and Specially Designated Nationals and Blocked Persons List (collectively, "**Restricted Persons**"). Customer represents and warrants that it is not located in an Embargoed Country or is not a Restricted Persons, and is not owned or controlled by any such party. Customer shall not use the Products (a) for a military application or nuclear, chemical, or biological weapons proliferation application, or (b) for any other end use or by any end user otherwise prohibited by applicable Trade Controls. Upon request by Arctic Wolf, Customer will complete and provide an end use certificate in the form reasonably requested by Arctic Wolf. Arctic Wolf may suspend and/or cancel the export, delivery, and or servicing of the Products if: (i) Arctic Wolf has not received requested end-user certifications; (ii) Arctic Wolf or Customer has not received any government approvals required to comply with Trade Controls; or (iii) Arctic Wolf reasonably believes that such activity may violate any Trade Controls. If the Products are resold, transferred, or used in violation of any Trade Controls or the provision of these General Terms or are otherwise located in an Embargoed Country, Arctic Wolf shall not be obligated to provide any cloud-based service, professional service, warranty service or technical support. Customer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 without obtaining any necessary approvals. Customer shall comply with Article 12g, where applicable, and ensure that its purpose is not frustrated by any third parties further down the commercial chain, through monitoring or otherwise. Any violation of the foregoing shall constitute a material breach of the Agreement and Arctic Wolf shall be entitled to seek appropriate remedies

4.6 Public Entity Customers. If Customer is a public entity, Customer acknowledges and agrees these General Terms, including the URL Terms, Order Form and Exhibits, if any, are the sole set of terms governing the delivery of the Products to Customer and for the avoidance of doubt, terms related to acceptance related to any services or work product shall not apply unless otherwise set forth in the Supplemental Product Terms. The terms of any request for proposal(s), request for information, invitation to qualify, purchasing agreement or cooperative contract, or similar agreement Customer is using to purchase the Products (as defined below) from an Authorized Partner do not apply to Arctic Wolf. Further, Customer understands, and hereby consents, that Data may be accessed and processed by Arctic Wolf and its non-US Affiliates and their non-US citizen employees and resources and Arctic Wolf's authorized third-party service providers in the United States, Europe, Canada, Australia, or other locations around the world. Notwithstanding anything contrary in any other agreement or purchasing contract, Customer understands and agrees that during a Subscription Term or engagement term, as applicable, Arctic Wolf will maintain security controls and processes as described in the applicable Supplemental Product Terms or in the Data Processing Addendum (as defined below). Customer is responsible for determining if Arctic Wolf's controls and processes comply with Customer's data handling and security policies.

Customer represents that in purchasing the Products, (i) Customer is not relying on Arctic Wolf for performance of a federal prime contract or subcontract and (ii) Customer is not receiving federal funds to purchase the Products. If Customer does intend to rely on the Products to fulfill its obligations under a federal prime contract or subcontract or utilize federal funds to purchase the Products, Customer agrees to provide Arctic Wolf advance written notice of that intention, and Arctic Wolf shall have the option to terminate this Agreement

Arctic Wolf Technology is a "commercial item", "commercial computer software" and "commercial computer software documentation," pursuant to DFARS Section 227.7202 and FAR Sections 12.211-12.212, as applicable. All Arctic Wolf Technology is and was developed solely at private expense and the use of Arctic Wolf Technology by the United States Government is governed solely by these General Terms and are prohibited except to the extent expressly permitted herein.

Customer represents it has the requisite authority to enter into and perform under these General Terms.

5. Fees, Payment, Taxes, and Audit. Pricing for the Products will be specified on an Order Form. Certain Products may be provided (a) on a subscription basis for a set term designated on the Order Form (each, a "**Subscription Term**"), (b) on a time and materials basis, (c) for a one-time fixed fee cost, or (d) such other bases set forth on an Order Form (collectively, the "**Fees**"). All fees are non-cancelable and non-refundable. The Term or Subscription Term will be set forth on an Order Form. EXCEPT AS REQUIRED BY CONSUMER PROTECTION LAWS, REFUNDS OF ANY FEES OR OTHER PAYMENTS ALREADY PAID WILL NOT BE PROVIDED EXCEPT AS SET FORTH IN THIS AGREEMENT. Customer agrees that Arctic Wolf may suspend or terminate Customer's use of the Products upon ten (10) days' written notice to Customer if Customer does not remit payment of Fees to Arctic Wolf or the Authorized Partner, as applicable.

5.1 Order Forms and Invoices Issued by Arctic Wolf. If an Order Form is issued to Customer by Arctic Wolf, the following terms, in addition to any terms in the Supplemental Product Terms, shall apply.

All fees are payable in the currency set forth in the Order Form (or applicable invoice) and shall be due and owing net thirty (30) days from the date of invoice unless otherwise set forth on an Order Form. Late payments shall bear interest at a rate equal to the maximum rate permitted by law. In the event any action is taken to pursue collection of any fees payable hereunder, Customer will reimburse Arctic Wolf for Arctic Wolf's costs associated with such collection, including reasonable legal fees where applicable, in line with the statutory lump sum indemnity for recovery charges. The amounts payable to Arctic Wolf are exclusive of any sales tax, use tax, excise tax, VAT, GST, HST, or similar taxes ("**Indirect Taxes**"). Customer is solely responsible for payment of all Indirect Taxes. If Customer is required to pay any Indirect Taxes, Customer shall pay such Indirect Taxes with no reduction or offset in the amounts payable to Arctic Wolf hereunder and Customer will pay and bear such additional amount as shall be necessary such that Arctic Wolf receives the full amount of the payment required as if no such reduction or offset were required. If Arctic Wolf has the legal obligation to pay or collect Indirect Taxes for which Customer is responsible, Customer authorizes Arctic Wolf to charge Customer for such amount. If Customer believes that Arctic Wolf has billed Customer incorrectly, Customer must contact Arctic Wolf no later than thirty (30) days after the closing date on the first billing statement in which the error or problem appeared to receive an adjustment or credit. Inquiries should be directed to Arctic Wolf's customer support department. Customer shall pay all amounts in the currency reflected in the Order Form and by the method listed on the invoice. Any suspension because of Customer's failure to pay fees when due will not relieve Customer of its payment obligations.

5.2 Order Forms Issued by Authorized Partner. If an Order Form and/or invoice is issued to Customer by an Authorized Partner, Section 5.1 does not apply, and the following terms apply. Customer is purchasing the Products through the Authorized Partner. The Order Form containing terms related to fees, payment, taxes, audit, and any other related terms shall be between Customer and the Authorized Partner. The amounts paid by Authorized Partner to Arctic Wolf for Customer's use of the Products under this Agreement will be deemed the amount actually paid or payable under this Agreement for purposes of calculating Arctic Wolf's liability under Section 10. Customer's renewal pricing will be communicated to Customer by the Authorized Partner in accordance with the terms Customer has with the Authorized Partner or by Arctic Wolf prior to any renewal Term or Subscription Term, as applicable.

5.3 Online Purchased Subscriptions. If Customer's subscription is purchased online, subscription fees shall be remitted via an online third-party payment processor at the time of processing of the subscription within the Product or on the Arctic Wolf website. In such event, subscription fees will be collected by Arctic Wolf's third-party payment processor and will be subject to such third-party payment processor's terms and conditions, including any terms related to data privacy.

5.4 Audit. During the term of this Agreement and for one year thereafter, Customer shall provide Arctic Wolf, or its designated representative, promptly upon request with appropriate records requested by Arctic Wolf to verify Customer's compliance with the Agreement and any Supplemental Product Terms, including specifically, as applicable for the Product, its license counts as set forth on an Order Form. Arctic Wolf, at its option, may require that an executive officer of Customer certify in writing to Customer's compliance with this Agreement and disclose the scope of use of the Products by Customer. If, because of such audit, Arctic Wolf determines that Customer has exceeded the number of licenses for a subscription based product as subscribed to by Customer on an Order Form, Arctic Wolf will notify Customer of the number of additional licenses, along with the associated Fees prorated through the end of the then-current Term or Subscription Term, and Customer will remit payment for such Fees in accordance with this Section 5.

6. Confidentiality. Either party (as a "**Discloser**") may disclose confidential and proprietary information, orally or in writing ("**Confidential Information**") to the other party (as a "**Recipient**"). Confidential Information (a) shall be marked with a restrictive legend of the Discloser or, (b) if orally or visually disclosed to Recipient by Discloser, or disclosed in writing without an appropriate letter, proprietary stamp, or legend, shall be confidential if it would be apparent to a reasonable person that such information is confidential or proprietary. This Section 6 will supersede any non-disclosure agreement by and between the parties (whether entered before, on, or after the Effective Date) and such agreement will have no further force or effect with respect to Confidential Information defined herein. Confidential Information of Arctic Wolf includes the following: any pricing, trade secrets, know-how, inventions (whether or not patentable), techniques, ideas, or processes related to the Arctic Wolf Technology; the design and architecture of the Arctic Wolf Technology; the computer code, internal documentation, and design and functional specifications of the Arctic Wolf Technology; Arctic Wolf's security and privacy due diligence material such as SOC2 reports, security and privacy questionnaire responses & memos, and any intellectual property and know-how included in the problem reports, analysis, and performance information related to the Arctic Wolf Technology, and Threat Intelligence Data (as defined above). Confidential Information of Customer includes the Data. Data includes Point of Contact Information (as defined herein) and any other Data identified in the applicable Supplemental Product Terms.

Each party agrees to hold the other party's Confidential Information in strict confidence, not to disclose such Confidential Information to third parties not authorized by the Discloser to receive such Confidential Information, and not to use such Confidential Information for any purpose

except as expressly permitted hereunder, in the applicable Supplemental Product Terms, and as described in the Privacy Notice. Each party agrees to take commercially reasonable steps to protect the other party's Confidential Information and to ensure that such Confidential Information is not disclosed, distributed, or used in violation of the provisions of this Agreement. The Recipient may disclose Confidential Information only: (a) with the Discloser's prior written consent; or (b) to those employees, officers, directors, agents, consultants, third party service providers, and advisors with a clear and well-defined "need to know" purpose who are informed of and bound by confidentiality obligations no less restrictive than those set forth in this Section 6. Notwithstanding the foregoing, the Recipient may disclose Confidential Information to the extent required by law; however, the Recipient will give, to the extent legally permissible and reasonably practical, the Discloser prompt notice to allow the Discloser a reasonable opportunity to obtain a protective order and such Confidential Information disclosed to the extent required by law shall otherwise remain confidential and subject to the protections and obligations of this Agreement. For the avoidance of doubt, Arctic Wolf may share Customer's name with Customer's services providers to assist Customer in the resolution of technical issues pertaining to the Products. To the extent legally required, Arctic Wolf may report any violations of law pertaining to Customer's use of the Products. The Discloser agrees that the foregoing confidentiality obligations shall not apply with respect to any information that the Recipient can document is: (i) rightfully in its possession or known to it prior to receipt from the Discloser without an obligation of confidentiality; (ii) or has become public knowledge through no fault of the Recipient; (iii) rightfully obtained by the Recipient from a third party without breach of any confidentiality obligation; or (iv) independently developed by employees of the Recipient who had no access to Discloser's Confidential Information. Each party acknowledges that due to the unique nature of the other party's Confidential Information, the disclosing party will not have an adequate remedy in money or damages in the event of any unauthorized use or disclosure of its Confidential Information. In addition to any other remedies that are available in law, in equity or otherwise, the disclosing party is entitled to seek injunctive relief to prevent unauthorized use or disclosure. Arctic Wolf, subject to the Privacy Notice, may retain Contract Account Information which is contract administration data which may include Customer name, contact first name and last name, corporate email address, phone number, job title, address, and organization hierarchy following termination of this Agreement for its internal business purposes.

7. Personal Information; Data Privacy

7.1 Personal Information Confidential Information provided by Customer may include information that identifies, relates to, describes, is reasonably capable of being associated with or linked to a particular individual, whether directly or indirectly ("**Personal Information**"). Customer is responsible for the lawfulness of any such Personal Information and the receipt, use, and processing of it under the Agreement. Customer represents and warrants that, where it provides Personal Information to Arctic Wolf or requests Arctic Wolf collect or process such information, it (1) has complied with any applicable laws relating to the collection or provision of such information, (2) possesses any consents, authorizations, rights and authority, and has given all required notices to individual data subjects as are required to transfer or permit Arctic Wolf to collect, receive, or access the Data, including any Personal Information therein, for the Products, and (3) to the extent required by applicable law, informed the individuals of the possibility of Arctic Wolf processing their Personal Information on Customer's behalf and in accordance with its instructions

7.2 Data Protection. As required by law or as otherwise agreed by the parties, additional data protection terms are outlined in a separate data processing agreement between the parties (referred to herein as a "**Data Processing Addendum**") and available at <https://arcticwolf.com/terms/dpa/> (or such other Data Processing Addendum executed by the parties) The Data Processing Addendum shall be incorporated into, and form an addendum to, these General Terms. With respect to Data that constitutes Personal Information, Customer shall act as the accountable organization or the data controller, and Arctic Wolf shall act as the service provider or the data processor. Except as may be required by Data Protection Laws, Arctic Wolf will process the Personal Information solely in accordance with Customer's Instructions. The "Instructions" are defined in this Agreement, the Data Processing Addendum, and as may be additionally communicated by Customer to Arctic Wolf in writing from time-to-time. Arctic Wolf will process Personal Information in compliance with the Data Protection Laws. As defined in the Data Processing Addendum, "Data Protection Laws" means one or more of the following data protection laws or regulations as applicable to the Processing of Personal Information by Arctic Wolf under this Agreement: (i) Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 ("**GDPR**"); (ii) the United Kingdom ("**UK**") Data Protection Act 2018 and the UK General Data Protection Regulation ("**UK GDPR**"); (iii) Swiss Federal Data Protection Act on Data Protection of 25 September 2020 (Status as of 1. September 2023) ("**FDPA**"); (iv) the data protection regulations of the United States, including but not limited to, California Consumer Privacy Act of 2018 as amended by the California Privacy Rights Act of 2020 ("**CCPA**"); (v) the South Africa Protection of Personal Information Act ("**POPIA**"), (vi) the Australia Privacy Act No. 119 1988 (as amended), (vii) Canadian Personal Information Protection and Electronic Documents Act ("**PIPEDA**"), (viii) Singapore's Personal Data Protection Act 2012 (the "**PDPA**"); and (ix) any relevant law, statute, regulation, legislative enactment, order or other binding instrument, that implements, supplements, or amends the foregoing. Where permitted by a lawful basis, Arctic Wolf may process Personal Information in the United States or other countries or jurisdictions outside of the country where it was collected, as described in the Supplemental Product Terms and the Data Processing Addendum. Customer will comply with its obligations under all laws applicable to it as an employer, the accountable organization, and/or data controller, including the responsibility for providing any requisite notices and obtaining any consents for such collection, processing, and transfer of Personal Information, including international transfers.

8. Indemnity.

8.1 Arctic Wolf's Indemnity. Subject to Section 8.3, Arctic Wolf will defend and indemnify Customer from any unaffiliated third-party claim or action to the extent based on (i) the allegation that the Products infringe any intellectual property right (patents, utility models, design rights, copyrights and trademarks or any other intellectual property right) having effect in the United States, Canada, Australia, United Kingdom, Switzerland, South Africa, New Zealand, Japan, and the European Union or (ii) gross negligence or wilful misconduct. Arctic Wolf will pay any settlements that Arctic Wolf agrees to in a writing signed by an authorized officer of Arctic Wolf or final judgments awarded to the third-party claimant by a court of competent jurisdiction. The foregoing obligations do not apply with respect to the Products, or portions or components thereof, that are: (a) not provided by Arctic Wolf, (b) combined with other products, processes or materials that are not reasonably contemplated by the Documentation where the alleged infringement relates to such combination, (c) modified other than with Arctic Wolf's express consent; (d) used after Arctic Wolf's notice to Customer of such activity's alleged or actual infringement, or (e) not used by Customer in strict accordance with this Agreement or the published Documentation. The indemnification obligations set forth in this Section 8.1 are Arctic Wolf's sole and exclusive

obligations, and Customer's sole and exclusive remedies, with respect to infringement or misappropriation of third-party intellectual property rights of any kind.

8.2 Customer Indemnity. Subject to Section 8.3 and to the extent permitted by law, Customer agrees to defend and indemnify Arctic Wolf from any third-party claim or action brought against Arctic Wolf to the extent based on Customer's alleged breach of Sections 4 or 7.1. Customer agrees to pay any settlements that Customer agrees to in a writing signed by an authorized officer of Customer or final judgments awarded to the third-party claimant by a court of competent jurisdiction

8.3 Procedures. Each party's indemnification obligations are conditioned on the indemnified party: (a) providing the indemnifying party with prompt written notice of any claim, provided that the failure to provide such notice shall only limit the indemnifying party's obligation to indemnify to the extent that the failure prejudices the indemnifying party in its defense of the claim; (b) granting the indemnifying party the sole control of the defense or settlement of the claim; and (c) providing reasonable information and assistance to the indemnifying party in the defense or settlement of the claim at the indemnifying party's expense. Notwithstanding the foregoing, the indemnifying party (i) may not make an admission of fault on behalf of the other party without written consent, (ii) any settlement requiring the party seeking indemnification to admit liability requires prior written consent, not to be unreasonably withheld or delayed, and (iii) the other party may join in the defense with its own counsel at its own expense.

8.4 Options. If Customer's use of the Products has become, or in Arctic Wolf's opinion is likely to become, the subject of any claim of infringement, Arctic Wolf may at its option and expense: (a) procure for Customer the right to continue using and receiving the Products as set forth hereunder, (b) replace or modify the Products to make them non-infringing; (c) substitute an equivalent for the Products; or (d) if Arctic Wolf, in its sole discretion, determines that options (a)-(c) are not reasonably practicable, terminate this Agreement and refund any pre-paid unused Fees as of the effective date of termination.

9. Warranty and Warranty Disclaimer.

9.1 Mutual Warranties. Each party represents and warrants to the other party that (a) it is duly organized, validly existing and in good standing as a corporation or other entity under the laws and regulations of its jurisdiction of incorporation, organization or chartering; (b) it has the full right, power and authority to enter into this Agreement, to grant the rights and licenses granted hereunder and to perform its obligations hereunder; (c) the execution of this Agreement by its representative whose signature is set forth at the end hereof has been duly authorized by all necessary corporate action of the party; and (d) when executed and delivered by such party, this Agreement will constitute the legal, valid and binding obligation of such party, enforceable against such party.

9.2 Product Warranty. ARCTIC WOLF WARRANTS THAT DURING THE TERM AND PROVIDED THAT CUSTOMER IS NOT IN BREACH OF THIS AGREEMENT OR AS OTHERWISE PROHIBITED BY CONSUMER PROTECTION LAWS INCLUDING ANY CUSTOMER RIGHTS UNDER SUCH CONSUMER PROTECTION LAWS THAT: (I) THE PRODUCTS PROVIDED UNDER THIS AGREEMENT DO NOT INFRINGE OR MISAPPROPRIATE ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY; (II) THE PRODUCTS SHALL SUBSTANTIALLY PERFORM AS DESCRIBED IN THE DOCUMENTATION, AND (III) IT WILL COMPLY WITH ALL FOREIGN, PROVINCIAL, FEDERAL, STATE AND LOCAL STATUTES, LAWS, ORDERS, RULES, REGULATIONS AND REQUIREMENTS, INCLUDING THOSE OF ANY GOVERNMENTAL (INCLUDING ANY REGULATORY OR QUASI-REGULATORY) AGENCY APPLICABLE TO ARCTIC WOLF AS IT PERTAINS TO ITS OBLIGATIONS AND THE DATA REQUIRED FOR THE DELIVERY AND PERFORMANCE OF THE PRODUCTS DESCRIBED HEREIN. IN THE EVENT OF ANY BREACH OF THIS SECTION 9.2, ARCTIC WOLF SHALL, AS ITS SOLE LIABILITY AND CUSTOMER'S SOLE REMEDY (OTHER THAN ARCTIC WOLF'S INDEMNIFICATION OBLIGATIONS IN SECTION 8.1 ABOVE, OR OTHERWISE PROHIBITED BY CONSUMER PROTECTION LAWS OR PROVIDED IN SECTION 9.4 OF THIS AGREEMENT), REPAIR OR REPLACE THE PRODUCTS THAT ARE SUBJECT TO THE WARRANTY CLAIM AT NO COST TO CUSTOMER OR IF ARCTIC WOLF IS UNABLE TO REPAIR OR REPLACE, THEN ARCTIC WOLF WILL REFUND ANY PRE-PAID FEES FOR THE PRODUCTS, OR PARTS THEREOF, SUBJECT TO THE WARRANTY CLAIM. EXCEPT FOR THE WARRANTIES DESCRIBED IN THIS SECTION, THE PRODUCTS ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OR CONDITIONS OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES OF TITLE. CUSTOMER ACKNOWLEDGES THAT THE PRODUCTS ARE PROVIDED "AS IS" AND FURTHER ACKNOWLEDGES THAT ARCTIC WOLF DOES NOT WARRANT. (A) THE OPERATION OF THE PRODUCTS WILL BE UNINTERRUPTED, OR ERROR FREE, (B) THE PRODUCTS ARE NOT VULNERABLE TO FRAUD OR UNAUTHORIZED USE, AND (C) ALL THREATS, VULNERABILITIES, ATTACKS OR MALWARE WILL BE DISCOVERED, REPORTED OR REMEDIED. CUSTOMER IS RESPONSIBLE AND ARCTIC WOLF SHALL HAVE NO RESPONSIBILITY FOR DETERMINING THAT THE USE OF THE PRODUCTS COMPLIES WITH APPLICABLE LAWS IN THE JURISDICTION(S) IN WHICH CUSTOMER MAY DEPLOY AND USE THE PRODUCTS. THE CUSTOMER ACKNOWLEDGES AND AGREES THAT THE PRODUCTS ARE NOT DESIGNED OR INTENDED FOR USE IN ANY HAZARDOUS ENVIRONMENT REQUIRING FAIL-SAFE PERFORMANCE OR OPERATION, NOR IS IT INTENDED FOR THE OPERATION OF NAVIGATION, NUCLEAR FACILITIES, WEAPONS SYSTEMS, LIFE-SUPPORT SYSTEMS, OR ANY APPLICATION OR INSTALLATION WHERE FAILURE COULD RESULT IN DEATH, SEVERE PHYSICAL INJURY OR PROPERTY DAMAGE.

9.3 No Guarantee. CUSTOMER ACKNOWLEDGES, UNDERSTANDS, AND AGREES THAT NEW THREATS ARE CONSTANTLY EVOLVING. ARCTIC WOLF DOES NOT GUARANTEE OR WARRANT THAT IT WILL FIND, LOCATE, OR DISCOVER ALL OF CUSTOMER'S SYSTEM THREATS, VULNERABILITIES, MALWARE, AND MALICIOUS SOFTWARE, OR THAT ALL SUCH SYSTEM THREATS, VULNERABILITIES, MALWARE, AND MALICIOUS SOFTWARE CAN OR WILL BE CONTAINED OR UNCONTAINED IN THE DELIVERY OF THE PRODUCTS. CUSTOMER ACKNOWLEDGES THAT CERTAIN FEATURES AND ACTIVITIES PERFORMED BY ARCTIC WOLF AND MORE FULLY DESCRIBED IN THE APPLICABLE PRODUCT DESCRIPTIONS COULD POSSIBLY RESULT IN INTERRUPTIONS OR DEGRADATION TO CUSTOMER'S SYSTEMS AND ENVIRONMENT AND ACCEPTS THOSE RISKS AND CONSEQUENCES. CUSTOMER ASSUMES ALL RISKS ASSOCIATED WITH ANY THIRD-PARTY SYSTEMS (NOT INCLUDING THIRD PARTY PRODUCTS AS DEFINED IN SECTION 9.5 BELOW) OR SERVICES, INCLUDING ANY CLOUD IaaS AND SaaS SYSTEMS, TOOLS, AND/OR ENVIRONMENTS AND ANY DIAGNOSTIC TOOLS, API'S, AND OTHER SUCH INTEGRATIONS, THAT CUSTOMER USES OR DEPLOYS IN CONNECTION WITH THE DELIVERY OF THE PRODUCTS.

9.4 Open Source Warranty. Customer acknowledges that certain components of the Products ("Open Source Components") may be covered by so-called "open source" software licenses, which means any software licenses approved as open source licenses by the Open Source Initiative (or any substantially similar licenses). Arctic Wolf hereby represents and warrants that all Open Source Components in the Products will be provided to Customer by Arctic Wolf hereunder in a manner compliant with their applicable open source licenses. To the extent required by the licenses covering third party Open Source Components, the terms of such licenses will apply to such Open Source Components in lieu of the terms of this Agreement. To the extent the terms of the licenses applicable to third party Open Source Components prohibit any of the restrictions in this Agreement with respect to such Open Source Component, such restrictions will not apply to such Open Source Component. To the extent the terms of the licenses applicable to third party Open Source Components require Arctic Wolf to make an offer to provide source code or related information in connection with the Open Source Components, such offer is hereby made. Any request for source code or related information should be directed only to legal@arcticwolf.com

9.5 Third-Party Product. Third-Party Product (as defined in this Section 9.5) may carry a limited warranty from the third-party publisher, provider, or original manufacturer of such Third-Party Products. To the extent required or allowed, Arctic Wolf will pass through to Customer or directly manage for the benefit of Customer's use of the Third-Party Products as part of the Products (such decision to be made in Arctic Wolf's discretion), the manufacturer warranties related to such Third-Party Products. "**Third-Party Product**" means any non-Arctic Wolf branded products and services (including Equipment, and any operating system software included therewith) and non-Arctic Wolf-licensed software products, including Open Source Components

9.6 Customer Warranties. Customer represents and warrants that it shall. (i) be responsible for ensuring the security and confidentiality of all its Administrator IDs, usernames, and passwords; (ii) use commercially reasonable efforts to prevent unauthorized access to, or use of, the Products; (iii) notify Arctic Wolf promptly upon discovery of any unauthorized use of the Products or any breach, or attempted breach, of security of the Products; (iv) not violate any foreign, provincial, federal, state and local statutes, laws, orders, rules, regulations and requirements applicable to Customer's performance of its obligations herein, including those of any governmental (including any regulatory or quasi-regulatory) agency, Trade Control laws, and regulations and the U.S. Foreign Corrupt Practices Act (the "**FCPA**"); (v) not use the Products and transfer any Data to Arctic Wolf for any fraudulent purposes, and (vi) implement safeguards within Customer's environment to protect the Products, including specifically, any Equipment, from the introduction, whether intentional or unintentional, of. (1) any virus or other code, program, or sub-program that damages or interferes with the operation of the Equipment or halts, disables, or interferes with the operation of the Products; or (2) any device, method, or token whose knowing or intended purpose is to permit any person to circumvent the normal security of the Products. Customer authorizes Arctic Wolf to perform the Service Components of the Products as identified in the Supplemental Product Terms (and all such tasks and tests reasonably contemplated by or reasonably necessary to perform such Services) on network resources with the internet protocol addresses or other designated identifiers identified by Customer. Customer represents that, if Customer does not own such network resources, it will have obtained consent and authorization from the applicable third party(ies) to permit Arctic Wolf to provide such Services on such third party's network resources

10. Limitation of Liability.

10.1 Limitations of Liability. TO THE FULL EXTENT PERMITTED BY LAW AND SUBJECT TO SECTION 10.2 BELOW, FOR ANY CAUSE RELATED TO OR ARISING OUT OF THIS AGREEMENT, WHETHER IN AN ACTION BASED ON A CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ANY OTHER LEGAL THEORY, HOWEVER ARISING, ARCTIC WOLF WILL IN NO EVENT BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR. (A) DAMAGES BASED ON USE OR ACCESS, INTERRUPTION, DELAY OR INABILITY TO USE THE PRODUCTS, LOST REVENUES OR PROFITS, LOSS OF PRODUCTS, BUSINESS OR GOODWILL, LOSS OR CORRUPTION OF DATA, LOSS RESULTING FROM SYSTEM FAILURE, MALFUNCTION OR SHUTDOWN, FAILURE TO ACCURATELY TRANSFER, READ OR TRANSMIT INFORMATION, FAILURE TO UPDATE OR PROVIDE CORRECT INFORMATION, SYSTEM INCOMPATIBILITY OR PROVISION OF INCORRECT COMPATIBILITY INFORMATION, BREACHES BY AN AUTHORIZED PARTNER, OR BREACHES IN CUSTOMER'S SYSTEM SECURITY; OR (B) ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, OR (C) ANY AMOUNTS THAT EXCEED THE TOTAL FEES PAID OR PAYABLE BY CUSTOMER FOR THE PRODUCTS THAT ARE THE SUBJECT OF THE CLAIM PERTAINING TO THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRIOR TO (OR IF FEES HAVE NOT YET BEEN PAID, THE FEES EXPECTED TO BE PAID IN THE TWELVE MONTH PERIOD FOLLOWING) THE EVENT WHICH GIVES RISE TO SUCH DAMAGES. THESE LIMITATIONS SHALL APPLY WHETHER OR NOT ARCTIC WOLF HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. BOTH PARTIES UNDERSTAND AND AGREE THAT THE LIMITATIONS OF LIABILITIES SET FORTH IN THIS AGREEMENT ARE REASONABLE AND THEY WOULD NOT HAVE ENTERED INTO THE AGREEMENT WITHOUT SUCH LIMITATIONS. THE FOREGOING LIMITATIONS OF LIABILITY IN THIS SECTION 10.1, WITH RESPECT TO ARCTIC WOLF AUSTRALIAN CUSTOMERS, ARE SUBJECT TO THE *COMPETITION AND CONSUMER ACT 2010 (CTH) SCH 2* AND SECTION 10.2 OF THIS AGREEMENT.

10.2 Australia Competition and Consumer Act. FOR AUSTRALIAN CUSTOMERS DEEMED "CONSUMERS" AS DEFINED BY THE *COMPETITION AND CONSUMER ACT 2010 (CTH) SCH 2*, SECTION 10.1 IS REPLACED IN ITS ENTIRETY WITH THE FOLLOWING:

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW ARCTIC WOLF SHALL NOT BE LIABLE TO CUSTOMER (UNDER ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, STATUTE, TORT OR OTHERWISE) FOR (A) ANY LOST PROFITS, REVENUE, OR SAVINGS, LOST BUSINESS OPPORTUNITIES, LOST DATA, OR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, EVEN IF ARCTIC WOLF HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES OR SUCH DAMAGES OR LOSSES WERE REASONABLY FORESEEABLE; OR (B) AN AMOUNT THAT EXCEEDS THE TOTAL FEES PAID OR PAYABLE BY CUSTOMER FOR THE PRODUCTS THAT ARE THE SUBJECT OF THE CLAIM PERTAINING TO THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRIOR TO THE EVENT WHICH GIVES RISE TO SUCH DAMAGES. THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY REMEDY SPECIFIED IN THESE TERMS. MULTIPLE CLAIMS SHALL NOT EXPAND THE LIMITATIONS SPECIFIED IN THIS SECTION 10.2. THIS SECTION 10.2 DOES NOT SEEK TO LIMIT OR EXCLUDE THE LIABILITY OF ARCTIC WOLF OR ITS AFFILIATES IN THE EVENT OF DEATH OR PERSONAL INJURY CAUSED BY ITS NEGLIGENCE OR FOR FRAUD OR FOR ANY OTHER LIABILITY FOR WHICH IT IS NOT PERMITTED BY LAW TO EXCLUDE. TO THE EXTENT APPLICABLE, THIS PROVISION MUST BE READ SUBJECT TO THE *COMPETITION AND CONSUMER ACT 2010 (CTH) SCH 2*.

11. Term and Termination; Suspension; Survival.

11.1 Term and Renewal. This Agreement shall be in effect for the Subscription Term or Term, as applicable, specified in the Supplemental Product Terms or on an Order Form, and any renewal thereof. Unless otherwise set forth on the Order Form or the applicable Supplemental Product Terms, any Subscription Term will automatically renew in its entirety at the end of the initial Term for the same period of time as the initial Subscription Term, but in no event more than a twelve (12) month term, and subject to the then-current terms and applicable price at the time of renewal; provided however, if either party would like to opt out of automatic renewal or reduce subscription scope, then such party must notify the other party no less than sixty (60) days prior to the expiration of the then-current Subscription Term or Term, as applicable

11.2 Termination. Either party may terminate this Agreement for cause if (A) if the other party (i) becomes insolvent, (ii) files a petition in bankruptcy; or (iii) makes an assignment for the benefit of its creditors, or (B) breaches any of its obligations under this Agreement in any material respect, which breach is not remedied within ten (10) days following written notice to such party, including Customer's non-payment of undisputed fees, and (C) as otherwise set forth in the Supplemental Product Terms. Upon termination, Customer agrees to cease all use of the Arctic Wolf Technology, installed or otherwise, and permanently erase or destroy all copies of any Arctic Wolf Technology, including all Content and virtual Equipment, that are in its possession or under its control and promptly remove and return all physical Equipment to Arctic Wolf. Except as otherwise required by law, Arctic Wolf will remove, delete, or otherwise destroy all copies of Confidential Information in its possession as set forth in the Supplemental Product Terms. Should Customer elect to have its Data returned upon expiration, it is the Customer's responsibility to work with Arctic Wolf to ensure such information is returned prior to destruction.

11.3 Suspension. Arctic Wolf may suspend its delivery of the Products (in whole or part) and Customer's use thereof if Customer fails to pay any undisputed amount within fifteen (15) days (or such longer period as Arctic Wolf may decide from time-to-time) of Arctic Wolf's (or Authorized Partner's) notice to Customer of such failure to pay or to comply with any law, court order, or governmental request. Additionally, if Customer's account is the subject of denial-of-service attacks, hacking attempts, or other malicious activities, or Customer's activities reasonably appear to be in breach of Section 4.1, Arctic Wolf may delete any files, programs, data, and email messages associated with Customer's account and/or will work with Customer to resolve such matters as soon as possible. In such circumstances, to protect Arctic Wolf's own systems, Customer acknowledges that Arctic Wolf may be required to suspend the Products until the issues are resolved. Arctic Wolf will provide advance notice to Customer of such suspension, where reasonably practicable. Arctic Wolf shall restore access to the applicable Product(s) as soon as the event giving rise to suspension has been resolved. Arctic Wolf reserves the right to charge a reconnection fee if any of the events listed above occurs in connection with any Customer act or omission.

11.4 Survival Customer's payment obligations and provisions relating to property rights and confidentiality shall survive expiration or termination of the Agreement. Sections 3, 6 through 8, 10, 11 and 13 shall survive termination of the Agreement.

12. Updates. Arctic Wolf reserves the right to modify this Agreement, including the Supplemental Product Terms, URL Terms, and the Documentation in Arctic Wolf's sole discretion. In no event will any changes materially decrease the Product features and functionalities that Customer has purchased or subscribed to during the then-current Term. Should Arctic Wolf make any modifications to the Agreement, Supplemental Product Terms or URL Terms, Arctic Wolf will post the amended terms on the applicable URL links, update the "Last Updated Date" within such documents, and notify Customer via email or such other direct written communication method implemented by Arctic Wolf from time-to-time. Customer may notify Arctic Wolf within 30 days after the effective date of the change of its rejection of such change. If Customer notifies Arctic Wolf of its rejection during such thirty (30) day period, then Customer will remain governed by such terms in effect immediately prior to the change until the end of Customer's then-current Subscription Term or Term, as applicable. However, any subsequent renewal of the Term will be renewed under the then-current Agreement, Supplemental Product Terms and URL Terms, unless otherwise agreed in writing by the parties.

13. Miscellaneous.

13.1 Notice. Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt), (b) on the next business day after the date sent, if sent for overnight delivery by a generally recognized international courier (e.g., FedEx, UPS, DHL, etc.) (receipt requested); or (c) on the date sent by e-mail (with confirmation of transmission) if sent during normal business hours of the recipient. Such communications must be sent to the respective parties at the addresses set forth on the signature page hereof (or at such other address for a party as shall be specified in a notice given in accordance with this Section 13.1)

13.2 Publicity. Unless Customer directs otherwise by sending an email to Arctic Wolf at legal@arcticwolf.com, which direction may be given at any time, Customer agrees that Arctic Wolf may list Customer's company name and/or logo (in accordance with any trademark guidelines Customer may provide) as an Arctic Wolf customer within its customer lists and for use with Arctic Wolf's partners in a manner that does not suggest Customer's endorsement of any specific Arctic Wolf Products

13.3 Independent Contractors. The parties to this Agreement are independent contractors. Neither party has the authority to bind the other party without the express written authorization of the other party. Nothing herein may be construed to create an employer-employee, franchisor-franchisee, agency, partnership, or joint venture relationship between the parties. Each party shall be liable for the actions and obligations of its and its Affiliates, including any of their respective users, employees, subcontractors, agents, consultants, advisors, or such other similar third parties

13.4 Assignment. This Agreement shall inure to the benefit of and be binding upon the respective permitted successors and assigns of the parties. Customer shall not be entitled to assign or otherwise transfer any of its rights and/or duties arising out of this Agreement and/or parts thereof to third parties, voluntarily or involuntarily, including by change of control, operation of law or any other manner, without Arctic Wolf's express prior written consent. Any purported assignment or other transfer in violation of the foregoing shall be null and void. No such assignment or other transfer shall relieve the assigning party of any of its obligations hereunder

13.5 Governing Law; Dispute Resolution. This Section 13.5 shall apply to the full extent permitted by law or venue. The rights and obligations of the parties under this Agreement shall not be governed by the provisions of the 1980 U.N. Convention on Contracts for the International Sale

of Goods or the United Nations Convention on the Limitation Period in the International Sale of Goods, as amended. The governing law and exclusive venue applicable to any lawsuit or other dispute arising in connection with the Agreement will be determined by the location of Customer's principal place of business ("Domicile"), as follows:

Domicile	Governing Law	Venue
United States (including, D.C. and its inhabited territories)	Wisconsin	Milwaukee County, Wisconsin
Japan	California	Santa Clara, California
Canada	Ontario	Toronto
United Kingdom, Europe Union, Iceland, Switzerland, Norway, Africa, Australia, New Zealand, the Russian Federation, Middle East, and Asia-Pacific (excluding Japan)	England	London

The parties hereby irrevocably consent to the personal jurisdiction and venue as shown above. Each party irrevocably agrees to waive jury trial. In all cases, the application of law will be without regard to, or application of, conflict of law rules or principles. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration within the venue in the table above in English and in accordance with the JAMS International Arbitration Rules then in effect. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, each party shall have the right to institute an action in a court of proper jurisdiction for preliminary injunctive relief pending a final decision by the arbitrator(s), provided that a permanent injunction and damages shall only be awarded by the arbitrator(s). In any action or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover costs and attorneys' fees. Further, each party agrees that regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to this Agreement must be filed within one year after such claim or cause of action arose.

13.6 Waiver. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

13.7 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable. The parties agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business, and other purpose of such void or unenforceable provision. Arctic Wolf does not accept, expressly or impliedly, and rejects and deems deleted any additional or different terms or conditions that Customer presents, including, but not limited to, any terms or conditions contained Customer's purchase order, or other such document, or established by trade usage or prior course of dealing. This Agreement is entered into solely between and may be enforced only by Arctic Wolf and Customer. This Agreement will not be deemed to create any third-party rights or obligations and any person who is not a party to this Agreement shall not have any rights or remedies under or in connection with it.

13.8 Entire Agreement. This Agreement constitutes the parties' entire agreement with respect to the subject matter hereof and supersedes any prior or contemporaneous agreement or understanding by and among the parties with respect to such subject matter. Except as otherwise provided herein, this Agreement may only be amended, modified, or supplemented only by an agreement in writing signed by each party.

13.9 Business Associate Addendum. In the event that Arctic Wolf receives personal healthcare information in the delivery of the Products, the parties agree to comply with the Business Associate Addendum ("**BAA**") located at <https://arcticwolf.com/terms/business-associate-addendum/> or such other equivalent agreement/addendum as required under applicable health information/privacy laws. In the event the parties have entered into a BAA or equivalent agreement in relation to protected health information, the parties intend for both this Agreement and BAA or equivalent agreement to be binding upon them and the BAA or equivalent agreement is incorporated into this Agreement by reference.

13.10 Interpretation. The parties have participated mutually in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted mutually by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

13.11 English Language Controls. The parties to this Agreement confirm that it is their wish that the Agreement as well as all documents relating hereto have been and will be written and printed in the English language only. *Les parties aux présentes confirment leur volonté que cette convention de même que tous les documents, y compris tous avis, s'y rattachant, soient rédigés en langue anglaise seulement.* In the event a translation of this Agreement is prepared for any purpose, Customer acknowledges that the English language version shall govern in the event

of any inconsistency between the English version and such translation. Customer acknowledges that it has had an opportunity to negotiate the terms of this Agreement

13.12 Rights of Third Parties. Subject to the rights of Authorized Partners as expressly set out in the terms of this Agreement, this Agreement does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. The rights of the parties to rescind or vary this Agreement are not subject to the consent of any other person

13.13 Electronic Signature. Each party agrees that this Agreement and any other documents to be delivered in connection herewith may be electronically signed, and that any electronic signatures appearing on this Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13.14. Insurance During the Term of this Agreement, Arctic Wolf shall carry all insurance typically carried by businesses of its type and shall, upon request by Customer, provide a certificate of insurance reflecting such coverage. At a minimum, Arctic Wolf agrees to maintain the following insurance levels per occurrence: Worker's Compensation and Employers' Liability at \$1,000,000 (or, if greater, in compliance with statutory requirements), Commercial General Liability at \$1,000,000, Errors & Omissions (Professional Liability, including Cyber) Coverage in an amount no less than \$2,000,000, and Umbrella Liability at \$2,000,000. The Commercial General Liability insurance will include Customer as an additional insured, but only to the extent of liabilities falling within Arctic Wolf's indemnity obligations pursuant to the terms of this Agreement. Arctic Wolf's insurance shall be primary to and non-contributory with insurance maintained by Customer, but only to the extent of liabilities falling within Arctic Wolf's indemnity obligations pursuant to the terms of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the Effective Date

Arctic Wolf Networks, Inc.:	Customer:
Signed:	Signed:
Name: <u>Debra Thill Sevelius</u>	Name: _____
Title: <u>Vice President – Legal; Assistant General Counsel</u>	Title: _____
Date: _____	Date: _____
Notice Address: PO Box 46390 Eden Prairie, MN 55344 Attn: General Counsel legal@arcticwolf.com	Notice Address:

ACCEPTABLE USE POLICY
Last Updated Date: July 1, 2026

This Acceptable Use Policy is made part of and included in the General Terms by reference. All capitalized terms have the meaning set forth in the General Terms

In addition to any requirements and obligations in the General Terms, Customer acknowledges and agrees to:

- Not probe, scan, or test the vulnerability of any Arctic Wolf Technology, including any sensor, system, or network without prior written notice to Arctic Wolf;
- Not breach or otherwise circumvent any security or authentication measures;
- Not Access, tamper with, or use non-public areas or parts of the Products, or shared areas of the Products of which access has not been granted by Arctic Wolf;
- Not interfere with or disrupt any user, host, or network (e.g. sending a virus, intentionally overloading, flooding, spamming, or mail-bombing any part of the Products),
- Not access or search the Products by any means other than our publicly supported interfaces (e.g., "scraping");
- Not restrict, inhibit, interfere with, or otherwise intentionally disrupt or cause a performance degradation to the Products, or otherwise cause a performance degradation to any Arctic Wolf (or Arctic Wolf supplier) facilities;
- Not alter, modify, or tamper with the Products or permit any other person to do the same who is not first authorized to do so by Arctic Wolf,
- Not provide guidance, information, or assistance which may cause damage or a security breach to Arctic Wolf's network or systems,
- Use commercially reasonable efforts to implement and enforce multi-factor authentication (MFA) for all accounts where Arctic Wolf makes such controls available,
- Maintain accurate records of the systems, endpoints, and environments for which the Products are deployed, and
- Reasonably cooperate with Arctic Wolf's onboarding, configuration, and operational requirements to enable effective Product delivery;
- Not to transmit, upload, store, or process Data that contains malware, ransomware, destructive code, or other harmful content not authorized by Arctic Wolf as part of a managed security test;
- Not to submit to the Products any Special Categories of Data (as defined under GDPR), Protected Health Information (as defined under HIPAA), or payment card data (within scope of PCI DSS) unless Customer has obtained the applicable written authorization from Arctic Wolf and executed any required supplemental terms, and
- Not use Arctic Wolf Technology, including but not limited to any artificial intelligence prompts or outputs, to develop, train, or improve data sets, foundation models, LLMs, or other models that may compete with Arctic Wolf Technology.

ARCTIC WOLF RESERVES THE RIGHT TO NOTIFY ITS CUSTOMERS OF ANY INFORMATION THAT AFFECTS THE SECURITY OF ARCTIC WOLF PRODUCTS.

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement is a legal agreement between you on behalf of a company or other entity as its representative ("You" or "Customer") and Arctic Wolf Networks, Inc. ("Arctic Wolf"). Together You and Arctic Wolf are the "Parties" and individually a "Party".

THIS AGREEMENT, AS FURTHER SPECIFIED BELOW, GOVERNS THE CUSTOMER'S PURCHASE AND RECEIPT OF ARCTIC WOLF PROFESSIONAL SERVICES AS MAY BE SET FORTH ON AN ORDER FORM, INCLUDING ANY DELIVERABLES.

CUSTOMER AGREES TO THESE TERMS AND CONDITIONS BY EITHER (I) AGREEING TO AN ORDER FORM WHERE THE AGREEMENT IS INCORPORATED BY REFERENCE; (II) ACCEPTING THE PROVISION OF PROFESSIONAL SERVICES OR DELIVERABLES (AS DEFINED BELOW), OR (III) WHERE APPLICABLE, BY CLICKING ON THE "AGREE" OR "ACCEPT" BUTTON.

THE INDIVIDUAL ACCEPTING THIS AGREEMENT ON BEHALF OF CUSTOMER, REPRESENTS AND WARRANTS THAT (I) THEY HAVE FULL AUTHORITY TO BIND THE CUSTOMER TO THIS AGREEMENT; AND (II) THE CUSTOMER IS BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT

IF CUSTOMER DOES NOT AGREE TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, OR IF THE INDIVIDUAL ASSENTING IS NOT AUTHORIZED TO ASSENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT ON BEHALF OF THE ENTITY THEY REPRESENT, DO NOT USE THE SERVICES OR DELIVERABLES (AS DEFINED BELOW).

1. **Scope.** This Agreement will govern Arctic Wolf's performance of the professional services specified in an applicable Order Form which incorporates by reference these terms. "Order Form" means any order forms, quotes, or other similarly intended ordering document (however named) executed or accepted by Customer that reference this Agreement or pertains to the purchase of Services. An Order Form may be issued to Customer by an Arctic Wolf authorized partner or third-party service provider. For clarity, the provision of any technical support by Arctic Wolf is outside the scope of this Agreement and is governed in accordance with the Solution License Agreement available at <https://arcticwolf.com/terms/> or any applicable agreement executed between Arctic Wolf and Customer. This Agreement includes and incorporates by reference the Terms and Conditions of Sale located at <https://arcticwolf.com/terms/terms-and-conditions-of-sale/>.

2. Services; Deliverables.

A. Subject to the terms and conditions of this Agreement, Arctic Wolf will provide Customer with the professional services ("Services") and deliverables ("Deliverables") outlined in the relevant program documents listed below (collectively the "Program Documents"):

1. the relevant Arctic Wolf Program Descriptions posted at <https://docs.arcticwolf.com/>,
2. the service details and terms described in any Order Form, and/or,
3. any statement of work associated with your Order Form provided by Arctic Wolf to Customer (directly or through an Arctic Wolf authorized reseller).

B. Upon Customer's payment of fees due to Arctic Wolf (or where applicable its authorized reseller), Arctic Wolf grants Customer, a worldwide, perpetual, non-exclusive, non-transferable, royalty-free license to copy and use (as applicable), solely for Customer's internal and non-competitive business purposes, any Deliverables (including any summaries or reports, e.g. system health check reports, cybersecurity reports, or migration plans), provided that, notwithstanding anything else herein, any software deliverables or tools or other Arctic Wolf products that are delivered as part of the Deliverables (including any products that are configured or installed in connection with the delivery of Services) may only be used in accordance with the licenses granted by Arctic Wolf to Customer in the Solution License Agreement available at <https://arcticwolf.com/terms/> or any other applicable solutions license agreement entered into between Customer and Arctic Wolf specifically pertaining to the endpoint software.

C. Services and Deliverables will be deemed accepted upon delivery, unless acceptance criteria and/or procedures are outlined and agreed between the Parties in writing in the relevant Program Documents ("Acceptance Criteria"). Where applicable, Customer may reject the relevant Services and/or Deliverables in writing based on such Acceptance Criteria. Such rejection must include sufficient details of the alleged material defects. Where both Parties have agreed to Acceptance Criteria in writing, Customer shall have three (3) business days from delivery of the relevant Services and/or Deliverables ("Acceptance Period") to inspect the Services and/or Deliverables and to provide written notification of rejection to Arctic Wolf. In absence of such written notification, such Services and/or Deliverables shall be deemed to be accepted at the end of the Acceptance Period. If the Services and/or Deliverables do not materially conform, Arctic Wolf, at its own expense, shall bring any rightfully rejected Services and/or Deliverables into conformity. Customer's sole and exclusive remedy for any delivery of Services and/or Deliverables that do not meet the Acceptance Criteria shall be to: 1) redeliver conforming Services and/or Deliverables, or 2) if redelivery is not possible, to provide a pro-rata refund of the fees applicable to the non-conforming part of the Services and/or Deliverables.

D. Unless otherwise agreed to by Customer and Arctic Wolf all Services and Deliverables will be provided remotely

E. Customer may request a change to the Program Documents by submitting a change request form as provided by Arctic Wolf. Upon receipt of such change request form, Arctic Wolf shall assess the impact of such request. No such requests shall be deemed accepted and no additional fees or a change in scope shall apply unless accepted in writing by both Arctic Wolf and Customer, prior to the change being carried out

3 Customer Obligations; Customer License; Processing Data while Performing.

A. **Customer Obligations** Customer agrees to reasonably cooperate with Arctic Wolf in its performance of Services and delivery of Deliverables, including by providing access to appropriate personnel, accurate and complete information and/or data, systems, necessary license

rights (including third-party license rights), equipment, consents, approvals, responses, and/or as otherwise identified in the Program Documents and as reasonably necessary to timely provide the Services and Deliverables contemplated by the Parties. Customer agrees that Arctic Wolf shall not be liable hereunder for any deficiency in performing the Services or delivering Deliverables to the extent the deficiency results from Customer (or its personnel) or the failure by Customer to provide any of the foregoing. In addition, Customer represents and warrants that it is authorized to act on behalf of the owner or licensee of, or is the authorized representative of an individual, business or other legal entity having contractual usage rights granted by an internet service provider or web host owning or licensed to use, any and all internet protocol addresses and the associated computer hardware, network, storage, input/output, or electronic control devices, or software installed on such devices on which Customer directs those Services to be performed. Customer agrees to cooperate with Arctic Wolf to verify the identity of authorized representatives of Customer in connection with Customer's use of the Services or Deliverables.

B Customer Materials "**Customer Materials**" shall include any data, content or other tangible or intangible systems, technology or material provided by Customer (or its representatives) to Arctic Wolf either directly or indirectly through the Parties' respective personnel or affiliates or otherwise collected or obtained by Arctic Wolf in connection with delivering Services (including Deliverables) under this Agreement. Customer grants Arctic Wolf a worldwide, sublicensable, royalty-free and non-exclusive license to use, reproduce, modify and adapt, distribute or otherwise exploit such Customer Materials but solely as needed for the purpose of this Agreement and Customer warrants and covenants that it has the right to grant to Arctic Wolf such a license.

C Processing of Personal Data. "**Personal Data**" means information which is provided by Customer to Arctic Wolf or which is collected by Arctic Wolf in connection with the activities contemplated herein and which data protection laws applicable in the jurisdictions in which such person resides define such information as "Personal Data" or "Personal Information" or such other similar designation. Customer, agrees that Arctic Wolf (and its contractors performing Services on behalf of Arctic Wolf hereunder) may collect, aggregate, use, process, transfer, store, and disclose (collectively "**Process**" or "**Processing**") Personal Data for the purposes set out in this Agreement and in Arctic Wolf's Privacy Notice, as may be amended from time-to-time by Arctic Wolf and which is incorporated herein by this reference, the current version of which can be viewed at <https://arcticwolf.com/terms/privacy-notice-for-customers/>. Customer represents and warrants, on its own behalf and on behalf of its employees and/or independent contractors, that it has obtained all necessary consents to such Processing, including collection of Customer's employees' and/or independent contractors' personal information as required for the delivery and use of the Services and/or Deliverables and as contemplated in this Agreement.

D Compliance with Laws Customer agrees to comply with and be responsible for any laws, regulations, filings, registrations, licenses, approvals and consents required in the relevant country or jurisdiction including without limitation import, export or data privacy laws and regulations applicable to Customer, the acceptance of this Agreement by Customer, and the receipt or use of the Services and Deliverables by Customer including without limitation the transfer or provision of information, technology, data or personal information to Arctic Wolf.

4 Fees; Invoicing; Taxes.

A. Fees Customer shall pay Arctic Wolf (or its authorized reseller as applicable) the fees identified in the relevant Order Form, together with any approved expenses. Fees quoted in any Order Form are exclusive of any travel, living or other expenses or Taxes (as defined below), which, if due, shall be charged separately. Fees due hereunder are non-cancellable and non-refundable, unless otherwise expressly stated herein or agreed in writing.

B Invoicing, Payment Terms, Taxes This Section only applies if Customer has purchased Services directly from Arctic Wolf. If Customer has purchased Services from Arctic Wolf indirectly through an authorized Arctic Wolf reseller, this Section does not apply.

C Unless otherwise agreed by Arctic Wolf, all payments must be made in the currency used by the Arctic Wolf entity with which Customer has placed its Order Form in advance, or if approved by Arctic Wolf, within net thirty (30) days from the date of the invoice. If Customer has not paid Arctic Wolf in accordance with the applicable terms, Arctic Wolf reserves the right to refuse to provide the Services (including Deliverables) or complete the Services if such Services have commenced until it receives payment in full. Any sum not paid by Customer when due will bear interest from the due date until paid at the maximum rate permitted by law.

D. Customer may not withhold payment of any invoice on the basis of any dispute, including dissatisfaction with the Services (including Deliverables), other than on the basis of a clear error on the face of the invoice including, for example, a calculation error or a quantity error. Payment by Customer shall not preclude Customer from questioning any charges that Customer believes to be improper or incorrect, within a reasonable period of time.

E. All fees payable hereunder by Customer are exclusive of any Taxes. Customer shall be responsible for and shall pay all taxes due under or in relation to this Agreement, including, but not limited to, withholding taxes, charges, duties, levies or other applicable amounts ("**Taxes**"). If Customer is required to withhold any amounts (including, without limitation, Taxes) from payments ("**Withholdings**"), then the amount payable by Customer shall be increased by the amounts of such Withholdings. Customer shall promptly furnish Arctic Wolf with all official receipts evidencing payment of Taxes due under or in relation to this Agreement.

5 Confidentiality.

A "Confidential Information" is hereby defined as (i) any information in whatever form or medium that is proprietary or confidential to the disclosing Party; (ii) which is disclosed to the recipient Party by the disclosing Party or its representatives, or otherwise obtained by the receiving Party, and, (iii) is related to the provision of the Services or delivery of Deliverables, in whole or in part. Confidential Information shall not include information that (A) is or becomes publicly available other than as the result of a disclosure in breach hereof, (B) becomes available to the receiving Party on a nonconfidential basis from a source not under obligations of confidentiality, (C) is already known by the receiving Party

without any obligation of confidentiality with respect thereto, or (D) is developed by the receiving Party independent of any disclosures of such information to the receiving Party.

B. **Duties.** Neither Party (nor any of its representatives) shall use or reproduce the Confidential Information of the other Party for any reason other than as reasonably necessary to provide or use the Services and/or Deliverables, in whole or in part, as provided under this Agreement subject to and limited by the terms and conditions in this Agreement. Except as specifically permitted in this Agreement or with the prior express written permission, the Parties shall not disclose, allow access to, transmit, transfer or otherwise make available any Confidential Information of the other Party, to any third party, except as necessary to perform hereunder, provided that either Party may disclose Confidential Information to its personnel who are involved in performing this Agreement, have a need to know, and who are bound by obligations of confidentiality no less restrictive than the obligations stated herein. Each Party will use at least the same degree of care as it employs in maintaining in confidence its own confidential information of a similar nature, but in no event less than a reasonable degree of care. Notwithstanding the foregoing, the Parties may disclose Confidential Information if and only to the extent it is required to do so by law provided that the Party gives the other Party sufficient notice to enable the other Party to seek an Order Form limiting or precluding such disclosure.

C. **Survival.** The obligations of non-use and confidentiality stated herein shall survive for five (5) years from the date of disclosure hereunder (except for trade secrets, which shall remain subject to the terms of this section for so long as it constitutes trade secrets)

6 **Reservation of All Rights** Arctic Wolf has created or has licensed intellectual property, including general know-how, concepts, advice, techniques, methodologies, ideas, strategies, documentation, templates, trade secrets, software and/or other tools that it may use or disclose or provide in connection with the provision of Services (including Deliverables) under this Agreement (collectively "Arctic Wolf IP"). Customer understands and agrees nothing herein shall be construed to prohibit Arctic Wolf from entering into agreements with other customers for the provision of services similar to the Services (including Deliverables) contemplated hereunder which may require use or disclosure of similar or the same Arctic Wolf IP. All rights, title, and interest in and to Arctic Wolf IP, shall remain with Arctic Wolf and its licensors, except as expressly licensed herein.

7 **Warranties; Disclaimers.** Arctic Wolf warrants to Customer that it will perform the Services in a professional and workmanlike manner, consistent with generally accepted industry standards. For any breach of this warranty, Customer's exclusive remedy and Arctic Wolf's entire liability will be the re-performance of the Services. If Arctic Wolf is unable to re-perform the Services as warranted, Customer will be entitled to recover the applicable Service fees paid to Arctic Wolf for the deficient Services. Customer must make any claim under the foregoing warranty to Arctic Wolf in writing in accordance with this Agreement within ninety (90) days of performance of such Services in Order Form to receive warranty remedies. EXCEPT AS EXPRESSLY WARRANTED, THE SERVICES AND DELIVERABLES PROVIDED UNDER THIS AGREEMENT ARE PROVIDED "AS IS" WITHOUT ANY WARRANTIES, REPRESENTATIONS, OR CONDITIONS OF ANY KIND, INCLUDING IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. NOTHING STATED IN THIS AGREEMENT WILL IMPLY THAT: (i) THE OPERATION OF ANY DELIVERABLES WILL BE UNINTERRUPTED OR ERROR FREE OR THAT ERRORS WILL BE CORRECTED; OR, AS APPLICABLE, (ii) THAT THE SERVICES OR DELIVERABLES WILL PROVIDE A COMPREHENSIVE OR EXHAUSTIVE ASSESSMENT OF THE CUSTOMER'S VULNERABILITIES OR THE NECESSARY REMEDIAL ACTIONS. OTHER WRITTEN OR ORAL STATEMENTS BY ARCTIC WOLF, ITS REPRESENTATIVES OR OTHERS DO NOT CONSTITUTE WARRANTIES OF ARCTIC WOLF.

8 **Limitation of Liability** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW:

A. IN NO EVENT SHALL ARCTIC WOLF BE LIABLE FOR ANY. (i) INDIRECT, ECONOMIC, SPECIAL, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL AND PUNITIVE DAMAGES, OR (ii) DAMAGES FOR LOST PROFITS, REVENUE OR EARNINGS, LOST OR CORRUPTED DATA, DELAYS OR FAILURE TO TRANSMIT OR RECEIVE ANY DATA, BUSINESS INTERRUPTION, FAILURE TO REALIZE EXPECTED SAVINGS AND COST OF SUBSTITUTE SOFTWARE OR SERVICES (INCLUDING DELIVERABLES)

B. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IN NO EVENT SHALL THE AGGREGATE LIABILITY OF ARCTIC WOLF TO CUSTOMER (AND ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES) FOR ANY DAMAGES, LOSSES OR COSTS OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT EXCEED THE AMOUNTS RECEIVED BY ARCTIC WOLF FROM CUSTOMER (OR ITS AUTHORIZED RESELLER) FOR THE SERVICES DELIVERED (INCLUDING DELIVERABLES) UNDER THE RELEVANT ORDER FORM. THIS LIABILITY CAP IS ARCTIC WOLF'S TOTAL POTENTIAL LIABILITY IN THE AGGREGATE AND SHALL NOT IN ANY MANNER BE EXCEEDED, NO MATTER HOW MANY CLAIMS, COUNTERCLAIMS, CAUSES OF ACTION, SUITS, OR DEMANDS MAY BE ASSERTED

C. THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS SET OUT IN THIS AGREEMENT SHALL APPLY: (I) WHETHER AN ACTION, CLAIM OR DEMAND ARISES FROM A BREACH OF WARRANTY OR CONDITION, BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTORY LIABILITY OR ANY OTHER THEORY OF LIABILITY; (II) WHETHER OR NOT SUCH DAMAGES COULD REASONABLY BE FORESEEN OR THEIR POSSIBILITY HAS BEEN DISCLOSED TO ARCTIC WOLF, AND (III) TO ARCTIC WOLF, AS WELL AS ITS AFFILIATES, SUCCESSORS, SUPPLIERS, OFFICERS, DIRECTORS AND EMPLOYEES.

9 **Term; Termination; Survival.**

A. **Term** This Agreement shall commence on the effective date of the Order Form which incorporates this Agreement by reference and shall remain in effect unless terminated in accordance with the terms of this Agreement or replaced by a new or amended Agreement in accordance with Section 10(L)

B. **Termination** By written notice to the other Party, a Party may terminate for cause this Agreement, or all or any portion of the Services pursuant to the applicable Program Documents, in the following circumstances

1. Immediately, in the event of a material breach by the breaching Party in the performance of its obligations hereunder, which remains uncured by the breaching Party for thirty (30) calendar days after the non-breaching Party provides written notice; or
2. Immediately, if the other Party is adjudged insolvent or bankrupt, or upon the institution of any proceedings by or against the Party seeking relief, reorganization or arrangement under any laws relating to insolvency, or upon assignment for the benefit of creditors, or upon the appointment of a receiver, liquidator or trustee of any of the Party's property or assets related to the Services, or upon liquidation, dissolution or winding up of the Party's business; or
3. Upon ninety (90) days' written notice to the other Party, provided that, to the extent there are Order Forms still in effect when a Party terminates this Agreement, such Order Form shall continue to be governed by this Agreement, as if this Agreement had not been terminated.

C Effects of Breach/Termination; Survival If Customer breaches this Agreement, Arctic Wolf may, in addition to all other rights and remedies provided in this Agreement or by law, cease providing the Services. Notwithstanding anything else in this Agreement, Customer's payment obligations and the provisions of Sections 2B, 3D, 4, 5, 6, 7, 8, 9C, and 10 of this Agreement will survive termination or expiration of this Agreement for any reason.

10 Miscellaneous

A Notices Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) on the next business day after the date sent, if sent for overnight delivery by a generally recognized international courier (e.g., FedEx, UPS, DHL, etc.) (receipt requested); or (c) on the date sent by e-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient. For contractual purposes, Customer (1) consents to receive communications in an electronic form via the email address it provides via the Customer Portal, and (2) agrees that all agreements, notices, disclosures, and other communications that Arctic Wolf provides electronically satisfies any legal requirement that those communications would satisfy if they were on paper. This Section does not affect Customer's non-waivable rights. Arctic Wolf's address for notification purposes shall be: PO Box 46390, Eden Prairie, MN 55344, legal@arcticwolf.com. Customer's address for notification purposes shall be as set forth on the Order Form. Either party may update its notice address upon written notice to the other party.

B Marketing and Promotion Unless Customer directs otherwise by sending an email to Arctic Wolf at legal@arcticwolf.com, which direction may be given at any time, Customer agrees that Arctic Wolf may list Customer's company name and/or logo (in accordance with any trademark guidelines Customer may provide) as an Arctic Wolf customer within its customer lists and for use with Arctic Wolf's partners in a manner that does not suggest Customer's endorsement of any specific Solution.

C The parties to this Agreement are independent contractors. Neither party has the authority to bind the other party without the express written authorization of the other party. Nothing herein may be construed to create an employer-employee, franchisor-franchisee, agency, partnership, or joint venture relationship between the parties. Each party shall be primarily liable for the obligations of its respective Affiliates, agents, and subcontractors.

D Assignment and Subcontracting This Agreement shall inure to the benefit of and be binding upon the respective permitted successors and assigns of the parties. Customer shall not be entitled to assign or otherwise transfer any of its rights and/or duties arising out of this Agreement and/or parts thereof to third parties, voluntarily or involuntarily, including by change of control, operation of law or any other manner, without Arctic Wolf's express prior written consent. Any purported assignment or other transfer in violation of the foregoing shall be null and void. No such assignment or other transfer shall relieve the assigning party of any of its obligations hereunder. Arctic Wolf may perform its obligations under this Agreement directly or may have some or all its obligations performed by any affiliate, contractor, subcontractor and/or services provider provided Arctic Wolf shall be responsible for the performance of such personnel and their compliance with Arctic Wolf's obligations under this Agreement.

E Governing Law, Dispute Resolution The rights and obligations of the parties under this Agreement shall not be governed by the provisions of the 1980 U.N. Convention on Contracts for the International Sale of Goods or the United Nations Convention on the Limitation Period in the International Sale of Goods, as amended. The governing law and exclusive venue applicable to any lawsuit, settlement, or other dispute arising in connection with the Agreement will be determined by the location of Customer's principal place of business ("Domicile"), as follows:

Domicile	Governing Law	Venue
United States (including, D.C. and its inhabited territories)	Delaware	Kent County, Delaware
Japan	California	Santa Clara, California
Canada	Ontario	Toronto

United Kingdom, Europe Union, Iceland, Switzerland, Norway, Africa, Australia, New Zealand, the Russian Federation, Middle East, and Asia-Pacific (excluding Japan)	England & Wales	London
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The parties hereby irrevocably consent to the personal jurisdiction and venue as shown above. Unless prohibited by governing law or venue, or otherwise inapplicable, each party irrevocably agrees to waive jury trial. In all cases, the application of law will be without regard to, or application of, conflict of law rules or principles. Any dispute, controversy, or claim (including non-contractual disputes, controversies, or claims) arising out of or relating to this Agreement, the breach thereof, or its subject matter or formation, shall be referred to and finally determined by arbitration within the venue in the table above in English and in accordance with the JAMS International Arbitration Rules then in effect. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, each party shall have the right to institute an action in a court of proper jurisdiction for preliminary injunctive relief pending a final decision by the arbitrator(s), provided that a permanent injunction and damages shall only be awarded by the arbitrator(s). In any action or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover costs and attorneys' fees.

F. Statute of Limitations. To the extent permitted by law, each party agrees that regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to this Agreement must be filed within one year after such claim or cause of action arose.

G. No Waiver. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

H. Headings. Headings are inserted herein for convenience only and do not form part of this Agreement. As used herein (i) "days" means calendar days, (ii) "include" and "including" are not limiting; and (iii) use shall be deemed to include active or inactive use.

I. English Language. If this Agreement is translated into a language other than English, the English version shall prevail to the extent that there is any conflict or discrepancy in meaning between the English version and any translation thereof. Where Customer's primary address is located in Quebec, it is the express will of the Parties that this Agreement and all related documents be drawn up in English. C'est la volonté expresse des Parties que la présente convention ainsi que les documents qui s'y rattachent soient rédigés en anglais.

J. Export. Customer agrees that the Services and/or Deliverables may include cryptographic technology, data or information and shall not be received, exported, imported, used, transferred, accessed or re-exported except in compliance with the laws and regulations of relevant government authorities, including without limitation any U.S. and Canadian export control and economic sanctions laws and regulations. Customer represents and covenants that: (i) Customer and Customer employees and/or independent contractors are eligible to receive, use and/or access the Services and Deliverables under applicable law; and (ii) Customer shall ensure that its receipt and use of and/or access to the Services and/or Deliverables, or that of Customer's employees and/or independent contractors, is in accordance with the restrictions in this Section.

K. Force Majeure. Arctic Wolf shall not be liable for its failure to perform or the delayed performance of its obligation under this Agreement if such failure results from circumstances beyond its reasonable control, including but not limited to supplier strikes, lock-outs and labor disputes, third party acts, war, riot, civil commotion, acts of terrorism, malicious damage, compliance with any law or governmental Order Form, rule, regulation or direction not in force on the date this Agreement commences, accident, fire, flood, or severe weather conditions ("Event of Force Majeure"). Arctic Wolf agrees to give the Customer prompt notice of any Event of Force Majeure (containing sufficient details). If an Event of Force Majeure continues for more than thirty (30) working days, Arctic Wolf shall have the right to terminate, without liability to the Customer.

L. Entire Agreement, Modifications. The "Agreement" means these terms and conditions, together with any Program Documents and any other terms incorporated herein by reference. The Parties acknowledge and agree that they have not relied on any prior or contemporaneous communications, representations, warranties, conditions, or agreements whether oral or written, collateral or otherwise (collectively "Pre-Contractual Statements") in entering into this Agreement and accordingly this Agreement between the Parties constitutes the entire agreement between the Parties. This Agreement prevails over any pre-printed terms or other conflicting or additional terms of any purchase Order Form, Order Forming document, acknowledgement or confirmation or other document issued by Customer, even if signed and returned. This Agreement may be modified by a written document executed by the Parties. Additionally, Arctic Wolf reserves the right to amend or replace this Agreement; however, such amended or new Agreement will only apply to Order Forms placed after the date such Agreement is posted at <https://arcticwolf.com/terms/>. Customer should regularly visit the site to review the version of this Agreement applicable at the time of Order Form placement. This Agreement supersedes any prior or contemporaneous communications, representations, warranties, conditions or agreements between the Parties, whether oral or written, collateral or otherwise, regarding the subject matter of this Agreement. The Parties acknowledge and agree that they shall: (i) treat any such Pre-Contractual Statements as being withdrawn and having the effect that they were never made; and (ii) have no right or remedy in respect of such Pre-Contractual Statements. Nothing in this Section shall operate to limit or exclude any liability for fraud. If there is any conflict between this Agreement and any Program Documents, these terms and conditions shall apply except to the extent the conflict is applicable to the scope of Services or Deliverable, in which case the Program Documents shall prevail over the conflict.

M. Third Party Beneficiaries. The provisions of this Agreement are for the benefit of Customer and Arctic Wolf and not for any other person or entity, whether under statute or otherwise, except for Arctic Wolf's affiliates.

N. Feedback. Arctic Wolf welcomes the identification of problems, improvements, suggestions, comments or other changes to its products or services (e.g. regarding their utility, reliability, or performance) ("Feedback"). Any Feedback provided by Customer (or its representatives) to Arctic Wolf shall be owned by Arctic Wolf.

O. Non-Solicitation. Customer shall not solicit for employment any Arctic Wolf employees which perform work under this Agreement for one (1) year after the completion of the Services (including Deliverables).

Incident360 Retainer Agreement For Managed Service Provider Partners

This Incident360 Retainer Agreement for Managed Service Providers (the "**Agreement**") is a legal agreement entered into by and between Arctic Wolf Networks, Inc. and its affiliates ("**Company**" or "**Arctic Wolf**") and the managed service provider partner ("**Partner**") reflected on any order forms, quotes, or other ordering document that references this Agreement ("**Order Form**"). The Order Form will be issued to Partner by Company or its authorized distributor partner (the "**Distribution Partner**"). This Agreement is effective on the date Partner executes the Order Form or submits a matching purchase order to Company or the Distribution Partner, as applicable (the "**Effective Date**"). This Agreement permits Partner to purchase a subscription to I360 Retainer for Managed Service Providers ("**I360 Retainer**"), as described below, and identified in the Order Form for the specific and designated end user of Partner (the "**End User**") and sets forth the terms and conditions under which such offering will be delivered by Company to Partner for such End User. Partner and Company may be individually referred to as a "party" and collectively referred to as the "parties". This Agreement consists of the terms and conditions set forth below, any URL terms (the "**URL Terms**") referenced herein, and any attachments or exhibits included herewith. If there is a conflict between the terms of this Agreement, the Order Form, or the terms set forth in the URL Terms, the documents will control in the following order: this Agreement, the URL Terms, and the Order Form.

BY EXECUTING, WHETHER MANUALLY OR ELECTRONICALLY, OPERATING, DOWNLOADING, INSTALLING, REGISTERING OR OTHERWISE USING I360 RETAINER, ACCEPTING AN ORDER FORM FOR I360 RETAINER, OR CLICKING AN "I ACCEPT", "SUBMIT", OR "CONTINUE" BUTTON ASSOCIATED WITH THIS AGREEMENT, PARTNER (OR ITS AUTHORIZED AGENT, IF APPLICABLE) EXPRESSLY AND EXPLICITLY ACKNOWLEDGES AND AGREES THAT THIS IS A BINDING AGREEMENT AND PARTNER HEREBY AGREES TO THE TERMS OF THIS AGREEMENT AND ACCEPTS THE OFFER TO SUBSCRIBE TO I360 RETAINER PURSUANT TO THE TERMS HEREIN. IF THE PERSON ACCEPTING THESE TERMS IS AN EMPLOYEE OR OTHER REPRESENTATIVE OF PARTNER, THE PERSON ACCEPTING HEREBY REPRESENTS AND WARRANTS TO COMPANY THAT YOU ARE (A) AUTHORIZED TO ENTER INTO THIS AGREEMENT ON BEHALF OF PARTNER; AND (B) YOU ARE OVER 18 YEARS OLD. IF PARTNER DOES NOT ACCEPT ALL THE TERMS AND CONDITIONS IN THIS AGREEMENT OR IS NOT AUTHORIZED TO ENTER INTO THIS AGREEMENT, DO NOT SUBMIT A REQUEST TO SUBSCRIBE TO I360 RETAINER OR OTHERWISE USE I360 RETAINER.

In consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Description of I360 Retainer. I360 Retainer includes the following:

1.1 The I360 Retainer product description ("**Product Description**") can be found at <https://docs.arcticwolf.com/>. The Product Description is incorporated herein by reference and sets forth the availability and use of any I360 Retainer product tiers (if applicable), features, and functionalities by Partner on behalf of Partner's End Users and Company's direct engagement with the End User on any incident response services engagement ("**IR Services**").

1.2 Any use by Partner of IR Planner and/or CRA on behalf of an End User are subject to the Cyber JumpStart Portal Subscription Agreement located at <https://arcticwolf.com/terms/>. Partner shall be deemed Arctic Wolf's "Customer" as it relates to any such use.

2. In the event of a Cybersecurity Incident. In the event an End User experiences a cybersecurity incident, Partner (or the End User on its own behalf) may submit a request for IR Services to Company in accordance with the process described in the Product Description. Company will respond to the request for engagement directly with the End User in accordance with the Product Description. For the avoidance of doubt, Partner will not be party to or a third-party beneficiary of any IR Services agreement between Company and the End User, including any SOW and/or Services Agreement referenced therein. Company shall have no liability to Partner for any of Company's obligations thereunder.

3. Partner Agreement. Partner understands and agrees the terms of the Partner Agreement and related MSP Addendum and such terms related to Partner's responsibilities as an MSP Partner for Company shall apply, including the End User License Agreement requirements.

4. Term and Termination. The term of this Agreement will be as set forth on the Order Form. Either party may terminate this Agreement for cause if the other party commits a material breach of this Agreement, provided that such terminating party has given the other party ten (10) days' advance notice to try and remediate the breach.

5. Confidentiality. During the term of this Agreement, both parties agree that (1) Confidential Information (as defined below) will be used only in accordance with the terms and conditions of this Agreement; (2) each will use the same degree of care it uses to protect its own Confidential Information, but in no event less than reasonable care; and (2) Confidential Information may be disclosed only to employees, consultants, agents, and contractors, with a need to know, in each case, who are under a written obligation to keep such information confidential using standards of confidentiality no less restrictive than those required by this Agreement. "Confidential Information" means any information designated as confidential orally or in writing by either party, or any information that the receiving party knows, or has reason to know, is confidential or proprietary based upon its treatment by the disclosing party. This Agreement imposes no obligation with respect to information which: (1) is a part of or enters into the public domain; (2) was already in the recipient's possession prior to the date of disclosure other than by breach of this Agreement; (3) is rightfully received from a third party without any duty of confidentiality; (4) is independently developed without reference to the Confidential Information of the disclosing party.

6. Intellectual Property. Except as expressly set forth herein, neither party will acquire any rights, title or interest, in any of the IP Rights belonging to the other party. As between the parties, each party owns all IP Rights in its products, services and Marks. "IP Rights" means current and future worldwide rights under patent law, copyright law, trade secret law, trademark law, moral rights law, and other similar rights.

7. Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER PARTY NOR ITS SUPPLIERS MAKES ANY WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. EACH PARTY, FOR ITSELF AND ITS SUPPLIERS, SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NONINFRINGEMENT.

8. Limitation of Liability. To the fullest extent permitted by applicable law, in no event shall a party or its suppliers be liable for damages other than direct damages, including the cost of procurement of substitute goods or technology, loss of profits, or for any special, consequential, incidental, punitive or indirect damages on any theory of liability, whether in statute, contract, tort, strict liability or otherwise, even if advised of the possibility of such damages. To the fullest extent permitted by applicable law, in no event shall the total liability of a party to the other party under this Agreement exceed \$100 USD. The liability limitations in this paragraph (and otherwise in this Agreement) do not limit or exclude damages that under applicable law cannot be limited or excluded.

9. Updates. Company reserves the right to modify this Agreement and the URL Terms in Company's sole discretion. Should Company make any modifications to this Agreement or the URL Terms, Company will post the amended terms on the applicable URL link located at <https://arcticwolf.com/terms/> and will update the "**Last Updated Date**" within such document.

10. Miscellaneous Terms.

10.1 Assignment. This Agreement may not be assigned by either party by operation of law or otherwise, without the prior written consent of the other party, which consent will not be unreasonably withheld. Such consent is not required in connection with the assignment of this by Company to an affiliate or pursuant to a merger, acquisition or sale of all or substantially all its assets.

10.2 Force Majeure. Neither party will be liable for failure or delay in its performance under this Agreement to the extent caused by circumstances beyond its reasonable control.

10.3 Governing Law. The rights and obligations of the parties under this Agreement shall not be governed by the provisions of the 1980 U.N. Convention on Contracts for the International Sale of Goods or the United Nations Convention on the Limitation Period in the International Sale of Goods, as amended. Except as otherwise prohibited by law, the governing law and exclusive venue applicable to any lawsuit, settlement, or other dispute arising in connection with the Agreement will be determined by the location of Partner's principal place of business ("**Domicile**"), as follows:

Domicile	Governing Law	Venue
United States (including, D.C. and its inhabited territories)	Delaware	Kent County, Delaware
Japan	California	Santa Clara, California
Canada	Ontario	Toronto
United Kingdom, Europe Union, Iceland, Switzerland, Norway, Africa, Australia, New Zealand, Middle East, and Asia-Pacific (excluding Japan)	England	London

The parties hereby irrevocably consent to the personal jurisdiction and venue as shown above. Unless prohibited by governing law or venue, or otherwise inapplicable, each party irrevocably agrees to waive jury trial. In all cases, the application of law will be without regard to, or application of, conflict of law rules or principles. Any dispute, controversy, or claim (including non-contractual disputes, controversies, or claims) arising out of or relating to this Agreement, the breach thereof, or its subject matter or formation, shall be referred to and finally determined by arbitration within the venue in the table above in English and in accordance with the JAMS International Arbitration Rules then in effect. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, each party shall have the right to institute an action in a court of proper jurisdiction for preliminary injunctive relief pending a final decision by the arbitrator(s),

provided that a permanent injunction and damages shall only be awarded by the arbitrator(s). In any action or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover costs and attorneys' fees.

10.4 Independent Contractors. This Agreement will not be construed as creating an agency, partnership, joint venture or any other form of association, for tax purposes or otherwise, between the parties; the parties will at all times be and remain independent contractors.

10.5 No Third-Party Beneficiaries. This Agreement does not confer any benefits on any third party unless it expressly states that it does.

10.6 Notices. All notices must be in writing and addressed to the other party's legal department and primary point of contact. Notice will be treated as given on receipt, as verified by written or automated receipt or by electronic log (as applicable).

10.7 Severability and Waiver. In the event that any provision of this Agreement (or any portion hereof) is determined by a court of competent jurisdiction to be illegal, invalid or otherwise unenforceable, the provision (or portion) will be enforced to the extent possible consistent with the stated intention of the parties, or, if incapable of enforcement, will be deemed to be severed and deleted from this Agreement, while the remainder of this Agreement will continue in full force. The waiver by either party of any default or breach of this Agreement will not constitute a waiver of any other or subsequent default or breach.

10.8 Survival. The following sections will survive any expiration or termination of this Agreement: Confidentiality, Intellectual Property, Disclaimer, Limitation of Liability, and Miscellaneous Terms.

10.9 English Language. The parties have agreed that this Agreement as well as any notice, document or instrument relating to it be drawn up in English only; *les parties aux présentes ont convenu que la présente convention ainsi que tous autres avis, actes ou documents s'y rattachant soient rédigés en anglais seulement.*

Incident Response (IR) JumpStart Retainer Agreement For Managed Service Provider Partners

This Incident Response (IR) JumpStart Retainer Agreement for Managed Service Providers (the "**Agreement**") is a legal agreement entered into by and between Arctic Wolf Networks, Inc and its affiliates ("**Company**" or "**Arctic Wolf**") and the managed service provider partner ("**Partner**") reflected on any order forms, quotes, or other ordering document that references this Agreement ("**Order Form**") for a subscription to the IR JumpStart Retainer offering ("**IR JumpStart Retainer**"). The Order Form will be issued to Partner by Company or its authorized distributor partner (the "**Distribution Partner**") This Agreement is effective on the date Partner executes the Order Form or submits a matching purchase order to Company or the Distribution Partner, as applicable (the "**Effective Date**"). This Agreement permits Partner to purchase a subscription to IR JumpStart Retainer, as defined below, and identified in the Order Form for the specific and designated end user of Partner (the "**End User**") and sets forth the terms and conditions under which such offering will be delivered by Company to Partner for such End User. Partner and Company may be individually referred to as a "party" and collectively referred to as the "parties". This Agreement consists of the terms and conditions set forth below, any URL terms (the "**URL Terms**") referenced herein, and any attachments or exhibits included herewith. If there is a conflict between the terms of this Agreement, the Order Form, or the terms set forth in the URL Terms, the documents will control in the following order: this Agreement, the URL Terms, and the Order Form

BY EXECUTING, WHETHER MANUALLY OR ELECTRONICALLY, OPERATING, DOWNLOADING, INSTALLING, REGISTERING OR OTHERWISE USING IR JUMPSTART RETAINER, ACCEPTING AN ORDER FORM FOR IR JUMPSTART RETAINER, OR CLICKING AN "I ACCEPT", "SUBMIT", OR "CONTINUE" BUTTON ASSOCIATED WITH THIS AGREEMENT OR THE CYBER JUMPSTART (FKA CYBER ESSENTIALS) SUBSCRIPTION TERMS, PARTNER (OR ITS AUTHORIZED AGENT, IF APPLICABLE) EXPRESSLY AND EXPLICITLY ACKNOWLEDGES AND AGREES THAT THIS IS A BINDING AGREEMENT AND PARTNER HEREBY AGREES TO THE TERMS OF THIS AGREEMENT AND ACCEPTS THE OFFER TO SUBSCRIBE TO IR JUMPSTART RETAINER PURSUANT TO THE TERMS HEREIN. IF THE PERSON ACCEPTING THESE TERMS IS AN EMPLOYEE OR OTHER REPRESENTATIVE OF PARTNER, THE PERSON ACCEPTING HEREBY REPRESENTS AND WARRANTS TO COMPANY THAT YOU ARE (A) AUTHORIZED TO ENTER INTO THIS AGREEMENT ON BEHALF OF PARTNER, AND (B) YOU ARE OVER 18 YEARS OLD. IF PARTNER DOES NOT ACCEPT ALL THE TERMS AND CONDITIONS IN THIS IR JUMPSTART AGREEMENT OR IS NOT AUTHORIZED TO ENTER INTO THIS AGREEMENT, DO NOT SUBMIT A REQUEST TO SUBSCRIBE TO IR JUMPSTART RETAINER OR OTHERWISE USE IR JUMPSTART RETAINER.

In consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

1. Description of IR JumpStart Retainer. IR JumpStart Retainer includes the following

1.1 Company will respond to Partner's request for **IR** services, provided such request is related to an Incident, within one (1) hour of receipt of request in accordance with Section 2 below. Requests may be submitted to Arctic Wolf via (a) the Customer Portal, or (b) the JumpStart IR Planner module and submission may be made by (i) Partner on behalf of End User and in accordance with Partner's agreement with such End User, or (ii) End User, if authorized by Partner

1.2 Partner may access and use Cyber JumpStart on behalf of the End User and subject to the Cyber JumpStart Subscription Agreement located at <https://arcticwolf.com/terms/> ("**Subscription Agreement**") as modified by the terms set forth in Section 4 below

1.3 Company will provide guidance to Partner on accessing and using the JumpStart IR Planner module of Cyber JumpStart (the "**Module**")

1.4 Upon completion of an End User's IR plan within the Module, and upon request by Partner, Company will conduct an IR plan review meeting at a mutually agreed upon date and time with Partner to review such IR plan

1.5 As a benefit to Partner's End User and provided that the IR services engagement, excluding any fixed fee engagements including but not limited to Business Email Compromise ("BEC"), is more than a minimum of twenty-five (25) hours (an "**Incident**"), Company may offer IR services to an End User under an executed IR statement of work ("**SOW**") to be made between Company and End User at an hourly rate of \$295 USD/hour (or equivalent in the applicable foreign currency set forth on an Order Form)

2. **In the event of an Incident.** In the event an End User experiences an Incident and desires to engage Company for IR services, Company will respond to the request for engagement in accordance with Section 1.1 above and the parties will schedule and conduct a scoping call to assess a possible SOW. At the time of Incident and provided the parties elect to proceed with the IR services engagement, Company and End User will execute a separate Services Agreement and a SOW to govern the agreed upon scope and costs of an engagement for the IR services. For the avoidance of doubt, Partner will not be party to or a third-party beneficiary of any SOW and/or Services Agreement and Company shall have no liability to Partner for any of Company's obligations thereunder.

3. **Partner Agreement.** Partner understands and agrees the terms of the Partner Agreement and related MSP Addendum and such terms related to Partner's responsibilities as an MSP Partner for Company shall apply

4. **Term and Termination.** The term of this Agreement will be as set forth on the Order Form. Either party may terminate this Agreement for cause if the other party commits a material breach of this Agreement, provided that such terminating party has given the other party ten (10) days' advance notice to try and remediate the breach

5. **Confidentiality.** During the term of this Agreement, both parties agree that (1) Confidential Information (as defined below) will be used only in accordance with the terms and conditions of this Agreement, (2) each will use the same degree of care it uses to protect its own Confidential Information, but in no event less than reasonable care; and (2) Confidential Information may be disclosed only to employees,

consultants, agents, and contractors, with a need to know, in each case, who are under a written obligation to keep such information confidential using standards of confidentiality no less restrictive than those required by this Agreement. "Confidential Information" means any information designated as confidential orally or in writing by either party, or any information that the receiving party knows, or has reason to know, is confidential or proprietary based upon its treatment by the disclosing party. This Agreement imposes no obligation with respect to information which: (1) is a part of or enters into the public domain, (2) was already in the recipient's possession prior to the date of disclosure other than by breach of this Agreement; (3) is rightfully received from a third party without any duty of confidentiality; (4) is independently developed without reference to the Confidential Information of the disclosing party.

6. Intellectual Property. Except as expressly set forth herein, neither party will acquire any rights, title or interest, in any of the IP Rights belonging to the other party. As between the parties, each party owns all IP Rights in its products, services and Marks. "IP Rights" means current and future worldwide rights under patent law, copyright law, trade secret law, trademark law, moral rights law, and other similar rights.

7. Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER PARTY NOR ITS SUPPLIERS MAKES ANY WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. EACH PARTY, FOR ITSELF AND ITS SUPPLIERS, SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NONINFRINGEMENT.

8. Limitation of Liability. To the fullest extent permitted by applicable law, in no event shall a party or its suppliers be liable for damages other than direct damages, including the cost of procurement of substitute goods or technology, loss of profits, or for any special, consequential, incidental, punitive or indirect damages on any theory of liability, whether in statute, contract, tort, strict liability or otherwise, even if advised of the possibility of such damages. To the fullest extent permitted by applicable law, in no event shall the total liability of a party to the other party under this Agreement exceed \$100 USD. The liability limitations in this paragraph (and otherwise in this Agreement) do not limit or exclude damages that under applicable law cannot be limited or excluded.

9. Updates. Company reserves the right to modify this Agreement and the URL Terms in Company's sole discretion. Should Company make any modifications to this Agreement or the URL Terms, Company will post the amended terms on the applicable URL link located at <https://arcticwolf.com/terms/> and will update the "**Last Updated Date**" within such document.

10. Miscellaneous Terms.

10.1 Assignment. This Agreement may not be assigned by either party by operation of law or otherwise, without the prior written consent of the other party, which consent will not be unreasonably withheld. Such consent is not required in connection with the assignment of this by Company to an affiliate or pursuant to a merger, acquisition or sale of all or substantially all of its assets.

10.2 Force Majeure. Neither party will be liable for failure or delay in its performance under this Agreement to the extent caused by circumstances beyond its reasonable control.

10.3 Governing Law. The rights and obligations of the parties under this Agreement shall not be governed by the provisions of the 1980 U N Convention on Contracts for the International Sale of Goods or the United Nations Convention on the Limitation Period in the International Sale of Goods, as amended. Except as otherwise prohibited by law, the governing law and exclusive venue applicable to any lawsuit, settlement, or other dispute arising in connection with the Agreement will be determined by the location of Customer's principal place of business ("Domicile"), as follows:

Domicile	Governing Law	Venue
United States (including, D C and its inhabited territories)	Delaware	Kent County, Delaware
Canada	Ontario	Toronto
United Kingdom, Europe Union, Iceland, Switzerland, Norway, Africa, Australia, New Zealand	England & Wales	London

The parties hereby irrevocably consent to the personal jurisdiction and venue as shown above. Unless prohibited by governing law or venue, or otherwise inapplicable, each party irrevocably agrees to waive jury trial. In all cases, the application of law will be without regard to, or application of, conflict of law rules or principles. Any dispute, controversy, or claim (including non-contractual disputes, controversies, or claims) arising out of or relating to this Agreement, the breach thereof, or its subject matter or formation, shall be referred to and finally determined by arbitration within the venue in the table above in English and in accordance with the JAMS International Arbitration Rules then in effect. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, each party shall have the right to institute an action in a court of proper jurisdiction for preliminary injunctive relief pending a final decision by the arbitrator(s).

provided that a permanent injunction and damages shall only be awarded by the arbitrator(s). In any action or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover costs and attorneys' fees

10.4 Independent Contractors. This Agreement will not be construed as creating an agency, partnership, joint venture or any other form of association, for tax purposes or otherwise, between the parties, the parties will at all times be and remain independent contractors.

10.5 No Third-Party Beneficiaries. This Agreement does not confer any benefits on any third party unless it expressly states that it does

10.6 Notices. All notices must be in writing and addressed to the other party's legal department and primary point of contact. Notice will be treated as given on receipt, as verified by written or automated receipt or by electronic log (as applicable).

10.7 Severability and Waiver. In the event that any provision of this Agreement (or any portion hereof) is determined by a court of competent jurisdiction to be illegal, invalid or otherwise unenforceable, the provision (or portion) will be enforced to the extent possible consistent with the stated intention of the parties, or, if incapable of enforcement, will be deemed to be severed and deleted from this Agreement, while the remainder of this Agreement will continue in full force. The waiver by either party of any default or breach of this Agreement will not constitute a waiver of any other or subsequent default or breach

10.8 Survival. The following sections will survive any expiration or termination of this Agreement. Confidentiality, Intellectual Property, Disclaimer, Limitation of Liability, and Miscellaneous Terms

10.9 English Language. The parties have agreed that this Agreement as well as any notice, document or instrument relating to it be drawn up in English only; *les parties aux présentes ont convenu que la présente convention ainsi que tous autres avis, actes ou documents s'y rattachant soient rédigés en anglais seulement.*

**MSP PLUS PRODUCT DELIVERY REQUIREMENTS
FOR
AURORA ENDPOINT DEFENSE SECURITY**

These MSP Plus Product Delivery Requirements for Aurora Endpoint Defense Security ("**AED PDR**") apply to MSP Plus partners ("**Partner**") authorized to sell, use, and/or deliver the Aurora Endpoint Defense Security Products ("**Products**") identified in the Product List located at <https://arcticwolf.com/terms/product-list/> which may be updated from time-to-time ("**Product List**"). The terms of the MSP Plus Addendum (the "**Addendum**"), and all associated terms referenced therein, are incorporated into this AED PDR by reference. **ALL CAPITALIZED TERMS USED HEREIN AND NOT OTHERWISE DEFINED SHALL HAVE THE MEANING ASCRIBED TO THEM IN THE ADDENDUM.** Partner understands and agrees that its sale, use and delivery of AED requires compliance with the following responsibilities and obligations:

1. DEFINITIONS

" AWTSS Program Description "	means the description of the Technical Support Services to be provided by Arctic Wolf to Customer, which is located at https://docs.arcticwolf.com/ and which may be modified by Arctic Wolf from time-to-time. Any reference to "Tiers" herein shall mean the Tiers described in the AWTSS Program Description.
" AWTSS Terms "	means, collectively, the terms and conditions set out in the AWTSS Program Description and this Agreement.
" Credentials "	means account details intended to authenticate the relevant user, such as usernames and passwords
" Customer "	except as otherwise set forth herein, means any third party that has entered into a Transaction with Partner, including the installation of the Solution(s) on one or more Devices owned or under the control of such third party, and not for the purpose of redistribution or resale
" Device "	means any computing network, environment or equipment, including but not limited to, desktop and laptop computers, smart phones, tablet, point of sale terminal, industrial control system or any other connected device which accesses or uses the Solutions, and further includes non-persistent deployments and virtual machines
" Documentation "	means any documentation made available to Customer or Partner by Arctic Wolf (whether electronic or printed) which relates to the Solution
" Malware "	means any software or content that contains any virus, trojan horse, worm, backdoor, shutdown mechanism, sniffer, bot, drop dead mechanism, spyware, malicious or similar, code
" Managed Services "	means the services, but not the Technical Support Services, provided by Partner to a Customer for the Solution, which services are provided pursuant to the terms of a Transaction and this Agreement, and may include assisting the Customer with set up and configuration, basic troubleshooting, and basic support of the Solution or such other activities examples of which are set forth in the AWTSS Terms
" Multi-Tenant Console " or " MTC "	means the console made available by Arctic Wolf to Partner, enabling the management of multiple Customers and providing for the support and management of Devices and/or Tenants.
" Personal Data "	means any information relating to an identified or identifiable natural person, an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier, or to one or more factors specific to his or her physical, physiological, genetic, mental, economic, cultural or social identity.
" Solution "	means Arctic Wolf's proprietary Aurora Endpoint Security Product (and any licensed third party software embedded therein) set forth on the Product List and any Managed Services included therewith. Solution shall exclude any Third Party Items
" Technical Support Services "	Means the Tier 0, 1 and Tier 2 technical support services that will be provided directly to a Customer (or to Partner on Customer's behalf if requested and authorized by Customer in writing) in accordance with the AWTSS Terms by Arctic Wolf
" Tenant "	means a distinct Customer or group (including an Evaluation environment(s) as provided in Section 2.2) provisioned with separate access and configurations for the provisioning of the Solutions on Devices
" Third Party Items "	means Customer, Partner, or other third party. (i) software, (ii) content, (iii) services, including Managed Services, internet connectivity, systems, wireless networks and non-Arctic Wolf websites, (iv) devices, servers, equipment and other hardware products, and (v) any ancillary or additional services provided by Partner to Customer pertaining to the Solution subject to a separate agreement solely between Partner and Customer
" Transaction "	means an agreement between Partner and a Customer, under which Partner provides the Solutions to a Customer, and grants to Partner the right to install and use the Solution(s) on a specified number of Devices (or other chargeable unit) within a Tenant or MTC and perform any Managed Services

2. APPOINTMENT; LICENSE GRANT

- 2.1 **License Grant** Subject to Section 2.3 below, Arctic Wolf hereby grants to Partner a limited, non-exclusive, personal, non-transferable license to manage, access and use the Solutions to and on behalf of Customers, including via the Multi-Tenant Console, subject to the Transaction and the General Terms.
- 2.2 **Solution Evaluations** If a potential Customer requests to conduct an evaluation of the Solutions ("**Evaluation**"), in addition to the terms and conditions applicable to the Solutions under this Agreement and subject to Customer's agreement to the General Terms, Partner may conduct an Evaluation in accordance with the Evaluation program parameters within the Program Guide.
- 2.3 **Use** Partner shall ensure that (i) prior to any delivery, download, distribution and/or provisioning (as applicable) of a Solution to Customers, including installation on any Device as part of the configuration of a Tenant, Partner has complied with the Contracting Model requirements for the Solution, (ii) Partner designates Arctic Wolf, and its successors and assigns, as a third-party beneficiary to the Transaction, and

- (iii) Partner requires Customer to identify within the Tenant or MTC, as applicable, the location(s) of the Solution and/or the number of installations and locations of the Solution, within thirty (30) days of such delivery or installation. In the event Customer changes the number of installations and/or locations of the Solution, Customer shall provide updated information within thirty (30) days of such changes. Partner shall be responsible for ensuring that each Customer agrees to the applicable General Terms prior to accessing or using the Solution. In the event Arctic Wolf modifies the General Terms, Arctic Wolf may make such modifications without notice to or consent of Partner and Partner shall require any preexisting Customers purchasing additional licenses or any new Customers to the Solution to accept the modified General Terms. Partner shall not provide, install or make the Solution available to any Customer prior to such Customer's acceptance of the General Terms. Partner agrees that Partner shall provide assistance to Arctic Wolf as reasonably requested for the onboarding, support, and offboarding of Customers as set forth herein and in the AWTSS.
- 2.4 **Transaction Breach.** In the event Partner learns of or should reasonably become aware of any actual or suspected breach of a Transaction, Partner shall promptly notify Arctic Wolf in writing of all information then-known to Partner regarding the unauthorized use or suspected breach. Partner will provide Arctic Wolf reasonable assistance and cooperation, at Partner's own cost and expense, in evaluating the suspected breach. Partner shall cooperate with Arctic Wolf to protect and enforce Arctic Wolf's rights and remedies, including, if requested by Arctic Wolf, naming Arctic Wolf as a party in any action against Customer
- 3 PARTNER'S RIGHTS; SCOPE OF USE; RESTRICTIONS**
- 3.1 **Solution Use Restrictions.** Partner shall not
- (i) access the Solutions on a Device or Tenant, or perform Managed Services for a Customer, unless Partner has been authorized by Customer to do so and has the requisite consents and rights from Customer and as required by all applicable law; and
 - (ii) upload, transmit, or otherwise make available any Malware, unless expressly permitted by Arctic Wolf in writing as required to provide the Solution.
- 3.2 **Training.** Unless otherwise agreed in writing, Arctic Wolf will not provide any training to Partner related to the Solution.
- 3.3 **Remote Access.** Partner acknowledges and agrees that Arctic Wolf may directly or remotely communicate with the Customer, Solutions, Tenants, MTC, and Devices for purposes related to delivery of the Solution, including, (i) onboarding and deployment of the Solutions, (ii) verifying Credentials; (iii) issuing reports and alerts such as automated support requests and alert messages, (iv) providing support and maintenance services; (v) applying policy and configuration changes; and (vi) extracting usage information, service performance information, and event logs. Partner shall ensure that its Transaction with Customers expressly allows Arctic Wolf the rights to remote access described in this Section 3.4 (*Remote Access*).
- 3.4 **Availability of Solutions.** Arctic Wolf may, without any liability to Partner or any Customer, modify, suspend, discontinue or place limits on the Solutions or any part thereof, including: (i) periodically suspending use of and/or access thereto, or otherwise taking it out of operation in order to do maintenance and support of Solutions, (ii) if Partner's or its Customers' use of and/or access to the Solutions or any part thereof poses a security or other risk to the Solution or any third party or adversely impacts the Solution; (iii) if required by law or regulation or in Arctic Wolf's opinion it is or may be subject to liability as a result of operating the Solutions or any part thereof, or (iv) if Partner or a Customer is in breach of this Addendum, including the General Terms
- 4 PARTNER'S OBLIGATIONS.** In addition to any other obligations within the Addendum, Partner agrees to the additional obligations set forth as follows:
- 4.1 **Partner's General Obligations.** In addition to other requirements under this AED PDR, Partner shall:
- (i) ensure that Customers receive notification of Updates within seventy-two (72) hours of Arctic Wolf making Updates available,
 - (ii) promptly notify Arctic Wolf in writing if Partner becomes aware any misuse or intent to misuse the Solution,
 - (iii) not make any warranties, representations or covenants on Arctic Wolf's behalf, and
 - (iv) not agree to any terms and conditions that conflict with the General Terms, Technical Support Services, or Partner's obligations under this AED PDR or enlarge or expand Arctic Wolf's responsibilities or liabilities under the General Terms and Technical Support Services.
- 4.2 **Security Measures and Safeguards.** Partner shall, at Partner's sole expense, implement such security measures as Partner considers are appropriate, and which are, at all times, compliant with all applicable laws, lawful access, and data protection laws, to: (i) prevent any unauthorized access to or copying of the Solution or unauthorized access thereto, and (ii) safeguard the data of Customers that comes into the possession of, or under the control of, Partner by virtue of providing the Solutions from unauthorized use or modification.
- 4.3 **Support Obligations for Solutions.** Technical Support Services shall be provided by Arctic Wolf to Customer in accordance with the AWTSS Terms. Partner shall ensure that all Transactions with Customers expressly allow Arctic Wolf to communicate directly with Customers.
- 5 PAYMENT AND REPORTING**
- 5.1 **Fees.** Partner shall pay the fees ("Fees") applicable to the Solution provided to each Customer, either directly or through an Authorized Distributor. For licenses of the Solution(s), Fees are payable for every Device (and every other chargeable unit where applicable) (each a "Billable Unit") that Partner provisions for any length of time. "Provision" or "Provisioned" is hereby defined as the assignment to a Device (or any other chargeable unit where applicable) the ability to access the Solution(s), regardless of whether such Solution(s) is accessed or used.
- 6 WARRANTIES AND DISCLAIMERS.**
- 6.1 **Partner Warranties.** In addition to Partner's warranties set forth in the Agreement, Partner warrants, covenants and represents to Arctic Wolf that it shall remain wholly responsible for the compliance of Customers with the Transaction
- 6.2 **Disclaimers.** IN ADDITION TO THE DISCLAIMERS SET FORTH IN THE ADDENDUM, WITH RESPECT TO THIS ADDENDUM AND THE SOLUTIONS CONTEMPLATED HEREIN, ARCTIC WOLF SPECIFICALLY DISCLAIMS (A) THE SUITABILITY OF THE SOLUTIONS AND THE MULTI-TENANT CONSOLE FOR USE IN MISSION-CRITICAL APPLICATIONS OR IN HAZARDOUS ENVIRONMENTS REQUIRING FAIL-SAFE CONTROLS, INCLUDING WITHOUT LIMITATION OPERATION OF NUCLEAR FACILITIES, AIRCRAFT NAVIGATION OR COMMUNICATION SYSTEMS, AIR TRAFFIC CONTROL, AND LIFE SUPPORT OR WEAPONS SYSTEMS, (B) ANY WARRANTIES OR CONDITIONS RELATED TO THE SOLUTION (EXCEPT AS EXPRESSLY PROVIDED FOR IN THE CUSTOMER TERMS), (C) ANY OBLIGATIONS WITH RESPECT TO ANY DATA STORED IN THE SOLUTIONS, THE MULTI-TENANT CONSOLE, OR THE PARTNER PORTAL, AND (D) THE SOLUTION WILL DETECT AND/OR CORRECTLY IDENTIFY AND/OR DISINFECT ALL THREATS, APPLICATIONS (WHETHER MALICIOUS OR OTHERWISE) OR OTHER COMPONENTS. PARTNER ACKNOWLEDGES AND WARRANTS THAT PARTNER IS SOLELY RESPONSIBLE AND LIABLE TO CUSTOMER FOR: (I) VERIFYING THE ACCURACY AND ADEQUACY OF ANY INPUT, OUTPUT OR ALERT INTO OR FROM THE SOLUTION, AND (II) PARTNER'S AND/OR CUSTOMER'S DECISION TO ALLOW OR MAINTAIN ANY MALWARE OR VULNERABILITY ON OR TO CUSTOMER'S DEVICES, SYSTEMS OR NETWORKS. TO THE MAXIMUM EXTENT PERMITTED BY LAW, PARTNER WAIVES ANY AND ALL CAUSES OF ACTION OR CLAIMS AGAINST ARCTIC WOLF ARISING FROM OR RELATING TO THIS CLAUSE. FURTHER, ARCTIC WOLF DOES NOT WARRANT OR REPRESENT THAT PARTNER, ANY CUSTOMER, OR ANY THIRD PARTY IS ENTITLED TO BLOCK ANY THIRD-PARTY APPLICATIONS, OR THAT PARTNER, ANY CUSTOMER, OR ANY THIRD PARTY IS ENTITLED TO ENCRYPT OR DECRYPT ANY THIRD-PARTY INFORMATION. PARTNER ACKNOWLEDGES AND AGREES THAT WHERE THE

SOLUTION IS DESIGNED TO INTEROPERATE WITH OR FACILITATE PARTNER'S OR A CUSTOMER'S ACCESS TO THIRD PARTY ITEMS, ARCTIC WOLF HAS NO CONTROL OVER THE FUNCTIONALITY, DELIVERY, USE OR PERFORMANCE OF SUCH THIRD-PARTY ITEMS. THIS DISCLAIMER AND EXCLUSION SHALL APPLY EVEN IF THE EXPRESS WARRANTY SET FORTH HEREIN FAILS OF ITS ESSENTIAL PURPOSE.

- 7 INDEMNIFICATION.** In addition to any indemnification obligations of Partner within the Addendum, Partner shall defend, hold harmless and indemnify Arctic Wolf and any of Arctic Wolf's Affiliates, and their officers, directors, employees, subcontractors and agents, from and against any and all claims, actions, proceedings, judgments, damages, costs, expenses or other liability whatsoever (including reasonable attorneys' fees and disbursements) and settlements agreed to by Partner arising out of, resulting from or relating to:
- 7.1 improper use of the Solution by Partner or such other third parties to whom Partner provides Solution access, except to the extent such claim is covered by Arctic Wolf's indemnification obligations in the Agreement;
 - 7.2 Partner's failure to obtain acceptance of the terms and conditions of the applicable General Terms by any Customer;
 - 7.3 Partner's failure to obtain any consents, approvals or authorizations required under the terms of this Addendum;
 - 7.4 breach of any Transaction by Partner;
 - 7.5 acts or omissions related to the gross negligence or willful misconduct of Partner and/or its agents and representatives;
 - 7.6 unauthorized disclosure, mishandling, loss, breach, or unauthorized access or use of Personal Data caused by or resulting from Partner's acts, errors, or omissions; or
 - 7.7 any infringement claim arising from or in connection with
 - (i) modifications to the Solutions or any portion thereof where such modification is made by Partner, or on behalf of Partner, or authorized by Partner;
 - (ii) any materials provided by or on behalf of Partner to Arctic Wolf regarding any modification to the Solutions where such claim would not arise but for such materials; or
 - (iii) a Customer's combined use of the Solutions or portion thereof with other software and/or hardware products or applications not supplied by Arctic Wolf where such combined use is recommended by Partner and the software and/or hardware products or applications are supplied to Customer by Partner.

- 8 LIMITATION OF LIABILITY.** Notwithstanding any limitation of liability provision within the Addendum, Partner agrees that in no event shall any limitation of liability provision set forth in the Agreement apply to Partner's liability to Arctic Wolf related to any indemnification obligations set forth in Section 7 (*Indemnification*) above

9 TERM AND TERMINATION

9.1 Effect of Termination

- (i) Transition Assistance. Arctic Wolf may take additional measures as it deems reasonable, in its sole discretion, to protect the availability and continuity of services for any Customers. If requested by Arctic Wolf, upon termination or expiration of this Addendum, the Agreement, or a Transaction, Partner shall provide Arctic Wolf with reasonable assistance, at no charge to Arctic Wolf, to effectuate a transfer of all Customers to a replacement services provider identified by Arctic Wolf. Partner shall provide Arctic Wolf (or Arctic Wolf's designee) with all reasonably requested information (including, without limitation, identification of technical contact persons of each Customer) and access to such data and/or computer systems as may be necessary to effectuate the transfer and avoid disruption of services to affected Customers.
- (ii) No Discharge of Obligations. The termination or expiration of the Addendum shall not discharge or relieve either party from any obligation which accrued prior to termination and shall not relieve any breaching party from liability for damages resulting from such breach. Except as set forth in Sections 9.2(i) (*Transition Assistance*) and 9.2(ii) (*Post-Termination Services*), all of Partner's rights under this Addendum shall terminate upon termination or expiration of this Addendum, including the right to allow the Partner's Customers to use the Solution, notwithstanding the terms of any agreement between the Partner and its Customers.
- (iii) Post-Termination Services. Except in the case of termination for cause, the parties agree to continue to fulfill their respective obligations in connection with this Addendum (including provision of the Technical Support Services) for the term of any Transaction entered into prior to termination or expiration of this Addendum until expiration or termination of such Transaction, but no more than three (3) months from the termination or expiration of this Agreement. Within three (3) months of expiration or termination of this Addendum, Partner shall deliver a written certification to Arctic Wolf confirming the destruction by Partner and any applicable Customers of the Solutions and Arctic Wolf's Confidential Information, and all copies and derivatives thereof, in such persons' and entities' possession or control, except to the extent such Customers may have been transferred to a replacement managed security services provider. Arctic Wolf shall not be liable to Partner or Customers in connection with termination by Arctic Wolf resulting from Partner's breach of this Addendum.
- (iv) Fees Due Upon Termination. In the event of termination of this Agreement by Partner, Partner must pay to Arctic Wolf (or its Authorized Distributor, as applicable) all amounts due and owing for any Customer existing as of the date of termination ("**Termination Date**"). Notwithstanding anything to the contrary, nothing in this Agreement shall limit or exclude Partner's payment obligations with respect to any Billable Units Provisioned in the Multi-Tenant Console following the Termination Date, including where the parties have agreed Partner may continue to provide Managed Services beyond the Termination Date in accordance with Section 9.2(iii) (*Post-Termination Services*).
- (v) Post-Expiration or Termination. Upon expiration or termination of this Agreement for any reason, Partner shall promptly cease to represent Partner as Arctic Wolf's authorized MSPP partner with respect to the Solution under the terms of this AED PDR and shall otherwise desist from all conduct or representations that might lead the public to believe that Partner is authorized by Arctic Wolf to market, promote or solicit sales of the Solution. Partner further agrees to promptly cease all use of the Partner Portal, any Tenants, and the Multi-Tenant Console (except to the extent provided under Section 9.2(iii) (*Post-Termination Services*)). Further, upon expiration or termination of the Addendum or AED PDR for any reason, Partner agrees to destroy, delete or return to Arctic Wolf all materials supplied to Partner by Arctic Wolf or anyone else in support of this Addendum, including but not limited to all Arctic Wolf Confidential Information.

10 DATA PROTECTION

10.1 Potentially Malicious Code and Anonymous Data

- (i) Transmission of Files. Partner acknowledges that a feature of the Solutions is to facilitate analysis of files and processes (including portable executable files, meta data, systems files, dll files, binary files, and/or other executable code, including those which may from time to time be embedded in other file types) that exist on, or are being introduced to the Devices of Customers ("**Files**") to identify potential or actual malicious code, malware or other intrusive artifacts or processes therein ("**Potentially Malicious Code**"). Partner therefore acknowledges and agrees that, in certain configurations, to function optimally, the Solution may transmit Files to servers owned or controlled by Arctic Wolf or may otherwise analyze Files.
- (ii) Anonymous Data. Arctic Wolf may reduce Potentially Malicious Code to a unique hash, and Arctic Wolf may deconstruct, analyze and catalogue Potentially Malicious Code to determine functionality and potential to cause instability or damage to Devices. Arctic Wolf may also use the unique file hash to identify files on other systems as Potentially Malicious Code and use and distribute the

unique file hash to promote awareness, detection and prevention of internet security risks, in which case the unique file hash will be without attribution to Partner or its Customers, Partner's or Customers' operations, or Partner's systems or networks or Customers' Devices (individually and collectively, "**Anonymous Data**"). Arctic Wolf may also extract, compile, synthesize, and analyze non-personally identifiable data transmitted by the Solution running on Devices, Tenants, and/or the Multi-Tenant Console, or information resulting from Partner's use of or access to the Solution and/or the Multi-Tenant Console, in each case to the extent such data or information only includes Anonymous Data. Partner agrees that Arctic Wolf may use, copy, modify, distribute and display Files, Anonymous Data and Potentially Malicious Code for Arctic Wolf's business purposes, including research, development, enhancement and support of products and services. Without limiting the foregoing, Arctic Wolf will not identify Partner or its Customers as the source of any Files, Anonymous Data or Potentially Malicious Code.

- (iii) **Risks Regarding Potentially Malicious Code.** If the Solution identifies Potentially Malicious Code, certain configurations of the Solution may block Potentially Malicious Code from execution, in which case Partner may either allow execution of the Potentially Malicious Code or quarantine it. Alternatively, Partner may determine that Potentially Malicious Code is acceptable for use on the Devices of a Customer and need not be blocked or quarantined. Partner acknowledges that blocking the execution of or quarantining or running Potentially Malicious Code may result in a loss of functionality of Files, applications, or the Devices, and cause other potential harm or loss. PARTNER'S DECISION TO BLOCK, QUARANTINE OR ENABLE EXECUTION OF POTENTIALLY MALICIOUS CODE IS AT PARTNER'S OWN RISK. PARTNER ACKNOWLEDGES THAT ARCTIC WOLF HAS NO CONTROL OVER THE SPECIFIC CONDITIONS UNDER WHICH PARTNER USES THE SOLUTION OR THE MULTI-TENANT CONSOLE OR ALLOWS OR DISALLOWS POTENTIALLY MALICIOUS CODE TO EXECUTE THE SOLUTION. THE SOLUTION AND THE MULTI-TENANT CONSOLE DO NOT REPLACE PARTNER'S OBLIGATION TO EXERCISE PARTNER'S INDEPENDENT JUDGMENT WITH RESPECT TO THE EXISTENCE OR SUITABILITY OF POTENTIALLY MALICIOUS CODE EXISTING ON OR THE SECURITY OF THE DEVICES.

10.2 **Acknowledgment.** Partner acknowledges and agrees that it may be necessary under applicable law to inform and/or obtain consent from the Customer prior to accessing, monitoring, logging, storing, transferring, exporting, blocking access to, and/or deleting Potentially Malicious Files.

10.3 **Customer Data, Threat Intelligence Data.**

- (i) **Customer Data.** Customer Data, as referred to in the Agreement, includes Aurora Solutions Data and Points of Contact Information. "Aurora Solutions Data" means the operational system log data and any other information provided by Partner or Customer in furtherance of its use of the Solutions and which Customer may elect to submit to Arctic Wolf through the Solutions, including, but not limited to operational values, event logs, and network data such as flow, HTTPS, TLS, DNS metadata, cursory inventory data, operating systems and versions, users and groups from Active Directory, system level inventory, event data, and network vulnerability data, but excluding Threat Intelligence Data (as defined below). "Points of Contact Information" includes first name, last name, corporate email address, phone number, job title, address, and organization hierarchy used with respect to set up and administration of Customer's account. As between the parties, Customer shall retain all right, title, and interest (including all intellectual property rights) in and to the Customer Data (excluding any Arctic Wolf Technology).
- (ii) **Threat Intelligence Data.** Threat Intelligence Data means any malware, spyware, virus, worm, trojan, or other potentially malicious or harmful code or files, URLs, DNS data, public IP addresses, network telemetry, commands, processes or techniques, tradecraft used by threat actors, metadata, or other information or data, in each case that is potentially related to unauthorized third parties associated therewith and that (i) is provided to Arctic Wolf in connection with this AED PDR or General Terms, or (ii) is collected or discovered during the course of Arctic Wolf providing Solutions, excluding any such information or data that identifies Customer or to the extent that it includes Personal Data of the data subjects of Partner or its Customer (but including personal information of threat actors or as otherwise provided in the Privacy Notice located at <https://arcticwolf.com/terms/privacy-notice-for-customers/> as may be updated from time to time by Arctic Wolf). Arctic Wolf may use, copy, modify, distribute and display Threat Intelligence Data for Arctic Wolf's business purposes, including research, development, enhancement and support of products and services.

10.4 **Personal Data**

- (i) Each party shall implement reasonable technical and administrative controls to prevent the unauthorized or unlawful processing of Personal Data. Partner acknowledges and agrees that Personal Data from Partner or Customers may be required in the use of the Solution. Arctic Wolf shall not be liable for any breach of security arising from Partner's collection, availability, and/or use of Customer's Personal Data through the Partner Portal, Multi-Tenant Console, or Solution.
- (ii) Partner warrants that (a) any disclosure of a data subject's Personal Data and other information by it to any third party and/or Arctic Wolf for the purposes described in this Agreement and/or in the General Terms is made with the applicable data subject's consent or is otherwise lawful, (b) where authorizations, declarations of consent, or instructions are provided by Partner, these are provided not only on behalf of Partner but also on behalf of any other data controller (including Customers); (c) where Arctic Wolf gives notice to Partner under this Section 10 (Data Protection), such notice is deemed received by those data controllers permitted by Partner to include Personal Data and it is Partner's responsibility to forward such notices to the relevant data controllers. If Partner provides, transmits or otherwise makes special categories of Personal Data (including but not limited to health or biometric data) available to Arctic Wolf, Partner will be responsible for notifying Arctic Wolf and meeting privacy and data protection obligations.
- (iii) Where Personal Data will need to be transferred to a third country (being a country that is not a member state of the European Union or a country within the European Economic Area) pursuant to this Agreement the relevant module of the new EU Standard Contractual Clauses issued by the European Commission will apply automatically.

10.5 **Technical Support Services**

- (i) Partner represents and warrants that, prior to providing Technical Support Services to Customers, Partner has obtained all necessary consents, including without limitation consents regarding Personal Data from its employees, Customers, or other persons, or is otherwise legally authorized in relation to the same, in order to provide Arctic Wolf with any information, materials, data and/or assistance that Arctic Wolf reasonably requires to diagnose problems with the Solution, Tenant, or the Multi-Tenant Console and to otherwise fulfill its obligations under this Addendum.
- (ii) The following terms will apply to any Personal Data of Partner, Partner's employees, Customers or other persons with Personal Data in the information, materials or data that Partner provides to Arctic Wolf, and it is Partner's responsibility to obtain all the necessary consents from such persons, or is otherwise legally authorized, as required by applicable data protection laws, including without limitation as described in the following terms:
- (a) Partner has acknowledged that Customer Data or other materials provided to Arctic Wolf may include Personal Data of Partner, Partner's employees, Customers or other persons. Personal Data that is collected, used, processed, transferred, stored and disclosed (collectively, "**Processed**") by Arctic Wolf and its service providers will be treated in accordance with Arctic Wolf's Privacy Notice. The data processor in respect of such Personal Data is Arctic Wolf. Partner consents and agrees to the Processing of such Personal Data as described herein, the General Terms, and the Privacy Notice. Arctic Wolf may contact Partner regarding its use of related products and services, and to communicate with Partner (including for follow up surveys).

regarding other Arctic Wolf products and services).

- (b) Partner authorizes Arctic Wolf and its subprocessors set forth at <https://arcticwolf.com/terms/sub-processors/> to make transfers of Personal Data in accordance with this Addendum and the Agreement and applicable data privacy laws. Partner acknowledges and agrees that, subject to compliance with applicable data privacy laws, Arctic Wolf may process Personal Data anywhere in the world where Arctic Wolf or its subprocessors maintain data processing operations.
- (c) Where Arctic Wolf has provided Partner with contact information for Arctic Wolf's Authorized Distributors, which in certain jurisdictions may be deemed to be that Authorized Distributor's Personal Data, Partner will comply with all applicable laws related to the use and disclosure of such information.

11 INSURANCE Partner shall, at its own expense, maintain and carry in full force and effect, all adequate insurance for its business and activities with terms, limits and conditions consistent with those obtained by similarly situated prudent and responsible organizations in its industry and those insurance as applicable law may call for, including but not limited to: (i) any compulsory insurances as mandated by law within the Territories for which the services will be performed; (ii) insurance to provide coverage to Partner's employees if injured while at work, (iii) insurance to protect Partner against third parties for loss, injury, damage or death; and (iv) insurance to protect Partner against third parties for losses resulting in errors or omissions regarding technology services, technology products, media content, network security breaches as applicable. The underwriter(s) of all insurance policies must have an AM Best's rating of at least "A-" and be licensed to do business within the Territories for which the services will be performed. Upon request by Arctic Wolf, Partner shall provide proof of insurance.

**MSP PLUS PRODUCT DELIVERY REQUIREMENTS
FOR
AURORA SECURITY OPERATIONS PRODUCTS**

These MSP Plus Product Delivery Requirements for Aurora Security Operations Products ("**SecOps PDR**") apply to MSP Plus partners ("**Partners**") authorized to sell, use, and/or deliver the Security Operations Products ("**Products**") identified on the Product List located at <https://arcticwolf.com/terms/product-list/> which may be updated from time-to-time ("**Product List**"). The MSP Plus Partner Addendum and all associated terms referenced therein (the "**Addendum**") are incorporated into this SecOps PDR by reference. **ALL CAPITALIZED TERMS USED HEREIN AND NOT OTHERWISE DEFINED SHALL HAVE THE MEANING ASCRIBED TO THEM IN THE ADDENDUM.** Partner understands and agrees that its sale, use and delivery of Products as an MSP Plus partner requires compliance with the following responsibilities and obligations:

1. **End User License Agreement.** Use of the Products by Partner is subject to the General Terms. Partner is deemed the "Customer" within the applicable General Terms where Partner is delivering Products to an End User as a managed service provider.
2. The General Terms are modified as follows for purposes of Arctic Wolf's delivery of Products to Partner: (1) the license grant in the General Terms shall be extended to allow the Partner to use such Products for the benefit of the End Users, (2) the fees and payment section of the General Terms will be superseded by the terms of the Addendum, and (3) "Confidential Information" (as defined in the General Terms) and provided by the End User for the delivery of the Products (also referred to as "Customer Information" as defined in the Privacy Notice set forth at <https://arcticwolf.com/privacy-policy-for-customer-portal-users/> as may be updated from time-to-time) shall extend to the Confidential Information of the End Users. In addition to any other requirements set forth in the Addendum, Partner must have with each End User related to its deployment of the applicable Products those terms and conditions as set forth in the General Terms.
3. **License.** Partner may access and use the applicable Products set forth in an applicable Order Form solely (i) in Partner's role as an MSP Plus partner, and (ii) on behalf of and for the benefit of known third party End Users, and not for the benefit of Partner's own network or the network of any other third party. End Users must be listed on an applicable and active Order Form.
4. **Support Obligations for Products** Technical Support Services shall be provided to Partner by Arctic Wolf as set forth in the General Terms. Partner will provide support to Customer in accordance with the AWPTSS Terms.

PARTNER AGREEMENT

(online)

This Partner Agreement (the "**Agreement**") is a legal agreement entered into by and between the partner (the "**Partner**") identified on an applicable Managed Service Provider ("**MSP**"), Managed Service Provider Plus ("**MSPP**"), and/or Reseller Addendum (each an "**Addendum**") and Arctic Wolf Networks, Inc. ("**Arctic Wolf**") and is effective on the date the Addendum is executed by Partner and countersigned by Arctic Wolf and governs Partner's sale of the Solutions (as defined herein) to a customer. This Agreement shall include and incorporate by reference any applicable additional terms and conditions set forth in the order form (the "**Order Form**"), the applicable Addendum, Program Guide (as defined below), and any URL terms referenced therein (the "**Terms**"). Any capitalized terms not otherwise defined in this Agreement shall have the meaning set forth in the Order Form, Program Guide, the applicable Addendum, or Terms. In the event of a conflict between the terms of this Agreement with the Order Form, the applicable Terms, or the Addendum, or Program Guide, the following order of precedence shall apply: the Order Form, the Addendum, the Agreement, the Program Guide (as defined below), and the Terms.

BY EXECUTING THE ADDENDUM OR AN ORDER FORM OR BY DELIVERING A PURCHASE ORDER OR OTHER PURCHASE CONFIRMATION TO ARCTIC WOLF, OR OPERATING, DOWNLOADING, INSTALLING, REGISTERING OR OTHERWISE USING THE SOLUTIONS, OR CLICKING AN "I ACCEPT", "CONTINUE" OR A SIMILAR PHRASE BUTTON ASSOCIATED WITH THIS AGREEMENT, PARTNER (OR ITS AUTHORIZED AGENT, IF APPLICABLE) EXPRESSLY AND EXPLICITLY ACKNOWLEDGE AND AGREE THAT THIS IS A BINDING AGREEMENT AND PARTNER HEREBY AGREES TO THE TERMS OF THIS AGREEMENT AND ACCEPTS ARCTIC WOLF'S OFFER TO LICENSE OR SELL THE SOLUTIONS PURSUANT TO THE TERMS HEREIN. AN ADDENDUM WILL BE CONSIDERED ACCEPTED BY ARCTIC WOLF WHEN COUNTERSIGNED BY ARCTIC WOLF, WHETHER MANUALLY OR ELECTRONICALLY. AN ORDER FORM WILL BE DEEMED ACCEPTED BY ARCTIC WOLF UPON DELIVERY OF THE SOLUTIONS TO PARTNER OR THE CUSTOMER, AS APPLICABLE. IF YOU ARE AN EMPLOYEE OR OTHER REPRESENTATIVE ENTERING INTO THIS AGREEMENT ON BEHALF OF THE PARTNER, YOU HEREBY REPRESENT AND WARRANT TO ARCTIC WOLF THAT YOU ARE (A) AUTHORIZED TO ENTER INTO THIS AGREEMENT ON BEHALF OF PARTNER; AND (B) YOU ARE OVER 18 YEARS OLD. IF PARTNER DOES NOT ACCEPT ALL THE TERMS AND CONDITIONS IN THIS AGREEMENT OR IS NOT AUTHORIZED TO ENTER INTO THIS AGREEMENT, DO NOT ACCEPT THE ORDER FORM, ISSUE A PURCHASE ORDER OR OTHER CONFIRMATION, REGISTER OR OTHERWISE USE THE SOLUTIONS.

1. APPOINTMENT AND AUTHORITY OF PARTNER

1.1 **Appointment; Rights Granted.** As of the date of signature by the parties or other acceptance (if click-through) (the "**Effective Date**") and subject to this Agreement which may be updated from time to time and posted at <https://arcticwolf.com/terms/MPA/> as evidenced by an updated "Last Updated Date", Arctic Wolf authorizes and appoints Partner the reseller rights set forth below and in the Order Form, Terms, and applicable partner program guide (the "**Program Guide**") which may be provided and updated by Arctic Wolf from time to time or otherwise made available to Partner. Partner may not appoint other partners, resellers, or distributors, nor offer or sell any rights to use Arctic Wolf Products other than as explicitly authorized in this Agreement. The Program Guide contains general information about Arctic Wolf's Partner Program and describes the Program requirements and benefits. The Program Guide is incorporated into this Agreement by this reference.

1.2 **Scope.** Subject to the terms and conditions of this Agreement and compliance therewith, Arctic Wolf grants Partner the non-exclusive, non-transferable license to purchase the specific products and services from Arctic Wolf as specified in an Order Form and referencing and incorporating this Partner Agreement ("**Products**") and to distribute such Products to Partner's customers ("**Customer(s)**"). A Product may consist of various components, including hardware equipment ("**Equipment**"), services ("**Services**") and/or software ("**Software**") as specified on the Order Form, including any third-party products incorporated therein. Unless otherwise agreed by Arctic Wolf in writing, Arctic Wolf will be responsible for shipping Equipment to any Customer or Partner End User (as defined in the MSP or MSPP Addendum). Unless otherwise provided on an Order Form, Product is provided on a subscription basis for a set term designated on the Order Form (each, a "**Subscription Term**"). Arctic Wolf at its sole discretion, reserves the right, upon at least thirty (30) days prior written notice to Partner, to modify pricing and discounts associated with the Products or to discontinue the manufacture, sale or provision of any Products at any time, however, should Arctic Wolf discontinue the manufacture, sale, or provision of any Product, Arctic Wolf will continue to service any existing subscription for the applicable Product through the Subscription Term (as defined on the applicable Order Form) or as otherwise agreed with Customer. Except for one-time onboarding related to certain Products, all other Products are made available by license, not sold, notwithstanding the use of the terms "sell" or "resell" in this Agreement. "**Documentation**" means user manuals, training materials, product descriptions and specifications and other printed information, as may be updated from time-to-time, relating to the Arctic Wolf Product, as in effect and generally available from Arctic Wolf, expressly excluding marketing and sales collateral and materials. Some Software, including all third-party software and any open-source software made available with or as part of the Products, are governed by separate license terms which will be provided by Arctic Wolf upon request.

1.3 **Partner Services.** Partner may provide certain support and professional services related to the Products ("**Partner Services**") as more fully described in the applicable Addendum, provided Partner is in continued compliance with the Order Form, applicable Terms and Program Guide. If Partner ceases to be in compliance with the Order Form, applicable Terms, and Program Guide, Arctic Wolf may notify Partner that it is prohibited from providing Partner Services and, upon receipt of such notice, Partner will immediately cease providing Partner Services until such breach is cured in accordance with Section 5.1 herein.

1.4 **End User License Agreement.** Partner acknowledges and agrees that Partner is responsible for contracting with the Customer as set forth in the Contracting Requirements table (the "**Table**") within the Program Guide. To the extent Partner is identified as the Partner for the sale and/or delivery of a specific Product within such Table, Partner shall reference the applicable Product Agreement as outlined at <https://arcticwolf.com/terms/> on Partner's Order Form to Customer or otherwise obtain agreement by Customer to such terms. To the extent Partner is identified as the Customer for the sale and/or delivery of a specific Product within such Table, Partner must maintain an agreement with the End User that will, at a minimum, include contractual provisions that are materially no less protective of Arctic Wolf's rights than those contained in Arctic Wolf's then-current General Terms. To the extent Partner's terms are less restrictive than those set forth herein, Partner understands and agrees that it will have liability to an End User related to such obligations and liabilities. For the avoidance of doubt, and as set forth in this Section 1.4, Partner understands that Arctic Wolf may require that Customers acknowledge and agree to Arctic Wolf's applicable Product Agreements and/or any such other terms and conditions as part of the registration or installation process. Partner is the Customer for any internal purchase of the Products by Partner or use of the Products for use and access by Partner for its own internal business use and the General Terms will apply to any such use and access by Partner.

1.5 **Government Flow-Downs.** Arctic Wolf does not accept any additional or modified government flow-down provisions, including SLED or Federal Acquisition Regulation ("**FAR**") and its supplements, framework agreements, or any such other similar government or public/private sector contractual terms (collectively, "**Government Flow Downs**"), notwithstanding existence of such provisions on Partner's purchase orders or supplementary documentation or Arctic Wolf's acceptance of such purchase orders or other documentation and are rejected by Arctic Wolf in their entirety unless expressly agreed to in writing.

by Arctic Wolf. This Agreement shall not be construed by Partner as a representation that Arctic Wolf will furnish supplies or information needed by Partner to fulfill Partner's Government Flow Downs obligations under any such bid or other directly-held commercial contract of sale intended to result in a specific purchase order being issued with a dollar commitment to meet a named public entity's specific business requirements. Partner is not relying on Arctic Wolf for performance of a federal prime contract or subcontract and Partner is not receiving federal funds to purchase the Products. If Partner intends to rely on Arctic Wolf Products to fulfill its obligations under a federal prime contract or subcontract or utilize or receive federal funds to purchase the Products, Partner agrees to provide Arctic Wolf advance written notice of that intention, and Arctic Wolf shall have the option to terminate this Agreement or reject the Customer opportunity. Arctic Wolf Technology is a "commercial item", "commercial computer software" and "commercial computer software documentation," pursuant to DFARS Section 227.7202 and FAR Sections 12.211-12.212, as applicable. All Arctic Wolf Technology is and was developed solely at private expense and the use of Arctic Wolf Technology by the United States Government are governed solely by this Agreement and are prohibited except to the extent expressly permitted by this Agreement.

1.6 Product Delivery Terms. If acting as an MSP or MSPP Partner, Partner may be authorized to sell, use, and/or deliver Products to Customers. Upon authorization by Arctic Wolf, Partner agrees that any such sale, use, and/or delivery shall be subject to the Product Delivery Requirements located at <https://arcticwolf.com/terms/> and such terms are included herein by reference.

2. ORDERS, FEES AND PAYMENT, AUDIT

2.1 Orders. Partner will initiate purchases for the Products with Arctic Wolf in accordance with the applicable Terms and/or Program Guide.

2.2 Fees and Payment. Partner will pay, as applicable, Arctic Wolf following the date of invoice in accordance with the payment terms set forth on the Order Form, or if silent, as set forth in the Program Guide, or the distribution partner in accordance with their agreed upon terms. Except as otherwise provided herein, all fees are payable and are non-cancelable and non-refundable. EXCEPT AS REQUIRED BY APPLICABLE LAW, INCLUDING APPLICABLE FOREIGN CONSUMER PROTECTION LAWS, ARCTIC WOLF IS NOT OBLIGATED TO REFUND ANY FEES OR OTHER PAYMENTS ALREADY PAID, AND ANY CANCELLATION OF AN ORDER FORM BY PARTNER WILL TAKE PLACE AT THE END OF THE APPLICABLE SUBSCRIPTION TERM, UNLESS ARCTIC WOLF OTHERWISE AGREES IN WRITING.

2.3 Audit and Records. During the Term (as defined in Section 5.1 herein) and for a minimum of two (2) years thereafter, Partner will maintain complete and accurate books, records and accounts relating to the distribution or resale of the Products. Partner will permit Arctic Wolf, or an independent third-party auditor selected by Arctic Wolf, to inspect Partner's premises, books, records, products and/or accounts upon Arctic Wolf's reasonable request and in a manner that will not unreasonably interfere with normal business operations to confirm Partner's compliance with this Agreement. The results of an audit are Confidential Information of Partner.

2.4 Taxes

2.4.1 Indirect Taxes. Partner will pay to Arctic Wolf any sales or use tax, whether federal, state or local, imposed on or arising out of the delivery of the Products to Partner by Arctic Wolf including sales tax, use tax, VAT, GST, HST or similar taxes ("**Indirect Taxes**"). If Partner is required to pay any Indirect Taxes, Partner shall pay such Indirect Taxes with no reduction or offset in the amounts payable to Arctic Wolf hereunder and Partner will pay and bear such additional amount as shall be necessary such that Arctic Wolf receives the full amount of the payment required as if no such reduction or offset were required. Partner acknowledges and agrees that unless Partner provides a valid sales or use tax exemption prior to or simultaneously with its purchase of the Products from Arctic Wolf, Arctic Wolf will apply applicable Indirect Tax on invoice and remit such tax to the appropriate taxing authority. Arctic Wolf will have no obligation to Partner to retroactively adjust the invoice or refund any sales or use tax collected related to any Order Forms issued by Arctic Wolf to Partner prior to the submission of any valid sales or use tax exemption. Partner is solely responsible for paying all taxes due and owing as a result of Partner's provision of the Products to its Customers and for any taxes (including social security, employment and income) required by any federal, state, or local law or regulation pertaining to Partner's personnel.

2.4.2 Withholding Taxes. In the event that Partner is prohibited by law from making payments hereunder unless Partner deducts or withholds taxes therefrom and remits such taxes to the local taxing jurisdiction, then Partner shall pay and remit such taxes with no reduction or offset in the amounts payable to Arctic Wolf hereunder and Partner will pay and bear such additional amount as shall be necessary such that Arctic Wolf receives the full amount of the payment required as if no such reduction or offset were required. Partner shall promptly furnish Arctic Wolf with a copy of an official tax receipt or other appropriate evidence of any taxes imposed on payments made hereunder, including taxes on any additional amounts paid.

3. WARRANTIES. With respect to the Products, Arctic Wolf makes only those limited warranties made directly to Customers as set forth in its Product Agreements and no warranty is extended to Partner or any third party, unless otherwise specified in the Terms to this Agreement or as otherwise required by applicable law, including any Partner rights under applicable foreign consumer protection laws. EXCEPT FOR THE EXPRESS WARRANTIES STATED HEREIN, ARCTIC WOLF, ITS SUPPLIERS AND LICENSORS DISCLAIM ALL EXPRESS OR IMPLIED WARRANTIES REGARDING THE SOLUTIONS, DOCUMENTATION, AND ANY OTHER SERVICES FURNISHED AND/OR CONTEMPLATED HEREUNDER, WHETHER EXPRESS OR IMPLIED BY OPERATION OF LAW, REPRESENTATION STATEMENTS, OR OTHERWISE, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT. PARTNER ACKNOWLEDGES AND AGREES THAT ARCTIC WOLF, ITS SUPPLIERS AND LICENSORS, DO NOT WARRANT THAT THE SOLUTIONS, DOCUMENTATION, AND ANY OTHER SERVICES FURNISHED HEREUNDER WILL MEET PARTNER OR ITS CUSTOMERS' REQUIREMENTS, BE UNINTERRUPTED, TIMELY, SECURE OR ERROR FREE. ARCTIC WOLF, ITS SUPPLIERS AND LICENSORS, DO NOT MAKE ANY WARRANTY AS TO THE RESULTS WHICH MAY BE OBTAINED FROM THE USE OF THE SOLUTIONS, DOCUMENTATION, AND ANY OTHER SERVICES FURNISHED HEREUNDER.

4. ADDITIONAL OBLIGATIONS OF PARTNER

4.1 Data Protection. If a party provides the other party with personal information concerning Customers, Customer's customers, end users, prospects or employees, each party will only use the information in connection with the purposes outlined in this Agreement, or as otherwise indicated at the time a party receives such information (the "**Intended Purposes**"). Neither party will deliver, disclose or otherwise make such personal information available to the other party, or its authorized distributor partner (as applicable), except as required for the Intended Purposes and unless the party has consented to such disclosure and/or has obtained all necessary consents required from the subjects to whom the personal information relates. With respect to Arctic Wolf, the information may be maintained in data centers in the United States, Canada, Germany, Australia, or in other parts of the world and the information may be accessed by Arctic Wolf's global personnel and authorized third parties as required for its business purposes and Partner consents to the aforementioned transfer and access of such information. Partner agrees to comply with all applicable laws, including but not limited to privacy and data protection laws, provide all relevant notices, and gives consent and will obtain any other necessary consent required to share the information with Arctic Wolf and its authorized third parties for the Intended Purposes. Both parties shall take appropriate, reasonable technical and organizational security measures to prevent the loss of,

Partner Agreement

Last Updated: 2026 08

damage to, or unauthorized destruction of personal information, and the unlawful access to or processing of personal information. Partner acknowledges that in connection with the processing of any personal data undertaken in relation to this Agreement (if any): (i) Non-European Data Protection Legislation or consumer laws may apply, and/or (ii) the European Data Protection Legislation may apply. Neither Partner nor Arctic Wolf will be acting as the other party's processor in connection with this Agreement. The terms "processing" and "personal data" as used in this Section 4.1 have the meanings given in the European Data Protection Legislation or other applicable data privacy law.

4.2 Covenants. Partner acknowledges and agrees (i) to abide by the terms and conditions of, to perform its obligations pursuant to and to meet the requirements set forth in, this Agreement, the Order Form, and the applicable Terms; (ii) that it has the corporate authority to enter into and perform under this Agreement, without violation of any of its obligations to third parties, (iii) to represent the Products accurately and fairly, to avoid any misleading or unethical business practices, (iv) to at all times comply with all applicable laws and regulations, including, without limitation, all privacy and Trade Control (as defined in Section 4.4) laws and regulations and the U.S. Foreign Corrupt Practices Act, as amended (the "**FCPA**") and other applicable anti-corruption laws as provided in Section 4.3 and 4.4 below; (v) to not export, reexport, or transfer the Products unless specifically authorized by Arctic Wolf, (vi) to use the Arctic Wolf Technology solely for the purposes acting as a reseller or managed service provider, and (vii) to not compete with Arctic Wolf as a provider of the Products to the extent permitted by applicable competition laws.

4.3 Anti-corruption. In no event shall Arctic Wolf be obligated to take any action (including the shipping of any product or the provision of any service) or omit to take any action that Arctic Wolf believes in good faith would cause it to be in violation of any laws or regulations of the United States, United Kingdom, European Union, or other applicable jurisdictions regarding bribery or corruption, including, without limitation, the FCPA or UK Bribery Act 2010. Partner will not (i) attempt to, directly or indirectly, improperly influence the sale or purchase of products by payments or other actions contrary to law or regulation, or (ii) take any action or permit or authorize any action that would violate or cause Arctic Wolf to violate the FCPA, the UK Bribery Act, or other applicable anti-corruption laws or regulations. Partner will not, for the purpose of influencing any act or decision to obtain or retain business or direct business to any person, pay, offer or promise to pay, or authorize the payment of, directly or indirectly, any money or anything of value to or for the use or benefit of any of the following: (a) any government official (including any person holding an executive, legislative, judicial or administrative office, whether elected or appointed, any representative of any public international organization, any officer, director, or employee of a state-owned or controlled entity, or any person acting in any official capacity for or on behalf of any government, state-owned entity or public international organization); (b) any political party, official thereof, or candidate for political office; or (c) any other person if Partner or any partner, officer, director, employee, agent, representative or shareholder of Partner knows or has reason to suspect or know that any part of such money or thing of value will be offered, given, or promised, directly or indirectly, to any of the above-identified persons or organizations. Partner acknowledges and agrees that none of Partner's officers, directors, employees, agents or representatives is a government official or employee or an official or employee of any department or instrumentality of any government, nor is any of them an officer of a political party or candidate for political office, who will share directly or indirectly any part of the sums that may be paid pursuant to performance of this Agreement; and Partner agrees to immediately notify Arctic Wolf should the foregoing change during the term of this Agreement. Partner represents and warrants that neither this Agreement nor the performance of or exercise of rights under this Agreement is restricted by, in conflict with, requires registration or approval or tax withholding under, or will require any termination or expiration, compensation, or any compulsory licensing under, any applicable law or regulation of any country or other governmental entity, and Partner will not make any claim to the contrary (Arctic Wolf is relying on this representation and warranty, among other provisions of this Agreement, in entering this Agreement and would not enter this Agreement in its absence). Upon Arctic Wolf's request, Partner will require that any of its subcontractors, consultants, agents or representatives agree in writing to comply with substantially similar representations as contained in this Section 4.3.

4.4 Trade Controls. Partner understands that the Products may be subject to the export control, economic sanctions, customs, import, and anti-boycott laws, regulations, and orders promulgated or enforced by Canada, the United States, and any other country or governmental body having jurisdiction over the parties to this Agreement ("**Trade Controls**"). Partner shall ensure that the Products are not directly or indirectly exported, re-exported, provided or transferred (i) without any requisite authorizations, approvals, or licenses as required under applicable Trade Controls, or (ii) to any jurisdiction that is subject to a comprehensive embargo by any of the relevant Trade Controls (such as Cuba, Iran, North Korea, Syria, or restricted regions of Ukraine) ("**Embargoed Countries**"), or to any person or entity listed on, or which is 50% or more owned or otherwise controlled by persons listed on, any applicable restricted or prohibited persons list issued in connection with Trade Controls including the U.S. Entity List and Specially Designated Nationals and Blocked Persons List (collectively, "**Restricted Persons**"). Partner represents and warrants that it is not located in an Embargoed Country or is a Restricted Person and is not owned or controlled by any such party. Partner shall not use the Products (a) for a prohibited military application, or nuclear, chemical, or biological weapons proliferation application or (b) for any other end use or by any user otherwise prohibited by applicable Trade Controls. In the event Arctic Wolf consents to Partner's shipping of Equipment to Customers and/or Partner's End Users, Partner will, upon request by Arctic Wolf, complete and provide and/or obtain from its Customers and/or its End User an end use certificate in the form requested by Arctic Wolf. Arctic Wolf may suspend and/or cancel the export, delivery, and/or servicing of the Products if (i) Arctic Wolf has not received requested end-user certifications, (ii) Arctic Wolf or Partner has not received any government approvals required to comply with Trade Controls, or (iii) Arctic Wolf reasonably believes that such activity may violate any Trade Controls. If the Products are resold, transferred or used in violation of any Trade Controls or the provision of these Terms or are otherwise located in an Embargoed Country, Arctic Wolf shall not be obligated to provide any cloud-based service, professional service, warranty service or technical support. Partner shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 without obtaining any necessary approvals. Partner shall comply with Article 12g, where applicable, and ensure that its purpose is not frustrated by any third parties further down the commercial chain, through monitoring or otherwise. Any violation of the foregoing shall constitute a material breach of the Agreement and Arctic Wolf shall be entitled to seek appropriate remedies. Arctic Wolf adheres to U.S., EU, UK, and Canadian sanctions. Cloud updates and downloads are not guaranteed to be available in certain sanctioned regions.

5. TERM AND TERMINATION

5.1 Term and Termination of Agreement. This Agreement will continue in force for an initial term of one (1) year from the Effective Date and will automatically renew thereafter in one (1) year increments (the "**Term**") unless (i) a party provides the other party with sixty (60) days prior written notice of non-renewal prior to the expiration of the then-current Term or (ii) if otherwise earlier terminated in accordance with the terms of this Agreement. A Party may terminate this Agreement or an Order Form for cause (i) if the other Party is in material breach under this Agreement and fails to cure such breach within thirty (30) days of receipt of written notice of such material breach from the non-breaching Party; (ii) if the other Party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors and such proceeding is not favorably resolved within sixty (60) days; or (iii) immediately, without notice, by Arctic Wolf in the event Partner is in breach of Sections 4.2 or 6.2.

5.2 Term and Termination of Order Form(s). Each Order Form will continue in force for the Subscription Term set forth therein and, with respect to resale transactions, unless otherwise earlier terminated by Customer in accordance with the terms of the Product Agreement in place between Arctic Wolf and the Customer. Unless otherwise provided on an Order Form, an Order Form will automatically renew at the end of the initial Subscription Term for the same period of time as the initial Subscription Term at the then-current price at the time of renewal. Either party may terminate an Order Form at the end of

the Subscription Term identified therein by providing the other party written notice of termination sixty (60) days prior to the expiration of the then-current Subscription Term, unless earlier terminated as provided in this Section 5. For Products having a month-to-month Subscription Term, the effective date of termination will be the last day of the Subscription Term immediately after the 60-day notification period. As a matter of example, if notification of termination is provided on the 15th of September, the effective date of termination for the Subscription Term will be the 30th of November. With respect to any Order Form, Partner will have no right to termination for convenience during the Subscription Term.

5.3 Effect of Termination. Upon termination of this Agreement: (a) Partner shall discontinue all further promotion, marketing and support of the Products, and shall cease all display, advertising and use of all the Marks (as defined below) and will not thereafter use, advertise or display any such Marks, (b) Partner shall promptly return all Arctic Wolf's advertising matter and other printed materials or Documentation in its possession or under its control, and all Confidential Information of Arctic Wolf's (however stored), except that Partner may destroy any copies of the Confidential Information maintained on a hard drive or other electronic form; (c) in the event of termination by Arctic Wolf due to breach by Partner, the due date of all outstanding invoices for the Products shall automatically be accelerated and become immediately due and payable; (d) all orders not previously accepted by Arctic Wolf as of the effective date of termination may be cancelled by Arctic Wolf, at its option, (e) upon Arctic Wolf's written request, Partner shall provide transition services to Arctic Wolf as further specified in the applicable Program Guide; and (f) if applicable pursuant to an early termination of a resale transaction set forth in 5.2 above, Arctic Wolf will refund to Partner and Partner will refund to Customer the pro-rata portion of prepaid Subscription Fees (as set forth on an Order Form) as of the effective date of termination. In addition, the provisions which, by their nature, should survive will survive the termination of this Agreement for any reason. Notwithstanding the foregoing, if this Agreement terminates and an Order Form is still in effect, then this Agreement shall continue, along with all licenses granted in the applicable Order Form(s), until the expiration of the Subscription Term(s) set forth in such Order Form(s).

6. INTELLECTUAL PROPERTY RIGHTS

6.1 Intellectual Property Rights. Arctic Wolf, its suppliers and licensors own and retain all intellectual property rights relating to the Products and Documentation, including all Feedback, improvements, modifications, translations and derivative works thereof ("**Arctic Wolf Technology**"). To the extent Partner obtains any right, title or interest in or to any Arctic Wolf Technology, Partner hereby assigns to Arctic Wolf all right, title and interest in and to such Arctic Wolf Technology and agrees to duly and timely execute all required documents evidencing Arctic Wolf's interest in and to the Products and Documentation upon Arctic Wolf's request. Feedback includes suggestions, comments or other feedback ("**Feedback**") provided to Arctic Wolf by Partner with respect to the Products. This Agreement does not grant Partner any rights not expressly granted herein.

6.2 Restrictions. Partner will not, and will not permit any third party to (a) copy, modify or encumber the Products or Documentation, (b) reverse engineer, disassemble, decompile or otherwise attempt to discover the source code or structure, sequence and organization of the Products (except where the foregoing is expressly permitted by applicable local law, and then only to the extent so permitted) or create any derivative works including, without limitation, customization, translation or localization, (c) sell, license, sublicense, rent, lease, lend, transfer or otherwise provide access to the Products or use the Products for timesharing or service bureau purposes, or otherwise use the Products on behalf of any third party (including as part of a managed service offering) unless approved by Arctic Wolf in writing and in which case the Managed Service Provider Addendum will apply, (d) remove or obscure any proprietary notices on the Products or Documentation, (e) publish or disclose to any third party any technical features, performance or benchmark tests, or comparative or competitive analyses relating to the Products except as expressly authorized in this Agreement or with prior written permission by Arctic Wolf, (f) use the Products for performing comparisons or other "benchmarking" activities, either alone or in connection with any hardware or software or (g) use the Products or Documentation for any purpose and in any manner not expressly and unambiguously authorized herein (including, without limitation, for any purpose competitive with Arctic Wolf). All rights in the Products are reserved to Arctic Wolf, its suppliers and licensors, except as expressly stated in this Agreement.

6.3 Marks. During the Term, Arctic Wolf hereby grants to Partner the limited, non-exclusive, non-transferable, revocable license to use and display the Arctic Wolf trademarks made available to Partner by Arctic Wolf from time to time ("**Marks**") solely in connection with and solely to the extent reasonably necessary for the marketing, promotion, and distribution of the Products to prospective customers and end users in accordance with the terms and conditions of this Agreement, any posted guidelines, and all applicable laws. Partner shall not remove or alter the Marks or other proprietary notices incorporated in, marked on or affixed to the Products, Documentation, marketing materials or other materials provided by Arctic Wolf. Partner shall market, promote, and distribute the Products only under the Marks, and not under any other trademark or logo including a combination with any other trademarks or brand names. Partner shall not use the Marks or any other trademarks or trade names of Arctic Wolf or any word, symbol, or design confusingly similar thereto, as part of its corporate name, or as part of the name of any product of Partner. Partner shall not use or authorize any person to use any of the Marks as a trade name or domain name. Partner shall not seek to register in any country any of the Marks or domain names including any Marks (or any confusingly similar marks or translations or transliterations of the Marks) in either Partner's or any third party's name and agrees to transfer any such registrations or domain names to Arctic Wolf on Arctic Wolf's request. Partner's use of the Marks shall be pursuant to Arctic Wolf's branding policies as Arctic Wolf may communicate to Partner from time to time, and Partner shall promptly modify its use of the Marks to conform to such policies. If Partner's use does not conform to the guidelines, then Arctic Wolf may request and, upon receipt of such request, Partner shall immediately cease any further use of the Marks. During the Term, Partner consents to Arctic Wolf using its name and logo to identify Partner as a partner of Arctic Wolf. Any use shall be subject to Arctic Wolf complying with any guidelines that Partner may deliver to Arctic Wolf from time-to-time regarding the use of its name and logo. Except to the extent expressly granted to Partner in this Agreement, the powers conferred on authorized users of trademarks by section 26 of the *Trade Marks Act 1995* (Cth) are expressly excluded from the rights granted to Partner under this section 6.3.

7. CONFIDENTIALITY

7.1 Confidential Information. Each party hereby agrees that it will not use or disclose any Confidential Information received from the other party other than as expressly permitted under the terms of this Agreement or as expressly authorized in writing by the other party. Each party will use the same degree of care to protect the other party's Confidential Information as it uses to protect its own Confidential Information of like nature, but in no circumstances less than reasonable care. Neither party will disclose the other party's Confidential Information to any person or entity other than its officers, directors, employees, advisors, agents and subcontractors who have a need to know and are bound by confidentiality terms no less restrictive than those in this Agreement. For purposes of this Agreement, "**Confidential Information**" means any and all information disclosed by either party (the "**Disclosing Party**") to the other (the "**Receiving Party**"), which is marked "confidential" or "proprietary" or which should reasonably be understood by the Receiving Party to be confidential or proprietary, including, but not limited to, the terms and conditions of this Agreement, Program Guide, information contained within Arctic Wolf's Partner Portal, the Products and details related to the delivery thereof, and any information that relates to business plans, services, marketing or finances, research, product plans, products, developments, inventions, processes, designs, drawings, engineering, formulae, markets, software (including source and object code), hardware configuration, computer programs, and algorithms of the Disclosing Party and all derivatives thereof.

7.2 Exceptions. The restrictions stated in Section 7.1 do not apply to any Confidential Information that the Receiving Party can demonstrate

(a) was known to it prior to its disclosure by the Disclosing Party without any obligation of confidentiality, (b) is or becomes publicly known through no wrongful act of the Receiving Party; (c) has been rightfully received, without any obligation of confidentiality, from a third party that to the best of the Receiving Party's knowledge is authorized to make such disclosure without restriction; (d) is independently developed by the Receiving Party, or (e) has been approved for release by the Disclosing Party's prior written authorization, but only to the extent of such authorization. The Receiving Party may disclose Confidential Information as required by court order or as otherwise required by law, provided that the Receiving Party provides prompt advance written notice thereof, to the extent not prohibited, and assists the Disclosing Party, at the Disclosing Party's expense, to seek a protective order or otherwise prevent or restrict such disclosure.

7.3 Injunctive Relief. The parties agree that a breach of the confidentiality or license provisions of this Agreement will cause irreparable damage which money cannot satisfactorily remedy. In addition to any other remedies available at law or hereunder, the parties agree Arctic Wolf is entitled to seek injunctive relief for any threatened or actual breach of this Agreement by Partner in addition to all other legal remedies without the need to post bond.

8. INDEMNIFICATION

8.1 By Arctic Wolf. Arctic Wolf will defend or settle any unaffiliated third party claim or action brought against Partner to the extent based on the allegation that the Products infringe any intellectual property right (patents, utility models, design rights, copyrights and trademarks or any other intellectual property right) having effect in the United States, Canada, Australia, United Kingdom, and the European Union (collectively, a "**Claim**"). Arctic Wolf will pay damages finally awarded against the Partner and paid to an unaffiliated third party or to pay settlement amounts directly, and solely resulting from such Claim, provided that Partner (a) promptly gives written notice of the Claim to Arctic Wolf, (b) gives Arctic Wolf sole control of the defense and settlement of the Claim (provided that Arctic Wolf may not settle any claim or cause of action unless it unconditionally releases Partner of all liability other than the payment of amounts to be covered by Arctic Wolf hereunder); and (c) provides to Arctic Wolf all reasonable assistance at Arctic Wolf's request and expense. In the event of an actual or threatened Claim described in this Section 8.1, Arctic Wolf may, at its sole option: (i) procure for Partner the right to continue selling the Products under the terms of this Agreement, (ii) replace or modify the Products to be non-infringing without material decrease in functionality, or (iii) if the foregoing options are not reasonably practicable, terminate Partner's rights to resell the Products, and terminate all then-existing licenses to the Products resold by Partner and refund any pre-paid unused fees as of the date of termination. Notwithstanding the foregoing, Arctic Wolf will have no obligation under this section or otherwise with respect to any Claim described in this Section 8.1 based upon (A) any unauthorized use of the Products or any breach of this Agreement by Partner, (B) any combination of the Products with other non-Arctic Wolf Products, equipment, software, uses or data, to the extent such Claim would not have arisen absent such combination and to the extent such combination is not reasonably anticipated, (C) any modification of the Products by any person other than Arctic Wolf, (D) any activity after Arctic Wolf has provided Partner with a work around or modification that would have avoided such issue without adversely affecting the functionality of the Products or (E) continued use of the Products after notification from Arctic Wolf. The provisions of this section set forth Arctic Wolf's sole and exclusive obligations, and Partner's sole and exclusive remedies, with respect to any claims of infringement or misappropriation of third-party intellectual property rights of any kind.

8.2 By Partner. Partner will defend, indemnify and hold Arctic Wolf harmless against any loss, damage or costs (including reasonable attorneys' fees) incurred in connection with any claims or causes of action against Arctic Wolf arising out of (a) any representations or warranties or any misrepresentation provided by Partner or its representatives relating to or concerning the Products; (b) a breach of any obligation of Partner set forth in this Agreement, (c) any marketing, use or other exploitation of the Products, or (d) Partner's breach of any agreement or obligation with a Customer pertaining to the Products. Arctic Wolf will (i) promptly give written notice of the Claim to Partner; (ii) give Partner sole control of the defense and settlement of the Claim (provided that Partner may not settle any claim or cause of action unless it unconditionally releases Arctic Wolf of all liability other than the payment of amounts to be covered by Partner hereunder), and (iii) provides to Partner all reasonable assistance, at Partner's request and expense.

9. LIMITATION OF LIABILITY. TO THE EXTENT PERMITTED BY APPLICABLE LAW, INCLUDING APPLICABLE FOREIGN CONSUMER PROTECTION LAWS, ARCTIC WOLF, ITS SUPPLIERS AND LICENSORS, ARE NOT LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY FOR (A) LOSS OR INACCURACY OF DATA OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY, (B) ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO LOSS OF REVENUES, LOSS OF PROFITS, EXPENDITURES, LOSS OF GOODWILL, OR BUSINESS OPPORTUNITY, (C) ANY AMOUNT IN THE AGGREGATE IN EXCESS OF THE AMOUNTS PAID TO ARCTIC WOLF DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE ON WHICH THE CAUSE OF ACTION AROSE; OR (D) ANY MATTER BEYOND ITS REASONABLE CONTROL WHETHER OR NOT ARCTIC WOLF HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. FOR PARTNERS DEEMED "CONSUMERS" UNDER FOREIGN CONSUMER PROTECTION LAWS, THIS SECTION 9.1 DOES NOT SEEK TO LIMIT OR EXCLUDE THE LIABILITY OF ARCTIC WOLF OR ITS AFFILIATES IN THE EVENT OF DEATH OR PERSONAL INJURY CAUSED BY ITS NEGLIGENCE OR FOR FRAUD OR FOR ANY OTHER LIABILITY FOR WHICH IT IS NOT PERMITTED BY LAW TO EXCLUDE.

10. UPDATES. Should Arctic Wolf modify the terms and conditions set forth in the Agreement, Program Guide or Terms, Arctic Wolf will post the amended terms on www.arcticwolf.com/terms, the Program Guide, or respective links to the Terms, as applicable, and will update the "**Last Updated Date**" within the specific terms and provide notification of the change as part of Arctic Wolf's Partner Program communication process. By continuing as a Partner after Arctic Wolf has posted such updated terms, Partner is indicating that it agrees to be bound by such terms. If any change has a material adverse impact and Partner does not agree to the change, Partner must notify Arctic Wolf within 30 days after the effective date of the change. If Partner notifies Arctic Wolf, then Partner will remain governed by the terms in effect immediately prior to the change until the end of the then-current Agreement term. Any renewal of the Agreement will be renewed under the then-current terms, unless otherwise agreed in writing.

11. ENGLISH LANGUAGE CONTROLS. The parties to this Agreement confirm that it is their wish that the Agreement as well as all documents relating hereto have been and will be written and printed in the English language only. Where required by applicable laws, the parties also confirm that they have received and had an opportunity to review a French language version of this Agreement. *Les parties aux présentes confirment leur volonté que cette convention de même que tous les documents, y compris tous avis, s'y rattachant, soient rédigés en langue anglaise seulement. Lorsque les lois applicables l'exigent, les parties confirment également qu'elles ont reçu et eu l'occasion de consulter une version en langue française de la présente entente.* In the event a translation of this Agreement is prepared for any purpose, Partner acknowledges that the English language version shall govern in the event of any inconsistency between the English version and such translation. Partner acknowledges that it has had an opportunity to negotiate the terms of this Agreement.

12. GENERAL PROVISIONS This Agreement may not be assigned by either one of the parties by operation of law or otherwise, without the prior written consent of the other party, which consent will not be unreasonably withheld except Arctic Wolf may assign this Agreement to a successor in interest. All notices, requests, directions or other communications hereunder will be in writing and deemed to have been sufficiently given when delivered to the address of each party set forth on the applicable Addendum, and if silent, to Arctic Wolf at PO Box 46390, Eden Prairie, MN 55344 Attn: Legal Counsel, Legal@arcticwolf.com and to Partner at the address provided for the Partner Portal registration, or such other updated address a party may provide to the other party in writing. Except as expressly provided herein, no modification of this Agreement will be effective unless contained in writing and signed by an

authorized representative of each party. The relationship of Arctic Wolf and Partner established by this Agreement is that of independent contractors, and nothing contained in this Agreement will be construed to (a) give either Party the power to direct and control the day-to-day activities of the other, (b) constitute the Parties as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking, or (c) allow Partner to create or assume any obligation on behalf of Arctic Wolf for any purpose whatsoever. Arctic Wolf's third-party suppliers or licensors are third party beneficiaries hereunder with respect to their respective product or software and reserve the right to assert claims for infringement or misappropriation of their intellectual property rights by Partner or its End Users as to its third-party product or software. Headings in this Agreement are for reference purposes only and will not affect the interpretation or meaning of this Agreement. If any provision of this Agreement is held by an arbitrator or a court of competent jurisdiction to be contrary to law, then the remaining provisions of this Agreement will remain in full force and effect. No delay or omission by either party to exercise any right or power it has under this Agreement will be construed as a waiver of such right or power. A waiver by either party of any breach by the other party will not be construed to be a waiver of any succeeding breach or any other covenant by the other party. All waivers must be in writing and signed by the party waiving its rights. This Agreement shall be governed by the laws of the State of Delaware without regard to the conflicts of law provisions thereof. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Kent County, Delaware in English and in accordance with the JAMS International Arbitration Rules then in effect. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, each Party shall have the right to institute an action in a court of proper jurisdiction for preliminary injunctive relief pending a final decision by the arbitrator(s), provided that a permanent injunction and damages shall only be awarded by the arbitrator(s). In any action or proceeding to enforce rights under this Agreement, the prevailing Party shall be entitled to recover costs and attorneys' fees. The United Nations Convention on Contracts for the International Sale of Goods will not apply. During the Term of and for six (6) months after expiration or termination of this Agreement, neither Party may directly solicit for hire as an employee, any of the other Party's personnel who have had material direct involvement with the Agreement, "solicit" does not mean posting or otherwise generally advertising open jobs, to which an employee of the other Party may respond. This Agreement constitutes the entire agreement between Arctic Wolf and Partner with respect to the subject matter hereof. This Agreement supersedes all prior negotiations, agreements, and undertakings between the parties with respect to such subject matter. No modification of this Agreement by Partner will be effective unless contained in writing and signed by an authorized representative of each party. No term or condition contained in Partner's purchase order or similar document will apply unless specifically agreed to by Arctic Wolf in writing, even if Arctic Wolf has accepted the order set forth in such purchase order. Notwithstanding any provision contained in this Agreement, neither party will be liable to the other to the extent fulfillment or performance of any terms or provisions of this Agreement are delayed or prevented by revolution or other civil disorders; wars, strikes; labor disputes, electrical equipment or availability failure, fires; floods, acts of God; government action, or, without limiting the foregoing, any other causes not within its control and which, by the exercise of reasonable diligence, it is unable to prevent. The foregoing clause will not apply to the payment of any sums due under this Agreement by either party to the other.

PARTNER PORTAL TERMS & CONDITIONS

THESE PARTNER PORTAL TERMS AND CONDITIONS (THE "TERMS") GOVERN THE USE OF (I) ARCTIC WOLF PROVIDED PARTNER-RELATED WEBSITES, TOOLS, AND WEB-BASED APPLICATIONS, (II) INFORMATION, MATERIALS, AND TOOLS PERTAINING TO ARCTIC WOLF NETWORKS, INC. AND ITS AFFILIATES (COLLECTIVELY "**ARCTIC WOLF**"), ITS PRODUCTS AND SOLUTIONS, AND THE ARCTIC WOLF PARTNER PROGRAM; (III) ANY CUSTOMER INFORMATION (AS DEFINED IN YOUR RESPECTIVE PARTNER AGREEMENT) OR (IV) PERSONAL INFORMATION (AS DEFINED BELOW) ((I) THROUGH (IV) COLLECTIVELY, THE "**PORTAL**"). USE OF THE PORTAL BY THE COMPANY, ENTITY, A PARTNER REPRESENTATIVE (HEREINAFTER, "YOU", "YOUR", "CHANNEL PARTNER", OR "PARTNER"), OR YOUR AUTHORIZED AGENT ON YOUR BEHALF, IS ACCEPTANCE BY YOU TO THESE TERMS AND YOU EXPRESSLY AND EXPLICITLY ACKNOWLEDGE AND AGREE THAT THESE TERMS ARE BINDING UPON YOU. IF AN EMPLOYEE OR OTHER REPRESENTATIVE IS ENTERING INTO THESE TERMS ON YOUR BEHALF, THE AUTHORIZED REPRESENTATIVE HEREBY REPRESENTS AND WARRANTS TO ARCTIC WOLF THAT THE AUTHORIZED AGENT IS (A) AUTHORIZED TO ENTER INTO THESE TERMS ON BEHALF OF YOU AND BIND YOU TO THESE TERMS; AND (B) AUTHORIZED AGENT IS OVER THE AGE OF 18 YEARS OLD. IF YOU DO NOT AGREE TO THESE TERMS OR ARE NOT AUTHORIZED TO ENTER INTO THESE TERMS, DO NOT USE THE PORTAL.

The terms of the Partner Agreement, and Solutions Agreement, if applicable, entered into between You and Arctic Wolf and the Program Guide governs Your resale, use and/or access to the Arctic Wolf products and solutions.

1. PORTAL TERMS UPDATES. Arctic Wolf may, at its sole discretion, update, modify, change, add or remove these Terms (or any part thereof) at any time and with or without notice. Arctic Wolf may also change, terminate, suspend or discontinue any aspect of the Portal, including the availability of any feature on the Portal with or without notice. Please check periodically for changes. Partner's continued use of the Portal following the deployment of such changes constitutes Partner's agreement and acceptance to be bound by the changes. Partner agrees that Arctic Wolf shall not be liable to Partner or to any third party for any modification, suspension or discontinuation of the Portal or the modification of these Terms.

2. PORTAL ACCESS

2.1 Scope and Grant of License. Arctic Wolf grants to Partner a limited, non-exclusive, nontransferable, non-sublicenseable right and license, while these Terms are in effect, and so long as a Partner Agreement is in effect between Arctic Wolf and Partner, to access and use the Portal solely in accordance with these Terms.

2.2 Restriction on Usage. Partner shall use the Portal only for the purposes of (i) marketing and delivery of Arctic Wolf products and solutions; (ii) development of Partner services utilizing Arctic Wolf products and solutions; (iii) taking training related to Arctic Wolf products and solutions; (iv) assisting Arctic Wolf in selling and/or licensing of Arctic Wolf products and solutions; and/or (v) participation in any of the programs and events offered within the Portal, including the Pack Rewards Program. Partner will use and manage the information received by You from within the Portal in accordance with the Arctic Wolf's Privacy Notice located at <https://arcticwolf.com/privacy-policy/> (the "Privacy Notice")

2.3 Use by Authorized Agents. Upon agreement by You or Your employer to a Partner Agreement (an "PA"), Arctic Wolf will grant You, and Your authorized agents having the same corporate email domain as You, named access rights to the Portal. You are responsible for notifying Arctic Wolf about the termination or reassignment to Your authorized agents. You acknowledge and agree that You will be held primarily responsible and liable for all activities of You or Your authorized agents with respect to the Portal. You represent and warrant that You, and your authorized agents, shall (i) be responsible for ensuring the security and confidentiality of all Portal user access and any passwords related thereto, (iii) use commercially reasonable efforts to prevent unauthorized access to, or use of, the Portal, (iv) notify Arctic Wolf promptly of any unauthorized use of the Portal or any breach, or attempted breach, of security of the

Portal for which You become aware, and (v) not use the Portal in a manner that would violate applicable laws or regulations or for any fraudulent purposes. You agree to not permit or allow any third party to use or access the Portal and/or use Your username(s) and password(s), which You further agree to keep confidential and secure in accordance with Section 5 herein.

2.4 Additional Website Terms. Your access and use of the Portal are also subject to the Arctic Wolf Website Terms of Use located at <https://arcticwolf.com/terms-of-use/> ("Website Terms of Use") or the applicable terms of use related to a specific Partner program, including the Pack Rewards Program. In the event of any conflict between these Terms, the Website Terms of Use, or any program specific terms, the terms shall control in this order: the program specific terms, these Terms, and the Website Terms of Use.

2.5 Errors and Availability. Arctic Wolf is not responsible for any errors or delays in transmission that may occur prior to receipt of the transmission. Security procedures used in the Portal are solely for the purposes of authentication of a transmission. All transmissions are considered received by Arctic Wolf only when actually received by Arctic Wolf. Access to the Portal may be unavailable without notice at certain times, and Arctic Wolf will not be liable to You for any damages that may result from such unavailability.

4. OTHER PARTNER BENEFITS. Arctic Wolf may make certain information collected about Your business available to third parties with whom Arctic Wolf has a business relationship for Arctic Wolf's business purposes, including, without limitation, market research, offering of products and services, delivery of the Pack Rewards Program, delivery of other program offerings to You, and improvement of Arctic Wolf products and solutions. The information will be provided under confidentiality agreements between Arctic Wolf and such third parties and in accordance with the Privacy Notice. In addition, such third parties may also include their own privacy notice which governs their collection and use of your information.

5. CONFIDENTIALITY.

5.1 Confidential Information. In connection with the Portal, You may have access to or be exposed to (through the Portal or other means) information or other materials, or data that is not generally known to the public, whether such information is in written, oral, electronic, web site-based, or other forms (collectively, "**Confidential Information**"). You will keep all Confidential Information strictly confidential for the period of use of the Portal and for a period of three (3) years after the termination of Your access to the Portal, using at least the same degree of care as You use to protect Your own confidential information, but no less than reasonable care. Notwithstanding anything to the contrary in these Terms, Your confidentiality obligations with respect to Personal Information, as defined in Section 5.2 herein, and trade secrets of Arctic Wolf shall never expire. You may share Confidential Information with only Your employees who have a need to know and who are subject to legally binding obligations of confidentiality no less restrictive than those imposed by these Terms. These confidentiality obligations do not apply to any Confidential Information that (a) You can demonstrate was in Your possession before Your receipt from Arctic Wolf; (b) is or becomes publicly available through no fault by You; or (c) You rightfully received from a third party without a duty of confidentiality. If You are required by a government body or court of law to disclose any Confidential Information, You agree to give Arctic Wolf reasonable advance notice so that Arctic Wolf may contest the disclosure or seek a protective order. You acknowledge that damages for improper disclosure of Confidential Information may be irreparable and that Arctic Wolf shall be entitled to seek equitable relief, including injunction and preliminary injunction, in addition to all other remedies available at law or in equity. Notwithstanding any separate confidentiality agreement You may have with Arctic Wolf, You agree that information regarding Your business with Arctic Wolf and information You provide to Arctic Wolf in connection with the Portal may be accessed and used by Arctic Wolf and its employees, agents, and contractors for sales and marketing purpose and for any purpose related to the Portal or the relationship between You and Arctic Wolf and may be disclosed to relevant Arctic Wolf distributors or resellers, governing bodies, or Your customers and end-users for the purposes of fulfilling Arctic Wolf's obligations to our customers.

5.2 Personal Information. You represent that You have permission from all of the applicable individuals to use and disclose Personal Information on the Portal and You hereby grant Arctic Wolf permission to use and disclose such Personal Information for the purposes of (i) conducting the services described in the Partner Agreement, and (ii) offering access to and use of the Portal and any subprogram. Any such use will be in accordance with these Terms and any applicable laws. As used in these Terms, the

term "Personal Information" shall have the meanings under any applicable data privacy law and generally means any information or data that alone or together with any other information relates to an identified or identifiable natural person, or data considered to be personal data as defined under applicable laws, including but not limited to your employees' names and contact information.

6. LEAD, DEAL REGISTRATION, & CUSTOMER MANAGEMENT. Arctic Wolf may provide You with lead management tools ("**Management Tools**") to access and manage information regarding Your leads, submitted deals, and Your active customers. "**Partner Lead/Customer Contact Data**" shall mean any contact's first and last name, e-mail address, and phone number that You may record in the Portal. Only Arctic Wolf's employees and resources having a need to access the Partner Lead/Customer Contact Data will have the ability to view such data through the Portal. Partner Lead/Customer Contact Data will not be used by Arctic Wolf in contravention of the Partner Agreement and/or Program Guide. If Arctic Wolf elects to refer a customer lead to You, then by accepting or using the personal and business information pertaining to such customer lead ("**Lead Information**"), You agree to (a) use Lead Information solely in connection with the marketing or sales campaign for which the Lead Information was provided and then only for the purpose of marketing Arctic Wolf products and solutions to such customer lead, (b) manage Lead Information in accordance with applicable privacy laws, these Terms, and Your Partner Agreement, (c) maintain industry-standard physical, organization and technical processes and procedures to protect any unauthorized access to Lead Information, and (d) notify Arctic Wolf promptly after becoming aware of any unauthorized access to, or loss of, Lead Information.

7. DEAL REGISTRATION. You understand and consent to the following: once an opportunity is submitted through the Portal and registered under the "Register a Deal" section of the Portal, (i) the Partner Lead/Customer Contact Data and/or Lead Information related to the applicable customer and/or end user will appear in the Register a Deal page of the Portal; and (ii) all Partner Lead/Customer Contact Data and/or Lead Information related to the applicable customer and/or end user will become visible to the Partner and Arctic Wolf within the Portal.

8. PARTNER TRAINING. You understand and agree that any certifications you may receive from Arctic Wolf relating to any training activities available on the Portal are informal certificates signifying Your completion of an Arctic Wolf training offering.

9. TRADEMARKS AND INTELLECTUAL PROPERTY RIGHTS. Any trademarks, logos, and service marks ("**Marks**") displayed on the Portal are the property of Arctic Wolf or other third parties. You may not use these Marks without the prior written consent of Arctic Wolf or any such third party which may own the Mark. You hereby acknowledge all rights, titles, and interests, including but not limited to, rights covered by the intellectual property rights, in and to the Portal, and that You will not acquire any right, title, or interest in or to the Portal or any of its contents. At any given time, Arctic Wolf may have patents, patent applications, trademarks, copyrights, or other intellectual property rights covering subject matter in these Terms. Unless expressly provided in any written license agreement from Arctic Wolf, the furnishing of the Portal or documents contained on the Portal do not give you any license to any patents, trademarks, copyrights, or other intellectual property.

10. WARRANTY DISCLAIMER. ARCTIC WOLF MAKES NO WARRANTIES AND SPECIFICALLY DISCLAIMS ALL WARRANTIES AND CONDITIONS WITH RESPECT TO THE PORTAL (INCLUDING, WITHOUT LIMITATION, ALL INFORMATION, TOOLS, AND OTHER MATERIALS RELATED TO OR PROVIDED WITHIN THE PORTAL), EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, AND ANY WARRANTY ARISING BY STATUTE, OPERATION OF LAW, COURSE OF DEALING OR PERFORMANCE, OR USAGE OF TRADE. YOU UNDERSTAND THAT NEITHER YOUR PARTNERSHIP WITH ARCTIC WOLF NOR YOUR USE OF THIS PORTAL GUARANTEES THAT YOU WILL MAKE ANY SALES OR PROFITS. ALL ARCTIC WOLF INFORMATION IS PROVIDED "AS IS".

11. INDEMNIFICATION. To the fullest extent permitted by law, You shall indemnify, defend, and hold harmless Arctic Wolf, and their respective successors and assigns, from any claim, demand, cause of action, debt, or liability (including reasonable attorney or legal fees, expenses, and court costs) arising from Your violation of applicable laws or breach of these Terms.

12. LIMITATION OF LIABILITY. YOU ACKNOWLEDGE THAT YOUR USE OF THE PORTAL IS STRICTLY VOLUNTARY. ARCTIC WOLF SHALL HAVE NO LIABILITY FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE, RELIANCE, EXEMPLARY, INCIDENTAL, OR INDIRECT LOSS OR DAMAGES ARISING FROM, OUT OF, OR RELATING TO THESE TERMS OR THE INTERPRETATION, BREACH, TERMINATION OR VALIDITY THEREOF. IN NO EVENT SHALL ARCTIC WOLF BE LIABLE FOR ANY LOSS OF BUSINESS, INCOME, OR PROFITS, OR FOR LOST OR CORRUPTED DATA OR SOFTWARE. IN NO EVENT SHALL ARCTIC WOLF'S AGGREGATE LIABILITY FOR ALL CLAIMS ARISING FROM, OUT OF, OR RELATING TO THESE TERMS, EXCEED \$500.00 (U.S. DOLLARS). THESE LIMITATIONS OF LIABILITY SHALL APPLY TO ALL CLAIMS FOR DAMAGES, WHETHER BASED IN TORT, CONTRACT, OR OTHER THEORIES, AND WHETHER ARCTIC WOLF KNEW OR SHOULD HAVE KNOWN THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANYTHING IN THESE TERMS, THE REMEDIES SET FORTH HEREIN SHALL APPLY EVEN IF SUCH REMEDIES FAIL THEIR ESSENTIAL PURPOSE.

13. TERMINATION OF PORTAL ACCESS. Arctic Wolf has the right to terminate or discontinue access to the Portal, or any portion thereof, at its convenience. Upon termination of the underlying Partner Agreement between a Partner and Arctic Wolf, the license and rights granted to You hereunder for access to the Portal shall terminate completely and You shall immediately cease to use Portal and shall promptly return to Arctic Wolf all tangible copies of the information obtained through the Portal in its possession at Your own cost. Nothing in this Section shall limit Arctic Wolf's rights to pursue other legal remedies, including immediate court or judicial relief. All provisions that by their nature are intended to survive the termination of these Terms shall survive.

14. GOVERNING LAW, JURISDICTION AND FORUM. This Agreement shall be governed by the laws of the State of Delaware without regard to the conflicts of law provisions thereof. Any controversy or claim arising out of or relating to these Terms, or the breach thereof, shall be settled by arbitration in Kent County, Delaware in English and in accordance with the JAMS International Arbitration Rules then in effect. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, each party shall have the right to institute an action in a court of proper jurisdiction for preliminary injunctive relief pending a final decision by the arbitrator(s), provided that a permanent injunction and damages shall only be awarded by the arbitrator(s). In any action or proceeding to enforce rights under these Terms, the prevailing party shall be entitled to recover costs and attorneys' fees. The United Nations Convention on Contracts for the International Sale of Goods will not apply.

15. ENTIRE AGREEMENT. These Terms describe and encompass the entire agreement between Arctic Wolf and You regarding the use of the Portal, and supersedes all prior or contemporaneous agreements, representations, warranties, and understandings with respect to the Portal, and the subject matter of these Terms.

16. ENGLISH LANGUAGE CONTROLS. The Parties have agreed that these Terms as well as any notice, document, or instrument relating to it be drawn up in English only; *les parties aux présentes ont convenu que la présente convention ainsi que tous autres avis, actes ou documents s'y rattachant soient rédigés en anglais seulement.*

17. The parties to these Terms are independent contractors. Neither party has the authority to bind the other party without the express written authorization of the other party. Nothing herein may be construed to create an employer-employee, franchisor-franchisee, agency, partnership, or joint venture relationship between the parties.

**SUBSCRIBER TERMS
FOR
ARCTIC WOLF SECURITY OPERATIONS WARRANTY**

These Subscriber Terms (the **Agreement**) is a legal agreement entered into by and between Arctic Wolf Networks, Inc. (**Arctic Wolf**) and the Participant enrolling in the Arctic Wolf Security Operations Warranty (**Warranty**) pursuant to the terms herein. This Agreement governs Participant's access to benefits available in the Warranty. This Agreement is effective on the date Participant fully-enrolls to receive benefits and agrees to the terms set forth herein, along with the Provider Terms, if any, included on the enrollment portal (the **Effective Date**). The enrollment portal is referred to herein as the "Token Portal".

BY ENROLLING IN THE WARRANTY AND CLICKING A "SUBMIT", "CONTINUE" OR OTHER SIMILAR BUTTON ASSOCIATED WITH THIS AGREEMENT, PARTICIPANT (OR ITS AUTHORIZED AGENT, IF APPLICABLE) EXPRESSLY AND EXPLICITLY ACKNOWLEDGES AND AGREES (I) IT IS A BUSINESS ENTITY DULY ORGANIZED, VALIDLY EXISTING AND IN GOOD STANDING UNDER THE LAWS OF THE STATE OR COUNTRY IN WHICH IT IS INCORPORATED; (II) THIS IS A BINDING AGREEMENT AND PARTICIPANT HEREBY AGREES TO THE TERMS OF THIS AGREEMENT; AND (III) PARTICIPANT HAS IMPLEMENTED SOLUTIONS FROM ARCTIC WOLF FOR ITS ENVIRONMENT AS SET FORTH HEREIN; AND (IV) ACCEPTS THE OFFER TO ENROLL IN THE WARRANTY PURSUANT TO THE PROVIDER'S SEPARATE TERMS AS WELL AS TO THE TERMS HEREIN. PARTICIPANT'S ENROLLMENT IS CONSIDERED ACCEPTED WHEN PARTICIPANT RECEIVES A CONFIRMATION EMAIL FROM ARCTIC WOLF EVIDENCING PARTICIPANT'S SUCCESSFUL ENROLLMENT. IF YOU ARE AN EMPLOYEE OR OTHER REPRESENTATIVE ENTERING INTO THIS AGREEMENT ON BEHALF OF PARTICIPANT, YOU HEREBY REPRESENT AND WARRANT TO ARCTIC WOLF THAT YOU ARE (A) AUTHORIZED TO ENTER INTO THIS AGREEMENT ON BEHALF OF PARTICIPANT; AND (B) YOU ARE OVER 18 YEARS OLD. IF PARTICIPANT DOES NOT ACCEPT ALL THE TERMS AND CONDITIONS IN THIS AGREEMENT OR IS NOT AUTHORIZED TO ENTER INTO THIS AGREEMENT, DO NOT ACCEPT THE TERMS OF THIS AGREEMENT.

PARTICIPANT MUST IMMEDIATELY REPORT AN EVENT TO PROVIDER. FAILURE TO REPORT AN EVENT WITHIN FORTY-EIGHT (48) HOURS OF ARCTIC WOLF'S RECOMMENDATION OR REFERRAL TO PARTICIPANT TO INITIATE INCIDENT RESPONSE REGARDING THE EVENT AS SET FORTH IN SECTION 5 BELOW, WILL EXCLUDE THE EVENT FROM CONSIDERATION FOR A RECOVERY BENEFIT. WITHIN FIFTEEN (15) DAYS OF ARCTIC WOLF'S RECOMMENDATION OR REFERRAL TO PARTICIPANT TO INITIATE INCIDENT RESPONSE REGARDING THE EVENT, PARTICIPANT MUST SUPPLY PROVIDER WITH THE REQUESTED INFORMATION TO VALIDATE ANY ALLEGED LOSS OF BUSINESS INCOME AND/OR EVALUATE THE ASSERTED EVENT OR THE REQUEST FOR RECOVERY BENEFITS WILL BE CLOSED. IF PARTICIPANT FAILS TO DELIVER REQUESTED INFORMATION AS SET FORTH HEREIN OR FAILS TO RESPOND FOR MORE THAN THIRTY (30) DAYS AFTER INITIAL PROVISION OF INFORMATION TO PROVIDER, PARTICIPANT'S PROFFERED EVENT WILL BE AN INVALID EVENT INELIGIBLE FOR A RECOVERY BENEFIT PURSUANT TO THIS AGREEMENT. ANY DETERMINATION REGARDING A QUALIFYING EVENT OR THE GRANT OF A RECOVERY BENEFIT, IS MADE AT PROVIDER'S SOLE DISCRETION.

In consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions.** Any capitalized terms not otherwise defined herein shall have the meaning set forth in the applicable product agreement or similarly intended agreement (**Product Agreement**) which governs the delivery of the Managed Detection and Response, Managed Risk, Managed Security Awareness, or Aurora Managed Endpoint Defense (**AMED**) solutions (collectively, the **Solutions**) made by and between Participant and Arctic Wolf, or its authorized managed service provider partner, as applicable, for the delivery of the Solutions.

- a. **BEC Event** means a business email compromise (**BEC**) where a full, unauthorized threat-actor takeover of a Participant account occurs within Participant's Environment. The Warranty does not apply to BEC Events where social engineering results in funds transfer or fraud.
- b. **Benefit End Date** means the last day of Participant's qualifying Subscription Term, or any qualifying renewals thereof.
- c. **Benefit Start Date** means the first day of the Enrollment Term as set forth on the Enrollment Confirmation.
- d. **Business Income Event** means a Security Breach of Participant's Environment materially effecting business operations resulting in an actual, documentable loss of business income (net profit or loss before taxes) that would have been earned had no Security Breach occurred.
- e. **Compliance Event** means a BEC Event or Ransomware Event directly resulting in a personal data breach, triggering HIPAA, GDPR, UK GDPR, PCI, OSHA, SEC, FTC, and/or any international, federal, state or other legally required notice and/or reporting requirements, where the sole Recovery Benefit is for immediate legal assessment and emergency response of the Compliance Event. Continuing legal services beyond initial breach assessment, including dealing with the nature of the data breach and any extent of the same, are beyond scope of any Recovery Benefit for this Event.
- f. **Cyber Legal Liability Event** means litigation arising directly out of a breach of data privacy and/or data security as a result of a BEC Event or Ransomware Event, arising out of binding statements made regarding data privacy or security on Participant's website where legal defense expenses and settlement costs are incurred. A Participant must exhaust all other Recovery Benefits before qualifying for this Event.
- g. **Enrollment Confirmation** means the email issued to Participant confirming Participant's enrollment in the Warranty upon Participant's enrollment in the Token Portal and sets forth the Benefit Start Date and Warranty Recovery Benefit Level.

- h. **Enrollment Term** means the period within which Participant may receive Recovery Benefits and begins on the Benefit Start Date as defined in Section 2(a) below and ends upon termination in accordance with Section 10 below. Dependent on the Benefit Start Date, generally the Enrollment Term is equivalent to the annual Subscription Term under the Product Agreement, or in the case of a multi-year qualifying Subscription, the annual periods within such multi-year Subscription Term of the applicable Product Agreement.
- i. **Environment** means computer systems, networks, and endpoints identified by Participant and for which Participant has implemented Solutions in accordance with the eligibility requirements of Section 4 below.
- j. **Event** means a Ransomware Event or BEC Event occurring in a Participant's Environment, which may then result in a Business Income Event, Compliance Event or Cyber Legal Liability Event.
- k. **Provider** means Arctic Wolf's third party service provider who has contracted with Arctic Wolf to provide Participant with the Recovery Benefits set forth herein.
- l. **Qualifying Event** means a Business Income, Compliance, or Cyber Legal Liability Event occurring as a result of a Ransomware or BEC Event in Participant's Environment. Such Events may collectively constitute a single Qualifying Event and qualify for the applicable Recovery Benefit, e.g., a Ransomware Event that encrypts systems and leads to a Business Income Event. Note, while a Ransomware Event and BEC Event cannot be combined, where a BEC Event leads to superseding Ransomware Event, a resulting Ransomware Event is the Qualifying Event.
- m. **Ransomware Event** means the unauthorized access to at least one Participant endpoint in the form of ransomware which has caused material harm to Participant, whereby "material harm" must include at least one of the following: (i) the unauthorized acquisition of unencrypted digital data from Participant's Environment that compromises the security, confidentiality, or integrity of personal data or confidential information from Participant's Environment; (ii) public disclosure of personal data or confidential information maintained by Participant; or (iii) the compromise of at least one endpoint in Participant's Environment resulting the blocking of access to such endpoint.
- n. **Recovery Benefit** is the funding conferred to the Participant by the Provider upon a Qualifying Event. A Recovery Benefit is limited to supporting repair, remediation, and/or replacement of those parts of Participant's Environment damaged by the Qualifying Event, including, but not limited to, removing and remediating elements that caused such Event. Recovery Benefits apply to immediate recovery services such as initial investigation to determine required services and restoration of Participant's current business systems covered by the Solutions. Continuing investigation concerning the extent of an actual or suspected Event, ongoing negotiations with a threat actor, procurement of new solutions or recovery beyond Participant's Environment, legal evaluation of reporting obligations, or other ongoing breach services, are not eligible for a Recovery Benefit.
- o. **Security Breach** means the loss of business income (net profit or loss before income taxes) which would have been earned had no loss occurred as a result of (i) an unauthorized access or use of Participant's Environment resulting from theft of a password from an agent of the Participant; (ii) a denial of service attack affecting Participant's Environment; or (iii) an infection of a part of Participant's Environment by malicious code or the unauthorized transmission of malicious code from the Participant's Environment.

2. Warranty

- a. **Benefit Start Date.** Participant's Enrollment Term will begin on the Benefit Start Date.
- b. **Benefit End Date.** Unless otherwise terminated earlier pursuant to Section 10 below, Participant's Enrollment Term will automatically terminate on the Benefit End Date.

3. Warranty Benefits.

- a. During the Enrollment Term, Participant may submit a request for a Recovery Benefit by notifying Provider at arcticwolf@cysurance.com that an Event may have occurred.
- b. Should an Event after review by Provider to be determined a Qualifying Event, and provided an exclusion set forth in Section 4 below does not apply, Provider will allocate a Recovery Benefit to Participant, subject to the following:
 - i. Participant may only seek Recovery Benefits for one (1) Qualifying Event during the Enrollment Term;
 - ii. Participant must have a commercially reasonable belief that damages resulting from the Event will exceed \$5,000 USD or equivalent in applicable foreign currency;
 - iii. The Recovery Benefit will not exceed Participant's maximum Recovery Benefit Level as specified within Participant's Enrollment Confirmation;
 - iv. Payment of any applicable deductible;
 - v. Application of a Recovery Benefit in the form of cyber-insurance deductible-buy back, subject to the terms and conditions of Participant's cyber-insurance carrier, any terms and conditions of Provider, and review and approval by both Provider and Participant's identified cyber-insurance carrier; and
 - vi. The Recovery Benefit is provided in accordance with any additional terms and conditions applicable as specified in the Warranty Confirmation Summary attached hereto as Schedule 1.

4. Recovery Service Exclusions. A Recovery Benefit will not be provided if any one or more of the following conditions occur specific to the nature of the loss:

- a. Participant fails to take commercially reasonable measures to (i) undertake preventative maintenance, including patching that is up to date within sixty (60) days of the software manufacturer's release cycle; and (ii) implement cloud or other back up measures of Participant's data to allow for recovery from a Ransomware Event;
- b. Participant fails to deploy multifactor authentication (MFA) on email, servers housing proprietary and privacy data, and operating systems essential business operations;
- c. Participant fails to deploy industry standard and up-to-date anti-virus or comparable prevention tools on its endpoints;
- d. Participant does not have the Solutions actively deployed in the Participant's Environment where the Event occurred, such that Arctic Wolf is receiving supported security relevant telemetry from such environment from the applicable Solution (i.e., infrastructure (if Security Operations Warranty) and endpoint (if AMED Warranty));
- e. Participant is in breach of the Product Agreement or the Subscription Term has terminated or expired;
- f. Participant is unable to provide direct proof of the Event or cannot verify the Event through log/event data;
- g. If there is a systemic failure of the Prime Subscriber's infrastructure that results in an Event where there is a systemic attack inflicting global widespread harm from commonly used tools/ and/or a zero-day exploit caused by a flaw in software, hardware or firmware occurring in the Participant's Environment;
- h. After notification or an alert of a possible Event by Participant to Security Provider, Participant fails to take reasonable measures or actions to investigate and adequately address the issues prompting the alert in an effort to circumvent or prevent an Event from occurring in Participant's Environment.
- i. If a Participant is regulated by HIPAA, PCI, SEC, FTC, GDPR and/or any other international, federal, state or other law, regulation or rule:
 - i. Participant has not completed an annual security and data risk assessment or other necessary risk assessments, and documented risks associated therewith;
 - ii. Protected health information (PHI) or other protected data inventory has not been fully completed and accounted for prior to an Event;
 - iii. Subject to Participant's standard historical employment practices related to HIPAA, GLBA, CCPA, GDPR, UK GDPR or other data protection required training for employees, all of Participant's employees have not completed such necessary training within the 12 months prior to any Event;
 - iv. Participant has not adopted and adhered to all privacy and security policies, public facing, internal or otherwise, related to any international, federal, state or other legal or related regulatory requirements to which Participant is subject prior to any Event; or
 - v. Participant is named as a defendant, respondent, co-defendant or other defending party in a class-action lawsuit resulting from violation of any international, federal, state or other law, regulation or rule arising from or relating to an Event.
- j. The Event did not occur during the Enrollment Term; or
- k. Participant does not submit the request for a Recovery Benefit for the Event during the Enrollment Term; or
- l. In the event Participant seeks a Recovery Benefit for a Cyber Legal Liability Event, the Participant has failed to perform a risk assessment and comply with applicable law, regulations or rules concerning the processing of personal information.

5. Recovery Benefit Process.

- a. **PARTICIPANT MUST REPORT THE EVENT TO THE PROVIDER WITHIN FORTY-EIGHT (48) HOURS OF ARCTIC WOLF'S RECOMMENDATION OR REFERRAL TO PARTICIPANT TO INITIATE INCIDENT RESPONSE REGARDING THE EVENT. AS WILL BE EVIDENCED BY THE DATE OF THE TICKET ISSUED BY ARCTIC WOLF TO PARTICIPANT WITHIN ARCTIC WOLF'S TICKETING SYSTEM.**
- b. WITHIN FIFTEEN (15) DAYS OF THE REPORTING OF AN EVENT IN ACCORDANCE WITH SECTION 5(a) ABOVE, PARTICIPANT MUST SUPPLY PROVIDER WITH REQUESTED INFORMATION AS TO ALLOW PROVIDER TO VALIDATE DAMAGES INCURRED AND APPROPRIATELY EVALUATE THE EVENT. IF PARTICIPANT FAILS TO DELIVER THE REQUESTED INFORMATION AS SET FORTH HEREIN OR FAILS TO RESPOND FOR THIRTY (30) DAYS AFTER INITIAL PROVISION OF INFORMATION TO PROVIDER, PARTICIPANT'S EVENT WILL BE TREATED AS AN INVALID EVENT INELIGIBLE FOR A RECOVERY BENEFIT. ANY DETERMINATION AS TO WHETHER AN EVENT IS A QUALIFYING EVENT, OR PROVISION OF A RECOVERY BENEFIT, IS MADE IN PROVIDER'S SOLE DISCRETION.
- c. Existing Participants enrolled in a Security Operations Warranty and implementing the Arctic Wolf AMED Solution are required to fully and comprehensively deploy the AMED Solution within forty-five (45) days of the issuance of an Order Form for the AMED Subscription to be eligible for AMED level Recovery Benefits as specified in the Recovery Benefit Confirmation Summary attached hereto as Schedule 1. During such forty-five (45) day period or prior to full and comprehensive deployment (whichever is earlier), while not eligible for AMED level Recovery Benefits, Participant will be eligible for the original Recovery Benefit in which Participant had previously enrolled. The AMED level Recovery Benefit is effective (subject to enrollment requirements) on the earlier of (i) the last day of such forty-five (45) day period, or (ii) upon full and comprehensive deployment. Note should Participant not fully and comprehensively deploy the AMED Solution, an Event may not qualify for Recovery Benefits based on applicable exclusions in Section 4 above.
- d. Participant understands the Solutions Warranty is not insurance, and that Participant is solely responsible for reporting any Events to its insurance carrier regardless of whether Participant elects to make request for a Recovery Benefit with Provider for an Event under this Warranty.
- e. By submitting a request for a Recovery Benefit and information to Provider, Participant understands and acknowledges that Provider has separate terms and conditions related to privacy and data protection as set forth in Provider's website terms, privacy policies, or other agreements made by and between Participant and Provider which will govern the use and protection of the information, which may be found [here](#). Arctic Wolf does not accept liability or responsibility for Provider. Participant understands and agrees that it should review such terms prior to submission of information. In the event Participant requests

- that Arctic Wolf provide information directly to Provider on Participant's behalf, Participant authorizes and consents to Arctic Wolf sharing the information with Provider, subject to the terms set forth in this Section 5(d).
- f. Qualification for Recovery Benefits made under the Warranty is subject to Provider's standards of review. If Provider denies Recovery Benefits to Participant, notwithstanding anything to the contrary in this Agreement, Arctic Wolf shall have no liability to Participant.
 - g. To receive a Recovery Benefit under the Warranty, Participant agrees to:
 - i. Provide documentation evidencing the Participant's date of enrollment in the Warranty;
 - ii. Provide log files and information about the symptoms and causes of a network compromise and all other information, documents or things requested by Provider pertaining to the Event;
 - iii. Verify cyber event via log files and/or other documentation of malicious code that resulted in loss of data and/or records that triggered a violation of state and/or federal regulatory enforcement to which Participant is subject; and
 - iv. Submit all requests for a Recovery Benefit as well as all data and information in good faith, and that is true and accurate.

6. Additional Services. Following Participant's enrollment in the Warranty, and included with the Warranty, Provider will perform regular scans of Participant's Environment. Results will be provided to Arctic Wolf to augment the external monitoring and risk rating analyses Arctic Wolf delivers to Participant as part of the Solutions. Such results may identify vulnerabilities related to:

- a. Network Security
- b. DNS Health
- c. Patching Cadence
- d. IP Reputation
- e. Application Security
- f. Threat Intelligence
- g. Social Intel & Industry Intel
- h. Information Leak including Dark Web scanning for credentials
- i. Cloud Score

An initial scan will be conducted upon Participant's enrollment in the Warranty and monthly thereafter during the Participant's Enrollment Term. By enrolling in the Warranty, Participant consents to the performance of such additional services by Provider.

7. Warranty Disclaimer. EXCEPT AS SPECIFICALLY SET FORTH HEREIN, ARCTIC WOLF MAKES NO WARRANTIES, EXPRESS, IMPLIED OR STATUTORY TO PARTICIPANT, REGARDING OR RELATING TO THE WARRANTY OR ITS SOLUTIONS PROVIDED TO PARTICIPANT UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY WARRANTY THAT THE WARRANTY WILL MEET PARTICIPANT'S REQUIREMENTS OR THAT THE OPERATION THEREOF OR ACCESS THERETO WILL BE ERROR FREE, CURRENT OR UNINTERRUPTED. FOR THE AVOIDANCE OF DOUBT, THIS WARRANTY DOES NOT EXPAND OR INFER ANY WARRANTIES RELATED TO THE SOLUTIONS. TO THE GREATEST EXTENT ALLOWED BY LAW, ARCTIC WOLF SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRACTICE, EXCEPT TO THE EXTENT THAT ANY WARRANTIES IMPLIED BY LAW CANNOT BE VALIDLY WAIVED.

8. Limitation of Liability. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, FOR ANY CAUSE RELATED TO OR ARISING OUT OF THIS AGREEMENT, WHETHER IN AN ACTION BASED ON A CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ANY OTHER LEGAL THEORY, HOWEVER ARISING, ARCTIC WOLF WILL IN NO EVENT BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR LOST REVENUES, PROFITS, BUSINESS OR GOODWILL, BREACHES BY PROVIDER, OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES. IN NO EVENT WILL ARCTIC WOLF'S LIABILITY EXCEED \$100. THESE LIMITATIONS SHALL APPLY WHETHER OR NOT ARCTIC WOLF HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

9. Updates. Arctic Wolf reserves the right to modify this Agreement, and any terms related to the Warranty in Arctic Wolf's sole discretion. Should Arctic Wolf make any modifications to the Agreement or the Warranty, Arctic Wolf will post the amended terms at <https://arcticwolf.com/terms/> and will update the "**Last Updated Date**" within such document or provide notification by such other reasonable notification method implemented by Arctic Wolf.

10. Termination.

- a. Change in Subscription. Should Participant's Subscription change during the Subscription Term which impacts the Warranty Recovery Benefit Level for which Participant qualifies, the existing Enrollment Term will terminate, and, if applicable, a new token ID will be issued to Participant for the applicable modified Warranty Recovery Benefit Level. In the event Participant's Subscription ceases to qualify for the Warranty, the Enrollment Term will immediately terminate.
- b. This Agreement, the Warranty, and/or Participant's Enrollment Term may be terminated by Arctic Wolf for convenience and for any reason in Arctic Wolf's sole discretion and Arctic Wolf will have no further liabilities to Participant under this Agreement. Arctic Wolf will use commercially reasonable efforts to notify Participant of any such termination. For the avoidance of doubt, termination of the Product Agreement shall terminate this Agreement, but termination of this Agreement shall not terminate the Product Agreement.

11. Survival. Sections 1, 6, 7, 8, 11 and 12 will survive the non-renewal or termination of this Agreement.

12. Miscellaneous.

- a. Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) on the next business day after the date sent, if sent for overnight delivery by a generally recognized international courier (e.g., FedEx, UPS, DHL, etc.) (receipt requested); or (c) on the date sent by e-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient. Arctic Wolf's address for notification purposes shall be: PO Box 46390, Eden Prairie, MN 55344, legal@arcticwolf.com. Participant's address for notification purposes shall be as provided by Participant to Arctic Wolf or the MSP at the time of subscription to the Solutions. Either party may update its notice address upon written notice to the other party.
- b. Participant shall not be entitled to assign, subcontract, delegate or otherwise transfer any of its rights and/or duties arising out of this Agreement and/or parts thereof to third parties, voluntarily or involuntarily, including by change of control, operation of law or any other manner, without Arctic Wolf's express prior written consent. Any purported assignment, subcontract, delegation, or other transfer in violation of the foregoing shall be null and void.
- c. Unless otherwise prohibited by law, (a) this Agreement shall be governed by the laws of the State of Delaware without regard to the conflicts of law provisions thereof and (b) any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Kent County, Delaware in English and in accordance with the JAMS International Arbitration Rules then in effect. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, each party shall have the right to institute an action in a court of proper jurisdiction for preliminary injunctive relief pending a final decision by the arbitrator(s), provided that a permanent injunction and damages shall only be awarded by the arbitrator(s). In any action or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover costs and attorneys' fees.
- d. No failure or delay by Arctic Wolf or Provider in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.
- e. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable. The parties agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purpose of such void or unenforceable provision.
- f. This Agreement (including the exhibits hereto) constitutes the parties' entire agreement by and between the parties with respect to the subject matter hereof and supersedes any prior or contemporaneous agreement or understanding by and among the parties with respect to such subject matter.
- g. Arctic Wolf is not responsible for any failures or delays in performing under the Warranty that are due to events outside of Arctic Wolf's reasonable control.
- h. The Warranty may not be available in all jurisdictions and is not available where prohibited by law or where not offered by Arctic Wolf or by Provider.
- i. The parties have agreed that this Agreement as well as any notice, document or instrument relating to it be drawn up in English only; *les parties aux présentes ont convenu que la présente convention ainsi que tous autres avis, actes ou documents s'y rattachant soient rédigés en anglais seulement.*

Schedule 1

Warranty Confirmation Summary*

Subject to all the terms and conditions in the Agreement, the Warranty provides the following Recovery Benefit Levels:

Security Operations Bundle*		
<u>Bundle Subscription:</u>	<u>Recovery Benefit / Required Subscription Term:</u>	
<u>Core</u>	<u>\$100K / 3-Year</u>	
Ransomware/BEC Event	\$50K	
Compliance Event	\$50K	
Business Income Event**		
Cyber Legal Liability Event***		
<u>Plus</u>	<u>\$500K / 1-Year</u>	<u>\$1M / 3-Year</u>
Ransomware/BEC Event	\$100K	\$200K
Compliance Event	\$100K	\$200K
Business Income Event**	\$50K	\$100K
Cyber Legal Liability Event***	\$250K	\$500K
<u>Total</u>	<u>\$750K / 1-Year</u>	<u>\$1.5M / 3-Year</u>
Ransomware/BEC Event	\$150K	\$300K
Compliance Event	\$150K	\$300K
Business Income Event**	\$75K	\$150K
Cyber Legal Liability Event***	\$375K	\$750K

Schedule 1 (continued)

Warranty Confirmation Summary*

Subject to all the terms and conditions in the Agreement, the Warranty provides the following Recovery Benefit Levels:

Participants enrolled in the \$500,000 Recovery Benefit Level*

Recovery Benefit – \$500,000 Level	Per Event	Per Participant
Ransomware/BEC Event	A Maximum of \$100,000 USD	\$100,000 USD
Compliance Event	A Maximum of \$100,000 USD	\$100,000 USD
Business Income Event**	A Maximum of \$50,000 USD	\$50,000 USD
Cyber Legal Liability Event***	A Maximum of \$250,000 USD	\$250,000 USD

Participants Enrolled in the \$1,000,000 Recovery Benefit Level*

Recovery Benefit – \$1,000,000 Level	Per Event	Per Participant
Ransomware/BEC Event	A Maximum of \$200,000 USD	\$200,000 USD
Compliance Event	A Maximum of \$200,000 USD	\$200,000 USD
Business Income Event**	A Maximum of \$100,000 USD	\$100,000 USD
Cyber Legal Liability Event***	A Maximum of \$500,000 USD	\$500,000 USD

Schedule 1 (continued)

Warranty Confirmation Summary*

Subject to all the terms and conditions in the Agreement, the Warranty provides the following Recovery Benefit Levels:

Security Operations Bundle + Aurora Managed Endpoint Defense^{*†}		
	<u>Recovery Benefit / Required Subscription Term:</u>	
<u>Aurora Managed Endpoint Defense</u>	<u>\$100K / 3-Year</u>	
Ransomware/BEC Event	\$50K	
Compliance Event	\$50K	
<u>Core + Aurora Managed Endpoint Defense</u>	<u>\$200K / 3-Year</u>	
Ransomware/BEC Event	\$100K	
Compliance Event	\$100K	
Business Income Event**		
Cyber Legal Liability Event***		
<u>Plus + Aurora Managed Endpoint Defense</u>	<u>\$1M / 1-Year</u>	<u>\$2M / 3-Year</u>
Ransomware/BEC Event	\$200K	\$400K
Compliance Event	\$200K	\$400K
Business Income Event**	\$100K	\$200K
Cyber Legal Liability Event***	\$500K	\$1M
<u>Total + Aurora Managed Endpoint Defense</u>	<u>\$1.5M / 1-Year</u>	<u>\$3M / 3-Year</u>
Ransomware/BEC Event	\$300K	\$600K
Compliance Event	\$300K	\$600K
Business Income Event**	\$150K	\$300K
Cyber Legal Liability Event***	\$750K	\$1.5M

**Participant must first exhaust any other Warranty that would apply to these expenses*

***Business Income \$2,500 Deductible*

****Cyber Legal Liability Participant must exhaust all other financial benefits before triggering this Recovery Benefit Level*

† For existing Participants with a Security Operations Warranty, please see Section 5(c) of the Agreement

The Recovery Benefit, Per Event, and Per Participant amounts reflected in the tables above, although shown in USD, means the equivalent amount in the applicable foreign currency reflected within an Order Form.

APPROVAL	REQUEST FOR FINANCE COMMITTEE ACTION	MEETING DATE October 20, 2026
REPORTS & RECOMMENDATIONS	Resolution to Authorize Certain Officials to Execute a Contract with Lippert Tile Company, Inc. to Provide Floor Cleaning and Restoration Services at the City Hall Municipal Building in the Lobby, Lobby Bathrooms and Community Room in an Amount Not-To-Exceed \$22,700	ITEM NUMBER 15.8.

BACKGROUND

The flooring in portions of City Hall is original to the building and has experienced deterioration over time, including cracking and other damage. The condition of the existing flooring has become a maintenance and appearance concern in several heavily used areas of the building.

The city has obtained a quote from a reputable flooring contractor that has been utilized by the city on numerous projects over the past ten years, including work for both the Police Department and the Library. The contractor is familiar with City facilities and has an established history of providing flooring-related services to the city.

ANALYSIS

The proposed work would address three designated areas within City Hall:

1. **City Hall Fill Stone Restoration – Lobby**
Restoration of the existing fill stone flooring in the main lobby, including addressing areas that have cracked or deteriorated.
2. **City Hall Main Restrooms – 2 Restrooms**
Replacement/restoration of flooring in the two main City Hall restrooms where the existing flooring has deteriorated.
3. **City Hall Community Room**
Replacement/restoration of the flooring in the Community Room, which is frequently used public and meeting space.

FISCAL NOTE

A budget amendment was approved on October 6, 2026, to appropriate the funding required for the project. The proposed funding source is excess fund balance in the Capital Outlay Fund.

COUNCIL ACTION REQUESTED

Motion to adopt Resolution No. 2026-_____, a Resolution to Authorize Certain Officials to Execute a Contract with Lippert Tile Company, Inc. to Provide Floor Cleaning and Restoration Services at the City Hall Municipal Building in the Lobby, Lobby Bathrooms and Community Room in an Amount Not-To-Exceed \$22,700.

Mayor – JN/Buildings - JC

STATE OF WISCONSIN : CITY OF FRANKLIN : MILWAUKEE COUNTY

RESOLUTION NO. 2026 - _____

A RESOLUTION TO AUTHORIZE CERTAIN OFFICIALS TO EXECUTE A CONTRACT WITH LIPPERT TILE COMPANY, INC. TO PROVIDE FLOOR CLEANING AND RESTORATION SERVICES AT THE CITY HALL MUNICIPAL BUILDING IN THE LOBBY, LOBBY BATHROOMS, AND COMMUNITY ROOM IN AN AMOUNT NOT-TO-EXCEED \$22,700

WHEREAS, portions of the flooring at the City Hall Municipal Building are original to the building and have experienced deterioration over time, including cracking and other damage, creating maintenance and aesthetic concerns in several heavily used areas; and

WHEREAS, the City has obtained a quote from Lippert Tile Company, Inc., a reputable flooring contractor that has provided flooring-related services to the city on numerous projects over the past ten years, including work at the Police Department and Library; and

WHEREAS, the proposed work includes cleaning, restoration, and/or replacement of flooring, as applicable, in the following areas of the City Hall Municipal Building: Main Lobby, Lobby Bathrooms, and Community Room; and

WHEREAS, a budget amendment was approved on October 6, 2026, to appropriate the funding necessary for the project, with funding provided from excess fund balance in the Capital Outlay Fund; and

WHEREAS, the Common Council finds that the proposed work is necessary to maintain the condition, functionality, and appearance of the City Hall Municipal Building.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Common Council of the City of Franklin, Wisconsin, that the contract to provide floor cleaning and restoration services related to the City Hall Municipal Building and related forms with Lippert Tile Company, Inc., in the form and content as annexed hereto, be and the same is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor, City Clerk and Director of Finance and Treasurer be and the same are hereby authorized to execute and deliver such contract.

Introduced at a regular meeting of the Common Council of the City of Franklin the
_____ day of _____, 2026, by Alderman _____.

PASSED AND ADOPTED by the Common Council of the City of Franklin on the _____
day of _____, 2026.

APPROVED:

John R. Nelson, Mayor

ATTEST:

Shirley J. Roberts, City Clerk

AYES _____ NOES _____ ABSENT _____

A G R E E M E N T

This AGREEMENT, is made and entered into this 9th day of October 2026, between the City of Franklin, 9229 West Loomis Road, Franklin, Wisconsin 53132 (hereinafter "CLIENT") and Lippert Tile Company, Inc. (hereinafter "CONTRACTOR"), whose principal place of business is N89 W14260 Patrita Drive, Menomonee Falls, WI 53051.

W I T N E S S E T H

WHEREAS, the CONTRACTOR is duly qualified and experienced as a municipal services contractor and has offered services for the purposes specified in this AGREEMENT; and

WHEREAS, in the judgment of CLIENT, it is necessary and advisable to obtain the services of the CONTRACTOR to provide floor cleaning services;

NOW, THEREFORE, in consideration of these premises and the following mutual covenants, terms, and conditions, CLIENT and CONTRACTOR agree as follows:

I. BASIC SERVICES AND AGREEMENT ADMINISTRATION

- A. CONTRACTOR shall provide floor cleaning services to CLIENT as described in CONTRACTOR's proposals to CLIENT dated September 24, 2026 (Bid # 2554) and October 7, 2026 (Bid #s 2560 and 2561), annexed hereto and incorporated herein, collectively, as Attachment A.
- B. CONTRACTOR shall serve as CLIENT's professional representative in matters to which this AGREEMENT applies. CONTRACTOR may employ the services of outside consultants and subcontractors when deemed necessary by CONTRACTOR to complete work under this AGREEMENT following approval by CLIENT.
- C. CONTRACTOR is an independent contractor and all persons furnishing services hereunder are employees of, or independent subcontractors to CONTRACTOR and not of CLIENT. All obligations under the Federal Insurance Contribution Act (FICA), the Federal Unemployment Tax Act (FUTA), and income tax withholding are the responsibility of CONTRACTOR as employer. CLIENT understands that express AGREEMENTS may exist between CONTRACTOR and its employees regarding extra work, competition, and nondisclosure.
- D. During the term of this AGREEMENT and throughout the period of performance of any resultant AGREEMENT, including extensions, modifications, or additions thereto, and for a period of one (1) year from the conclusion of such activity, the parties hereto agree that neither shall solicit for employment any technical or professional employees of the other without the prior written approval of the other party.

II. FEES AND PAYMENTS

CLIENT agrees to pay CONTRACTOR, for and in consideration of the performance of Basic Services further described in Attachment A, at CONTRACTOR'S standard billing rates as indicated on Attachment A, subject to the terms detailed below:

- A. CONTRACTOR may bill CLIENT and be paid for all work satisfactorily completed hereunder on a monthly basis. CLIENT agrees to pay CONTRACTOR's invoice within 30 days of invoice date for all approved work.
- B. The total price will not exceed the proposal amounts stated in Attachment A. For services rendered, monthly invoices will include a report that clearly states the hours and type of work completed and the fee earned during the month being invoiced.
- C. In consideration of the faithful performance of this AGREEMENT, the CONTRACTOR will not exceed the fee for Basic Services and expenses without written authorization from CLIENT to perform work over and above that described in the original AGREEMENT.
- D. Should CLIENT find deficiencies in work performed or reported, it will notify CONTRACTOR in writing within thirty (30) days of receipt of invoice and related report, and the CONTRACTOR will remedy the deficiencies within thirty (30) days of receiving CLIENT's review. This subsection shall not be construed to be a limitation of any rights or remedies otherwise available to CLIENT.

III. MODIFICATION AND ADDITIONAL SERVICES

- A. CLIENT may, in writing, request changes in the Basic Services required to be performed by CONTRACTOR and require a specification of incremental or decremental costs prior to change order agreement under this AGREEMENT. Upon acceptance of the request of such changes, CONTRACTOR shall submit a "Change Order Request Form" to CLIENT for authorization and notice to proceed signature and return to CONTRACTOR. Should any such actual changes be made, an equitable adjustment will be made to compensate CONTRACTOR or reduce the fixed price, for any incremental or decremental labor or direct costs, respectively. Any claim by CONTRACTOR for adjustments hereunder must be made to CLIENT in writing no later than forty-five (45) days after receipt by CONTRACTOR of notice of such changes from CLIENT.

IV. ASSISTANCE AND CONTROL

- A. Joesph Chitko will coordinate the work of the CONTRACTOR and be solely responsible for communication within the CLIENT's organization as related to all issues originating under this AGREEMENT.
- B. CLIENT will timely provide CONTRACTOR with all available information concerning PROJECT as deemed necessary by CONTRACTOR.
- C. CONTRACTOR will appoint, subject to the approval of CLIENT, Elias Shanine CONTRACTOR's Project Manager and other key providers of the Basic Services. Substitution of other staff may occur only with the consent of CLIENT.

V. TERMINATION

- A. This AGREEMENT may be terminated by CLIENT, for its convenience, for any or no reason, upon written notice to CONTRACTOR. This AGREEMENT may be terminated by CONTRACTOR upon thirty (30) days written notice. Upon such termination by CLIENT, CONTRACTOR shall be entitled to payment of such amount as shall fairly compensate CONTRACTOR for all work approved up to the date of termination, except that no amount shall be payable for any losses of revenue or profit from any source outside the scope of this AGREEMENT, including but not limited to, other actual or potential agreements for services with other parties.
- B. If this AGREEMENT is terminated for any reason, CONTRACTOR shall deliver to CLIENT all data, reports, summaries, correspondence, and other written, printed, or tabulated material pertaining in any way to Basic Services that CONTRACTOR may have accumulated. Such material is to be delivered to CLIENT whether in completed form or in process. CLIENT shall hold CONTRACTOR harmless for any work that is incomplete due to early termination.
- C. The rights and remedies of CLIENT and CONTRACTOR under this section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other article of this AGREEMENT.

VI. INSURANCE

The CONTRACTOR shall, during the life of the AGREEMENT, maintain insurance coverage with an authorized insurance carrier at least equal to the minimum limits set forth below:

A. General/Commercial Liability	\$1,000,000 per occurrence for bodily injury, personal injury, and property damage \$3,000,000 per general aggregate, <i>CITY shall be named as an additional insured on a primary, non-contributory basis.</i>
B. Automobile Liability	\$1,000,000 combined single limit <i>CITY shall be named as an additional insured on a primary, non-contributory basis.</i>
C. Contractor's Pollution Liability (<i>If applicable</i>)	\$1,000,000 per occurrence \$2,000,000 aggregate <i>CITY shall be named as an additional insured on a primary, non-contributory basis.</i>
D. Umbrella or Excess Liability Coverage for General/Commercial, Automobile Liability, and Contractor's Pollution Liability (<i>If applicable</i>)	\$7,000,000 per occurrence for bodily injury, personal injury, and property <i>CITY shall be named as an additional insured on a primary, non-contributory basis.</i>
E. Worker's Compensation and Employers' Liability	Statutory <i>Contractor will provide a waiver of subrogation and/or any rights of recovery allowed under any workers' compensation law.</i>
F. Professional Liability (Errors & Omissions) (<i>If applicable</i>)	\$1,000,000 single limit

Prior to the execution of this AGREEMENT, CONTRACTOR shall supply CLIENT with a suitable statement (Certificate of Insurance or insurance policy endorsements) certifying said protection, defining the terms of the policy issued, and specifying that such protection shall not be cancelled without thirty (30) calendar days prior notice to CLIENT, and naming CLIENT as an additional insured as required above.

VII. INDEMNIFICATION AND ALLOCATION OF RISK

- A. To the fullest extent permitted by law, CONTRACTOR shall indemnify and hold harmless CLIENT, CLIENT'S officers, directors, partners, and employees from and against costs, losses, and damages (including but not limited to reasonable fees and charges of engineers, architects, attorneys, and other professionals, and reasonable court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of CONTRACTOR or CONTRACTOR'S officers, directors, partners, employees, and consultants in the performance of CONTRACTOR'S services under this AGREEMENT.
- B. Nothing contained within this AGREEMENT is intended to be a waiver or estoppel of the contracting municipality CLIENT or its insurer to rely upon the limitations, defenses, and immunities contained within Wisconsin law, including those contained within Wisconsin Statutes §§ 893.80, 895.52, and 345.05. To the extent that indemnification is available and enforceable, the municipality CLIENT or its insurer shall not be liable in indemnity or contribution for an amount greater than the limits of liability for municipal claims established by Wisconsin Law.

VIII. TIME FOR COMPLETION

CONTRACTOR shall commence work immediately having received a Notice to Proceed as of October 19th, 2026.

IX. DISPUTES

This AGREEMENT shall be construed under and governed by the laws of the State of Wisconsin. The venue for any actions arising under this AGREEMENT shall be the Circuit Court for Milwaukee County. The prevailing party shall be awarded its actual costs of any such litigation, including reasonable attorney fees.

X. RECORDS RETENTION

CONTRACTOR shall maintain all records pertaining to this AGREEMENT during the term of this AGREEMENT and for a period of 7 years following its completion. Such records shall be made available by the CONTRACTOR to CLIENT for inspection and copying upon request.

XI. MISCELLANEOUS PROVISIONS

- A. Professionalism. The same degree of care, skill and diligence shall be exercised in the performance of the services as is possessed and exercised by a member of the same profession, currently practicing, under similar circumstances, and all persons providing such services under this AGREEMENT shall have such active certifications, licenses and permissions as may be required by law.
- B. Pursuant to Law. Notwithstanding anything to the contrary anywhere else set forth within this AGREEMENT, all services and any and all materials and/or products provided by CONTRACTOR under this AGREEMENT shall comply with all

applicable governmental laws, statutes, decisions, codes, rules, orders, and ordinances, be they Federal, State, County or Local.

- C. Conflict of Interest. CONTRACTOR warrants that neither it nor any of its affiliates have any financial or other personal interest that would conflict in any manner with the performance of the services under this AGREEMENT and that neither it nor any of its affiliates will acquire directly or indirectly any such interest. CONTRACTOR warrants that it will immediately notify the CLIENT if any actual or potential conflict of interest arises or becomes known to the CONTRACTOR. Upon receipt of such notification, a CLIENT review and written approval is required for the CONTRACTOR to continue to perform work under this AGREEMENT.
- D. This AGREEMENT may be executed in multiple counterparts and will have the same legal force and effect as if the CONTRACTOR and CLIENT had executed it as a single document. The CONTRACTOR and CLIENT agree that fully electronic signatures and records are acceptable, under Chapter 137 of the Wisconsin Statutes. The CONTRACTOR and CLIENT may sign in writing or by electronic signature. An electronic signature, facsimile copy, or computer image of a signature, will be treated, and will have the same effect as an original signature, and will have the same effect, as an original signed copy of this document, and any amendment hereto.
- E. This AGREEMENT may only be amended by written instrument signed by both CLIENT and CONTRACTOR.

XII. CONTROLLING TERMS AND PROVISIONS

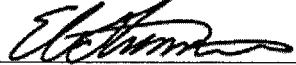
The aforesaid terms and provisions shall control over any conflicting term or provision of any CONTRACTOR proposal, Attachment, Exhibit, and standard terms and provisions annexed hereto.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed on the day and year first above written.

CITY OF FRANKLIN, WISCONSIN

LIPPERT TILE COMPANY, INC.

BY: _____

BY:  _____

PRINT NAME: John R. Nelson

PRINT NAME: Elias Shanine

TITLE: Mayor

TITLE: Maintenance Division Manager

DATE: _____

DATE: October 13, 2026

ATTESTED BY: _____

PRINT NAME: Shirley J. Roberts

TITLE: City Clerk

DATE: _____

BY: _____

PRINT NAME: Danielle L. Brown

TITLE: Director of Finance and Treasurer

DATE: _____

Approved as to form:

Christina M. Lucchesi, City Attorney

DATE: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/8/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER HUB International Midwest Limited 1411 Opus Place, Suite 450 Downers Grove IL 60515	CONTACT NAME: CSUConstruction		
	PHONE (A/C, No, Ext): 630-468-5600	FAX (A/C, No): 630-468-5696	
E-MAIL ADDRESS: CSUConstruction@hubinternational.com			
INSURED Lippert Tile Company, Inc. dba Lippert Flooring and Tile N89 W14260 Patrita Drive Menomonee Falls WI 53051	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: West Bend Insurance Company		15350
	INSURER B: The Phoenix Insurance Company		25623
	INSURER C: Farmington Casualty Company		41483
	INSURER D: Travelers Property Casualty Company of America		25674
	INSURER E: St. Paul Surplus Lines Insurance Company		30481
INSURER F:			

COVERAGES

CERTIFICATE NUMBER: 409498377

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER ☐ POLICY ☒ PRO-JECT ☐ LOC ☐ OTHER	Y		DT-CO-C2446538-PHX-26	1/1/2026	1/1/2027	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 500,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 3,000,000
							PRODUCTS - COMP/OP AGG	\$ 3,000,000
								\$
C	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ NON-OWNED AUTOS ONLY	Y		810-C2446956-26-26-G	1/1/2026	1/1/2027	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
D	☒ UMBRELLA LIAB ☒ EXCESS LIAB ☐ DED ☒ RETENTION \$ 0	Y		CUP-C2448913-26-26	1/1/2026	1/1/2027	EACH OCCURRENCE	\$ 7,000,000
							AGGREGATE	\$ 7,000,000
								\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y	N/A	A651003 06	1/1/2026	1/1/2027	☒ PER STATUTE ☐ OTH-ER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
D E	Leased/Rented Equipment Pollution/Professional Liability			QT-630-C2412154-TIL-26 ZCE-41N98421	1/1/2026 1/1/2026	1/1/2027 1/1/2027	Limit/Deductible Each Claim/Aggregate.	\$200,000/\$1,000 \$1M/\$2M

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Franklin is included as additional insured under General Liability & Automobile Liability, on a primary and non-contributory basis, when agreed in a written contract, subject to policy terms, conditions and exclusions. A waiver of subrogation applies under Worker's Compensation in favor of the additional insureds listed, when agreed in a written contract, subject to policy terms, conditions and exclusions, and where permissible by law. Umbrella follows form of underlying General Liability, Auto Liability and Workers Compensation policies.

CERTIFICATE HOLDER

CANCELLATION

City of Franklin 9229 W Loomis Road Franklin WI 53132	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

Pursuant to our recent conversation concerning the Floor Restoration for the City of Franklin, referred further here as "Client", we submit the following proposal for your approval and acceptance on the listed terms and conditions.

LOCATION: This agreement shall cover the portions of the buildings described in the Service Specifications.

DUTIES: We agree to perform the labor and work as outlined in the enclosed specifications.

PERFORMANCE: We will furnish at our expense all labor, supervision, materials and equipment necessary in the performance of this work in accordance with our proposal. It is understood that we are independent labor Contractor and all work performed by us is under our supervision, direction and control. Should performance of this agreement or any part thereof be prevented or delayed due to any cause beyond the control of the parties, including but not limited to strikes, riots, civil disorders, act of God, etc., the party so affected shall be excused from performance to the extent that it is so prevented or delayed.

PERFORMANCE GUARANTEE: Lippert Flooring and Tile warrants that the Services provided will be performed with the degree of skill and care observed by IICRC training standards and that our performance will reflect our professional knowledge, skill and judgment. Lippert Flooring and Tile will use due care to avoid damage to property. Our work shall be performed in compliance with all applicable statutes, acts, ordinances, laws, rules, regulations, codes and standards. Lippert Flooring and Tile will work to keep client concerns to a minimum, and will respond to all concerns quickly and professionally.

EMPLOYEE BACKGROUND CHECKS: Lippert Flooring and Tile's standard criminal background checks (WICCAP), employment reference checks, and E-Verify (E-Verify is the best means available for determining legal employment eligibility of new hires and the validity of Social Security Numbers) are completed before an employee is hired. Employees providing any service to any medical facilities will have completed all required OSHA trainings. Should additional employee training, specialized background checks, or pre-employment medical requirements be requested after this agreement, any added costs will be the responsibility of the requestor.

FLOOR, CARPET AND UPHOLSTERY MAINTENANCE CARE: The methods and materials employed by Lippert Flooring and Tile will not cause any damage to any floor covering or furniture which is in satisfactory condition and free from defects at the time of the performance of work by Lippert Flooring and Tile. Accordingly, it will be conclusively presumed that any damage to any floor covering or furniture which may appear after or because of the performance of its work hereunder by Lippert Flooring and Tile will be due solely to pre-existing defects in or other unsatisfactory conditions of the floor covering and furniture. Lippert Flooring and Tile shall not be responsible for such damage, unless the same has been caused by the negligence of the employees of the Company.

It is the prime objective of Lippert Flooring and Tile to obtain maximum quality results. However, certain conditions such as fading, wear, dry rot, animal, human, other stains and spots, moth damage, and other types of damage are sometimes present in floor coverings and upholstered furniture. These conditions cannot always be remedied. While Lippert Flooring and Tile will attempt to correct these conditions consistent with the preservation of the floor covering and/or furniture, it reserves the right to discretionally determine the materials and methods to be used with respect to such conditions.

PAYMENT TERMS: Lippert Flooring and Tile will invoice monthly for completed work. Client agrees to pay invoice within thirty (30) days of the date of the invoice. All sums not paid when due shall bear interest at the rate of 5% per month. All costs of collection, including reasonable attorney's fees, shall be paid by Client.

THIS AGREEMENT IS APPROVED AND ACCEPTED IN ITS ENTIRETY.

Lippert Flooring and Tile

City of Franklin

By: _____
Elias Shanine

By: _____
Joe Chitko

LIPPERT ♦ FLOORING ♦ AND ♦ TILE

Full Service Flooring Contractor Since 1949

N89 W14260 Patrita Drive, Menomonee Falls, WI 53051 – Ph: 262-437-9300 – Email: lippert@lipperttile.com

THE ABOVE ESTIMATE IS SUBMITTED SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE BACK HEREOF

Pursuant to our recent conversation concerning the Floor Restorations for the City of Franklin, referred further here as "Client", we submit the following proposal for your approval and acceptance on the listed terms and conditions.

LOCATION: This agreement shall cover the portions of the buildings described in the Service Specifications.

DUTIES: We agree to perform the labor and work as outlined in the enclosed specifications.

PERFORMANCE: We will furnish at our expense all labor, supervision, materials and equipment necessary in the performance of this work in accordance with our proposal. It is understood that we are independent labor Contractor and all work performed by us is under our supervision, direction and control. Should performance of this agreement or any part thereof be prevented or delayed due to any cause beyond the control of the parties, including but not limited to strikes, riots, civil disorders, act of God, etc., the party so affected shall be excused from performance to the extent that it is so prevented or delayed.

PERFORMANCE GUARANTEE: Lippert Flooring and Tile warrants that the Services provided will be performed with the degree of skill and care observed by IICRC training standards and that our performance will reflect our professional knowledge, skill and judgment. Lippert Flooring and Tile will use due care to avoid damage to property. Our work shall be performed in compliance with all applicable statutes, acts, ordinances, laws, rules, regulations, codes and standards. Lippert Flooring and Tile will work to keep client concerns to a minimum, and will respond to all concerns quickly and professionally.

EMPLOYEE BACKGROUND CHECKS: Lippert Flooring and Tile's standard criminal background checks (WICCAP), employment reference checks, and E-Verify (E-Verify is the best means available for determining legal employment eligibility of new hires and the validity of Social Security Numbers) are completed before an employee is hired. Employees providing any service to any medical facilities will have completed all required OSHA trainings. Should additional employee training, specialized background checks, or pre-employment medical requirements be requested after this agreement, any added costs will be the responsibility of the requestor.

FLOOR, CARPET AND UPHOLSTERY MAINTENANCE CARE: The methods and materials employed by Lippert Flooring and Tile will not cause any damage to any floor covering or furniture which is in satisfactory condition and free from defects at the time of the performance of work by Lippert Flooring and Tile. Accordingly, it will be conclusively presumed that any damage to any floor covering or furniture which may appear after or because of the performance of its work hereunder by Lippert Flooring and Tile will be due solely to pre-existing defects in or other unsatisfactory conditions of the floor covering and furniture. Lippert Flooring and Tile shall not be responsible for such damage, unless the same has been caused by the negligence of the employees of the Company.

It is the prime objective of Lippert Flooring and Tile to obtain maximum quality results. However, certain conditions such as fading, wear, dry rot, animal, human, other stains and spots, moth damage, and other types of damage are sometimes present in floor coverings and upholstered furniture. These conditions cannot always be remedied. While Lippert Flooring and Tile will attempt to correct these conditions consistent with the preservation of the floor covering and/or furniture, it reserves the right to discretionally determine the materials and methods to be used with respect to such conditions.

PAYMENT TERMS: Lippert Flooring and Tile will invoice monthly for completed work. Client agrees to pay invoice within thirty (30) days of the date of the invoice. All sums not paid when due shall bear interest at the rate of 5% per month. All costs of collection, including reasonable attorney's fees, shall be paid by Client.

THIS AGREEMENT IS APPROVED AND ACCEPTED IN ITS ENTIRETY.

Lippert Flooring and Tile

City of Franklin

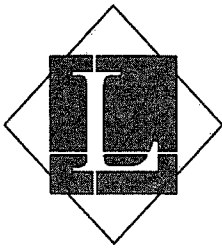
By: _____
Elias Shanine

By: _____
Joe Chitko

LIPPERT ♦ FLOORING ♦ AND ♦ TILE

Full Service Flooring Contractor Since 1949

N89 W14260 Patrita Drive, Menomonee Falls, WI 53051 – Ph: 262-437-9300 – Email: lippert@lipperttile.com



LIPPERT ♦ FLOOR ♦ CARE ♦ SERVICES

ESTIMATE
September 24, 2026

BID #: 2554

Name Joe Chitko **Company** City of Franklin
Address 9229 W. Loomis Road **City** Franklin **State** WI **ZIP** 53132
Phone # (414) 507-6499 **Fax#** **Email** jchitko@franklinwi.gov

Description - Size	Unit	Rate Per Unit	Total
Franklin City Hall Community Room			
Resilient Flooring – VCT Strip & Wax			
Floor Prep			
Black Pad Machine Scrub (Full Floor Strip)			
Neutral Rinse			
Three (3) Coats of 25% Solid Acrylic Finish			
Total	3,925 sf	\$0.86	\$3,375.50
*Back Kitchen Area Excluded			
Specifications:			
Service Address:			
9229 W Loomis Rd. Franklin, WI 53132			
Work to be completed second shift, after 5pm.			
THIS PRICE QUOTE IS VALID FOR 30 DAYS			

THE ABOVE ESTIMATE IS SUBMITTED SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE BACK HEREOF

LIPPERT ♦ FLOORING ♦ AND ♦ TILE

Full Service Flooring Contractor Since 1949

N89 W14260 Patrita Drive, Menomonee Falls, WI 53051 – Ph: 262-437-9300 – Email: lippert@lipperttile.com

Pursuant to our recent conversation concerning the Floor Cleaning for the City of Franklin, referred further here as "Client", we submit the following proposal for your approval and acceptance on the listed terms and conditions.

LOCATION: This agreement shall cover the portions of the buildings described in the Service Specifications.

DUTIES: We agree to perform the labor and work as outlined in the enclosed specifications.

PERFORMANCE: We will furnish at our expense all labor, supervision, materials and equipment necessary in the performance of this work in accordance with our proposal. It is understood that we are independent labor Contractor and all work performed by us is under our supervision, direction and control. Should performance of this agreement or any part thereof be prevented or delayed due to any cause beyond the control of the parties, including but not limited to strikes, riots, civil disorders, act of God, etc., the party so affected shall be excused from performance to the extent that it is so prevented or delayed.

PERFORMANCE GUARANTEE: Lippert Flooring and Tile warrants that the Services provided will be performed with the degree of skill and care observed by IICRC training standards and that our performance will reflect our professional knowledge, skill and judgment. Lippert Flooring and Tile will use due care to avoid damage to property. Our work shall be performed in compliance with all applicable statutes, acts, ordinances, laws, rules, regulations, codes and standards. Lippert Flooring and Tile will work to keep client concerns to a minimum, and will respond to all concerns quickly and professionally.

EMPLOYEE BACKGROUND CHECKS: Lippert Flooring and Tile's standard criminal background checks (WICCAP), employment reference checks, and E-Verify (E-Verify is the best means available for determining legal employment eligibility of new hires and the validity of Social Security Numbers) are completed before an employee is hired. Employees providing any service to any medical facilities will have completed all required OSHA trainings. Should additional employee training, specialized background checks, or pre-employment medical requirements be requested after this agreement, any added costs will be the responsibility of the requestor.

FLOOR, CARPET AND UPHOLSTERY MAINTENANCE CARE: The methods and materials employed by Lippert Flooring and Tile will not cause any damage to any floor covering or furniture which is in satisfactory condition and free from defects at the time of the performance of work by Lippert Flooring and Tile. Accordingly, it will be conclusively presumed that any damage to any floor covering or furniture which may appear after or because of the performance of its work hereunder by Lippert Flooring and Tile will be due solely to pre-existing defects in or other unsatisfactory conditions of the floor covering and furniture. Lippert Flooring and Tile shall not be responsible for such damage, unless the same has been caused by the negligence of the employees of the Company.

It is the prime objective of Lippert Flooring and Tile to obtain maximum quality results. However, certain conditions such as fading, wear, dry rot, animal, human, other stains and spots, moth damage, and other types of damage are sometimes present in floor coverings and upholstered furniture. These conditions cannot always be remedied. While Lippert Flooring and Tile will attempt to correct these conditions consistent with the preservation of the floor covering and/or furniture, it reserves the right to discretionally determine the materials and methods to be used with respect to such conditions.

PAYMENT TERMS: Lippert Flooring and Tile will invoice monthly for completed work. Client agrees to pay invoice within thirty (30) days of the date of the invoice. All sums not paid when due shall bear interest at the rate of 5% per month. All costs of collection, including reasonable attorney's fees, shall be paid by Client.

THIS AGREEMENT IS APPROVED AND ACCEPTED IN ITS ENTIRETY.

Lippert Flooring and Tile

City of Franklin

By. _____
Elias Shanine

By: _____
Joe Chitko

LIPPERT ♦ FLOORING ♦ AND ♦ TILE

Full Service Flooring Contractor Since 1949

N89 W14260 Patrita Drive, Menomonee Falls, WI 53051 – Ph: 262-437-9300 – Email: lippert@lipperttile.com

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE October 20, 2026
REPORTS & RECOMMENDATIONS	Finance Committee Recommended Changes to the 2027 Mayor's Recommended Budget	ITEM NUMBER J.9.

Background

Upon introduction of the Mayor's Recommended 2027 Budget on September 15, 2026, the Council requested that the Finance Committee review the Recommended Budget. The Finance Committee met four times since that request. Substantial discussion was held and the Finance Committee made intricate changes to the budget that is before the Common Council this evening. Department Heads made themselves available to the Committee to provide details on their requests and respond to the Committee inquiries regarding operating and capital items.

Recommendation

After hearing from the Department Heads related to 2027 operating and capital budgets, reviewing each of the operating department, Special Revenue, Debt Service, Tax Incremental Financing Districts, Capital, and Internal Service Fund Budgets, the Finance Committee then considered the recommended tax levy, tax rates, Debt Service and Internal Service Fund budgets.

Motions made by the Finance Committee on October 1, 2026, are as follows and reflected on the attached spreadsheet:

1. Samsara Fleet Inventory Management

Motion by PR, seconded by MK, to remove \$100,100 from Fund 41 expenditures, account 41-0144-5841 (IT Computer Equipment), eliminating the budgeted funding for the Samsara Fleet Inventory Management system.

2. Perimeter Security Camera System and Brine Maker

Motion by PR, seconded by DK, to remove \$70,000 from Fund 41 expenditures, account 41-0331-5822 (Building Construction/Improvements), for the perimeter security camera system, and to add \$175,000 to Fund 41 expenditures, account 41-0331-5814 (Nonmotorized Equipment), to provide funding for the purchase of a brine maker.

3. Transfer to Unrestricted Contingency

Motion by PR, seconded by CJ, to transfer \$70,000 to Fund 41, account 41-0199-5499 (Unrestricted Contingency), reflecting the removal of funding for the perimeter security camera system.

4. Reallocation of Landfill Siting Revenue Between Funds 41 and 42

Motion by PR, seconded by MK, to decrease budgeted landfill siting revenue in Fund 41, account 41-0000-4493, by \$750,000 and increase budgeted landfill siting revenue in Fund 42, account 42-0000-4493, by \$750,000, reallocating the revenue between the two funds.

5. Transportation Aid Revenue Adjustment

Motion by PR, seconded by CJ, to decrease budgeted Transportation Aid revenue by \$60,000 in Fund 47, account 41-0000-4144, based on updated estimates provided by the Wisconsin Department of Transportation.

6. Street Improvements/Construction and Contingency

Motion by DK, seconded by MK, to remove \$500,000 from Fund 47 expenditures, account 47-0331-5823 (Street Improvements/Construction), and reallocate \$500,000 to Fund 41, account 41-0331-5499 (Unrestricted Contingency). Further, to request that staff provide the Common Council with a PACER report and a street memorandum outlining street improvement priorities and identified needs.

7. Reallocation of Landfill Siting Revenue Between Funds 47 and 46

Motion by PR, seconded by MK, to decrease budgeted landfill siting revenue in Fund 47, account 47-0000-4493, by \$641,000 and increase budgeted landfill siting revenue in Fund 46, account 46-0000-4493, by \$641,000, reallocating the revenue between the two funds.

8. Bridge Construction/Repair

Motion by MK, seconded by DK, to remove \$175,000 from Fund 46 expenditures, account 46-0551-5837 (Bridge Construction/Repair), reducing the budgeted funding for bridge construction and repair.

9. Ken Windl Park Improvements

Motion by DK, seconded by MK, to remove \$250,000 from Fund 46, account 46-0551-5832.9817 (Ken Windl Park Improvements), reducing the budgeted funding for the project.

10. TID 5 Debt Service Fund Transfer

Motion by PR, seconded by MK, to transfer an additional \$258,596 from Fund 43, account 43-0000-5593, to Fund 33, account 33-0000-4830, to provide sufficient funding to bring the TID 5 debt service fund to a zero-fund balance.

11. MMSD Green Solutions Grant Revenue

Motion by PR, seconded by MK, to increase budgeted revenue in Fund 40, account 40-0000-4143, by \$415,000 to reflect the increase in the MMSD Green Solutions Grant.

12. Removal of Interfund Transfers

Motion by PR, seconded by MK, to remove \$450,000 in transfers from other funds budgeted in Fund 60, account 60-0000-4830, and remove the corresponding \$450,000 in transfers to other funds budgeted in Fund 22, account 22-0755-5589, eliminating the related interfund transfer budget entries.

Further motions were made at the October 13, 2026, Finance Committee meeting and will be presented at the Common Council meeting.

The Finance Committee recommends changes to the 2027 budget, summarized by Fund and Budget Appropriation Unit as attached.

COUNCIL ACTION REQUESTED

Motion to amend the 2027 Mayor's Recommended Budget for resources and expenditures by Fund and appropriation unit as detailed on the attached schedule be included in the Proposed 2027 City of Franklin, WI Budget for the Public Hearing scheduled for November 17, 2026.

Finance Dept – DB/Admin - KH

City of Franklin
Finance Committee Changes to Recommended Budget

Dept Heads Want

Committee Recommends

Fund - Dept - Acct	Revenues	Expenditures	Net	Who
General Fund	33,960,690	36,460,690	-2,500,000	
Increase in Utility Aid per DOR	23,000		23,000	
Senior Citizen Activities MK/FQ approved		12,000	-12,000	
Senior Citizen Travel MK/FQ approved		22,000	-22,000	
01-0199-5110 Restricted Contingency		-2,500,000	2,500,000	
01-0194-5517 Workers Comp. Insurance		144,000	-144,000	
01-0194-5561 Workers Comp. Insurance - Contra		-144,000	144,000	
01-0199-5114 Severance Payments		130,000	-130,000	
01-0000-4612 County - CP/MIH	-200,000		-200,000	
01-0000-4441 Ambulance Services	300,000		300,000	
Fire CIH		-60,000	60,000	
Tax Equivalent	81,000		81,000	
Workers Comp Increase to Departments		130,000	-130,000	
01-0000-4711 Interest Income	110,000		110,000	
01-0000-4011 Property Tax	-400,000		-400,000	
01-0000-4011 Property Tax	80,000		80,000	
01-0000-4011 Property Tax	-300,000		-300,000	
01-0000-4011 Property Tax	-11,500		-11,500	
01-0000-4144 Transportation Aids	512,000		512,000	
Police Department Non-personnel		-150,000	150,000	
Fire Department Non-Personnel		-60,000	60,000	
DPW Non-Personnel		-60,000	60,000	
Add 1.0 FTE to Health Department		115,000	-115,000	
Add 0.5 FTE to Clerks Department		30,000	-30,000	
		115,000	-115,000	
Administration Non-personnel		-20,000	20,000	
		-175,000	175,000	
		-25,000	25,000	
Property Tax Refunds		-17,500	17,500	
			0	
Revised Total	34,155,190	33,947,190	208,000	
Debt Service	1,597,063	1,797,063	-200,000	
			0	
			0	
			0	
			0	
			0	
			0	
Revised Total	1,597,063	1,797,063	-200,000	
TID 5 Debt Service	3,967,096	2,467,096	1,500,000	
33-0000-4830 Transfers In PR/MK approved	258,596		258,596	
Revised Total	4,225,692	2,467,096	1,758,596	
TID 5 Capital	2,466,860	4,023,086	-1,556,226	
43-0000-5593 Transfers Out PR/MK approved		258,596	-258,596	
Revised Total	2,466,860	4,281,682	-1,814,822	
TID 6 Debt Service	2,044,366	917,853	1,126,513	
Revised Total	2,044,366	917,853	1,126,513	
TID 6 Capital	1,298,487	2,118,796	-820,309	
Revised Total	1,298,487	2,118,796	-820,309	
TID 7 Debt Service	316,613	316,613	0	
Revised Total	316,613	316,613	0	
TID 7 Capital	789,600	1,153,743	-364,143	
Revised Total	789,600	1,153,743	-364,143	
TID 8 Debt Service	373,358	231,350	142,008	
Revised Total	373,358	231,350	142,008	
TID 8 Capital	10,325,187	10,437,828	-112,641	
40-0000-4143 Grants PR/MK approved	415,000		415,000	

City of Franklin
Finance Committee Changes to Recommended Budget

Dept Heads Want

Committee Recommends

Fund - Dept - Acct	Revenues	Expenditures	Net	Who
Revised Total	10,740,187	10,437,828	302,359	
TID 9 Debt Service	144,975	144,975	0	
Revised Total	144,975	144,975	0	
TID 9 Capital	1,858,400	460,565	1,397,835	
60-000-4911 Bond Proceeds (Do an advance instead) PR/DK approved	-1,000,000		-1,000,000	
60-0000-4830 Transfers In PR/MK approved	-450,000			
Revised Total	408,400	460,565	397,835	
TID 10 Capital	0	127,430	-127,430	
Revised Total	0	127,430	-127,430	
TID 11 Capital	655,000	1,082,131	-427,131	
Revised Total	655,000	1,082,131	-427,131	
Capital Outlay	1,226,000	2,311,200	-1,085,200	
41-0144-5841 Fleet Management PR/MK approved		-100,100	100,100	
41-0331-5814 Nonmotorized Equipment PR/DK approved		175,000	-175,000	
41-0331-5822 Building Improvements PR/DK approved		-70,000	70,000	
41-0199-5499 Contingency PR/CJ approved		70,000	-70,000	
41-0000-4493 Landfill siting revenue PR/MK approved		750,000	-750,000	
Revised Total	1,226,000	3,136,100	-1,910,100	
Equipment Replacement	670,000	1,670,000	-1,000,000	
42-0000-4493 Landfill siting revenue PR/MK approved	750,000		750,000	
Revised Total	1,420,000	1,670,000	-250,000	
Capital Improvement	2,379,550	8,807,500	-6,427,950	
46-0000-4493 Landfill siting revenue PR/MK approved	641,000		641,000	
46-0551-5837 Bridge Construction/Repair MK/DK approved		-175,000	175,000	
46-0551-5832.9817 Ken Windl Park Improvements DK/MK approved		-250,000	250,000	
Revised Total	3,020,550	8,382,500	-5,361,950	
Street Improvement	2,206,000	3,000,000	-794,000	
Reduction in GTA after estimates received 9/21/26 PR/CJ approved	-60,000		-60,000	
47-0331-5823 Street Improvements DK/MK approved		-500,000	500,000	
47-0331-5499 Contingency DK/MK approved		500,000	-500,000	
47-0000-4493 Landfill siting revenue PR/MK approved	-641,000			
Revised Total	1,505,000	3,000,000	-854,000	
Library Fund			0	
15-0000-4011 Property Tax	11,500		11,500	
Revised Total	11,500	0	11,500	
Utility Development Fund			0	
22-0755-5589 Transfers Out PR/MK approved		-450,000	450,000	
Revised Total	0	-450,000	450,000	
Impact Fee Development Fund	1,784,000	1,045,367	738,633	
Revised Total	1,784,000	1,045,367	738,633	
Fire Grant Fund			0	
Revenue	200,000		200,000	
CIH Labor Costs		86,000	-86,000	
Revised Total	200,000	86,000	114,000	

City of Franklin
Finance Committee Changes to Recommended Budget

Dept Heads Want

Committee Recommends

Fund - Dept - Acct	Revenues	Expenditures	Net	Who
			0	
			0	
			0	
Revised Total	200,000	86,000	114,000	
Self Insurance Fund	4,825,585	5,487,200	-661,615	
75-5020-5501 Incurred Dental Costs		-25,000	25,000	
75-5020-5509 Dental - Incurred Claim Prior Year		-5,000	5,000	
75-5012-5162 Employer HSA Contribution		-9,000	9,000	
75-5012-5506 Refunds - stop loss		-475,000	475,000	
75-5010-5506 Refunds - stop loss		-25,000	25,000	
			0	
Revised Total	4,825,585	4,948,200	-122,615	
Sewer Fund	6,704,665	7,661,661	-956,996	
61-0731-5541 Depreciation PR/DK approved		400,000	-400,000	
61-0731-5827,7563 lift Station Replacement PR/CJ approved		960,000	-960,000	
61-0731-5899 Capitalized Assets PR/MK approved		-1,180,000	1,180,000	
61-0731-5561 City Support PR/MK approved		133,000	-133,000	
			0	
			0	
Revised Total	6,704,665	7,974,661	-1,269,996	

City of Franklin	2024 Adopted	2025 Adopted	2026 Adopted	*Preliminary - Finance Committee Recommended	*MRB PROPOSAL	*UPDATED FINANCE COMMITTEE 10/13/26	**UPDATED
Tax Levy Allocation to Funds 2027	2023	2024	2025	2026	2026	2026	
Prior Yr Levy	22,929,400	23,450,500	23,883,300	24,328,925	24,328,925	24,328,925	
Plus Pers Prop Aids	77,988	77,988	288,935	288,935	288,935	288,935	
Less Debt Service	(539,000)	(539,000)	(813,578)	(730,128)	(730,128)	(730,128)	
Adjusted Levy	22,468,388	22,989,488	23,358,657	23,887,732	23,887,732	23,887,732	
Net New Construction	2.3410%	1.585%	2.265%	0.782%	0.782%	0.782%	
	22,994,373	23,353,871	23,887,732	24,074,427	24,074,427	24,074,427	
Less Pers Prop Aids	77,988	288,935	288,935	288,935	288,935	288,935	
Allowable levy b/4 debt Service	22,916,385	23,064,936	23,598,797	23,785,492	23,785,492	23,785,492	
Plus Unused Levy from Previous Year		4,884					
Plus Increase for Unused Levy Carryforward from Prior Years							
Plus Debt Service	539,000	813,578	730,128	1,035,125	1,035,625	1,115,000	
Max Levy	23,455,385	23,883,460	24,328,925	24,820,617	24,821,117	24,900,492	
	525,985	432,960	445,625	491,692	492,192	571,567	
General Fund	20,616,100	20,975,600	21,391,875	22,008,565	22,309,065	21,676,940	Chng fr Pr Yr 616,690
Shift from Str Improv							-
Library	1,442,700	1,467,700	1,497,050	1,497,050	1,497,050	1,508,550	-
Capital Outlay							
Equipment Replacement						300,000	
Shift to Gen Fund							
Street Improvement	291,700	300,000	300,000	-	-		(300,000)
Sub-total	22,350,500	22,743,300	23,188,925	23,505,615	23,806,115	23,485,490	316,690
Debt Service	1,100,000	1,140,000	1,140,000	1,315,000	1,415,000	1,415,000	175,000
Use of Fund Balance				(300,000)	(200,000)	(200,000)	
Total	23,450,500	23,883,300	24,328,925	24,820,615	25,221,115	24,900,490	491,690
Pers Prop Tax Aid	77,988	288,935	288,935	288,935	288,935	288,935	
Total Levy	23,528,488	24,172,235	24,617,860	25,109,550	25,510,050	25,189,425	491,690
Allowable							
Under limit							

Percentage Tax Increase Avg. Resident

Both scenarios will provide a tax increase on the residents, unknown at this time

*Preliminary - Finance Committee Recommended	Keeps the library levy flat from prior year with no reduction, removes levy funding from the street improvement fund (which would need to be included in future debt issuances along with all other capital projects) and increases the general fund levy \$616,000 from prior year
*MRB PROPOSAL	Keeps the library levy flat from prior year with no reduction, removes levy funding from the street improvement fund (which would need to be included in future debt issuances along with all other capital projects) and increases the general fund levy \$917,000 from prior year

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/26
REPORTS & RECOMMENDATIONS	Franklin Public Library Annual Report to the Common Council	ITEM NUMBER 5.10.

Library Director Loeffel will provide an annual report to the Common Council on 2025 library activities, new developments at the library, and plans for the 25th anniversary of the library in its current location.

COUNCIL ACTION REQUESTED

None

CLERK-SJR



Wisconsin Department of Public Instruction
PUBLIC LIBRARY ANNUAL REPORT
 PI-2401 (Rev. 11-25)
 S. 43.05(4) & 43.58(6)
FOR THE YEAR 2025

INSTRUCTIONS: Complete and return electronic, signed copy of the form and attachments to the library system. Confirm with the library system if printed, signed copies are required.

Board-approved, signed annual reports for 2025 are due to the DPI Division for Libraries and Technology no later than March 1, 2026.

I. GENERAL INFORMATION					
1. Name of Library Franklin Public Library			2. Public Library System Milwaukee County Federated Library System		
3b. Head Librarian First Name Jennifer	3c. Head Librarian Last Name Loeffel	4a. Certification Grade Grade I	4b. Certification Type Regular	5. Certification Expiration Date 10/31/2027	
6a. Street Address 9151 W. Loomis Rd.	6b. Mailing Address or PO Box 9151 W. Loomis Rd.	7. City / Village / Town Franklin	8a. ZIP 53132	8b. ZIP4 9601	9. County Milwaukee
10. Library Phone Number 4144258214	11. Fax Number	12. Library E-mail Address of Director jennifer.loeffel@mcfls.org			
13. Library Website URL www.franklinpubliclibrary.org		14. No. of Branches 0	15. No. of Bookmobiles Owned 0	16. No. of Other Public Service Outlets 1	
17. Does your library operate a books-by-mail program? No	18. Some public libraries are legally organized as joint libraries, with neighboring municipalities or a county and municipality joining to operate a library. Is your library such a joint library legally established under Wis. Stat. s. 43.53? No				
20. Square Footage of Public Library 40,000	21a. Did your library or a branch move to a new facility during the fiscal year? No	21b. Did your library or a branch renovate or expand an existing facility during the fiscal year? No		22. UEL Number	

HOURS OF OPERATION			
	Standard Service with No Restrictions on Building Access	Limited Service	Staff Only (No interior service for the public)
19a. Winter hours open per week	62	0	0
19b. Number of winter weeks	37	0	0
19c. Summer hours open per week	59	0	0
19d. Number of summer weeks	15	0	0
19e. Total weeks per year	52	0	0
19f. Total hours per year for this location	3,179	0	0

II. LIBRARY COLLECTIONS			
		a. Number Owned / Leased	b. Number Added
1. Books in Print		96,126	6,074
2. Physical Subscriptions		54	
3. Physical Audio Materials		6,473	186
4. Physical Video Materials		14,103	629
5. Other Physical Materials		1,782	
6. Total Physical Items in Collection		118,484	
		Purchased solely by the Library	Purchased via a System, Consortium or Cooperative Agreement
7. E-books		No	Yes
8. E-serials		No	Yes
9. E-audio		No	Yes
10. E-video		Yes	Yes
11. Research Databases		Yes	Yes
12. Online Learning Platforms		No	Yes
III. LIBRARY SERVICES			
1. Physical Circulation Transactions			2. Interlibrary Loans
a. Total Circulation	b. Children's Materials	c. Other Physical Items	a. Items Loaned <i>Provided to</i>
299,464	151,510	12,223	47,949
			b. Items Received <i>Received from</i>
			45,363
			Method for Counting ILL Transactions
(Only Total will display when Total ILL Transactions is listed as the Method for Counting ILL Transactions)			Categorized ILL Transactions
			Items Loaned to Other Libraries <i>Provided to</i>
Integrated Library Systems (ILS)			47,720
WISCAT			202
Other (includes OCLC, manual tracking or other methods)			27
3. Electronic Content Circulation Transactions			
a. E-books	b. E-serials	c. E-audio	d. E-video
27,668	11,034	32,199	2,530
			e. Children's E-materials
			4,712
			f. Total E-materials
			73,431
4. Number of Registered Users			5. Overdue Fines
a. Resident	b. Nonresident	c. TOTAL	
11,097	22	11,119	Yes
			6. Reference Transactions
			a. Method
			b. Annual Count
			Actual Count
			15,388
			7. Library Visits
			a. Method
			b. Annual Count
			Actual Count
			169,571
8. Uses of Public Internet Computers			
a. Number of Public Use Computers	b. Number of Public Use Computers with Internet access	c. Method	d. Annual Count
28	22	Actual Count	8,648
9. Uses of Public Wireless Internet			
a. Method		b. Annual Count	
Actual Count		11,056	

LIBRARY PROGRAMS AND ATTENDANCE

Total In-Person and Live, Virtual Statistics by Age

	Young Child (0-5)	Child (6-11)	Young Adult (12-18)	Adult (19+)	General Interest (all ages)
Number of Programs	200	35	35	249	26
Total Attendance	6,034	883	1,880	5,641	5,211

Total Program Statistics by Program Category

	In-Person On-Site	In-Person Off-Site	Live, Virtual	Pre-recorded	
Number of Programs	528	17	0	7	
Total Attendance	17,630	2,019	0		
Total Program Views				343	

Describe the library's in-person programs:

Storytimes, craft and cooking programs, book discussion groups, current events programs, educational, historical and self-help programs, teen craft programs, teen special events, middle grade craft and STEAM programs, cultural programs and special events (Trunk or Treat, Eid celebration, holiday programs) and summer reading programming and clubs.

Which platforms does the library use to host the library's live, virtual programs:

N/A

Describe the library's live, virtual programs:

N/A

Which platforms does the library use to host the library's pre-recorded programs:

YouTube, anchor.fm

Describe the library's pre-recorded programs:

Great Decisions programming, Veterans Day program, library podcast

IV. LIBRARY GOVERNANCE

Library Board Members. List all members of the library board as of the date of this report. List the president first. Indicate vacancies. Report changes to the Division for Libraries and Technology as they occur. When reporting such changes, indicate the departing board members.

First Name	Last Name	City	Email Address
PRESIDENT			
1. Maria	Imp	Franklin	imp.maria@yahoo.com
2. Annemarie	Vitas-Oklobdzija	Franklin	thewildpansy@yahoo.com
3. Mike	Karolewicz	Franklin	mike.karolewicz@gmail.com
4. Christopher	Doll	Franklin	cmdoll@uwm.edu
5. Alan	Aleksandrowicz	Franklin	alan.a.3927@gmail.com
6. Lauren	Rosso	Franklin	lauren.rosso@quarles.com
7. Terrence	Berres	Franklin	berrestr@gmail.com
8. Amanda	Pound	Franklin	amanda.pound@franklin.k12.wi.us
9. Jason	Craig	Franklin	jcraig@franklinwi.gov
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
No. of Library Board Members Include vacancies in this count 9			

	V. LIBRARY OPERATING REVENUE	
Report operating revenue only. Do not report capital receipts here.		

1. Local Municipal Appropriations for Library Service Only Joint libraries report more than one municipality here

Municipality Type	Name	Amount
City	Franklin General property tax levy	\$1,467,700
City	Landfill Siting Fees	\$0
City	Interest on Investments	\$45,735
Subtotal 1		\$1,513,435

2. County

a. Home County Appropriation for Library Services

Subtotal 2a \$0

a. Other County Payments for Library Services

County Name	Amount	County Name	Amount
	\$0		
Subtotal 2b			\$0

3. State Funds

a. Public Library System State Funds

Description	Amount	Description	Amount
MCLS Reciprocal Borrowing	\$59,306		
b. Funds Carried Forward from Previous Year	\$0	c. Other State Funded Program	0
Subtotal 3			\$59,306

4. Federal Funds Name of program—for LSTA grant awards, grant number, and project title

Program or Project	Amount
2025-51993 DPI Grant	\$1,192
Subtotal 4	\$1,192

5. Contract Income From other governmental units, libraries, agencies, library systems, etc.

Name	Amount	Name	Amount
West Milwaukee	\$650		
Subtotal 5			\$650

6. Other Funds Carried Forward and Expended. Do not include state aid. Report state funds in 3b above.

7. All Other Operating Income

\$64,114

8. Total Operating Income Add 1 through 7	\$1,638,697
---	-------------

9. What is the current year annual appropriation provided by governing body(ies) for the public library?

\$1,497,050

10. Was the library's municipality exempt from the county library tax for the report year? Wfs. Stat. s. 43.64(2)

Not Applicable

X. STAFF

1. Personnel Listing. Libraries with 15 or fewer employees may report all staff under 1a. Libraries with more than 15 employees, list head librarian, chief assistants, branch librarians, division heads, and other supervisory personnel in 1a, and all other positions in 1b.

a. Employees Holding the Title of Librarian. Indicate advanced degrees in Type of Staff.

[illegible]

X. STAFF (cont'd.)

b Other Paid Staff See *Instructions*[illegible]

2. **Library Staff Full-Time Equivalents (FTEs).** Divide the total hours worked per week for each category by 40 to determine full-time equivalents.

a. Persons Holding the Title of Librarian			b. All Other Paid Staff (FTE)	
Master's Degree from an ALA Accredited Program (FTE)	Other Persons Holding the Title of Librarian (FTE)	Subtotal 2a	Include maintenance, plant operations, and security	c. Total Library Staff (FTE)
7.40	0.13	7.53	7.35	14.88

XI. PUBLIC LIBRARY LOANS OF MATERIAL TO NONRESIDENTS

1. Of the total circulation reported for the library from Section III, item 1, what was the total circulation to nonresidents <i>See instructions for definition of nonresident</i>			86,058
Divide nonresident circulation among the following categories. The total of 2 through 6 below should not be greater than the number reported in item 1 above			
	a. Those with a Library	b. Those without a Library	c. Subtotal
2. Circulation to Nonresidents Living in the Library's County	85,395	118	85,513
3. Circulation to Nonresidents Living in Another County in the Library System	0	0	0
4. Circulation to Nonresidents Living in an Adjacent County Not in the Library System	545	0	545
5. Circulation to All Other Wisconsin Residents	0	6. Circulation to Persons from Out of the State ()	
7. Are the answers to items 1 through 6 based on actual count or survey/sample?	8a. Does the library deny access to any residents of adjacent public library systems on the basis of Wis. Stat. s. 43.17(11)(b)?		8b. If yes, does the library allow residents in adjacent systems to purchase library cards?
Actual	Yes		Yes
9. Circulation to Nonresidents Living in an Adjacent County Who Do Not Have a Local Public Library			
Name of County	Circulation	Name of County	Circulation
a.		f.	
b.		g.	
c.		h.	
d.		i.	
e.		j.	

XII. TECHNOLOGY (Not Included in 2025 Report)

XIII. SELF-DIRECTED ACTIVITIES, STAFF SERVING YOUTH / ADULTS

1. Self-directed Activities: *Planned, independent activities available for a definite time period which introduce participants to any of the broad range of library services or activities that directly provide information to participants*

	a. Children (0-5)	b. Children (6-11)	c. Young Adult (12-18)
Number of Self-Directed Activities	46	23	11
Total Self-Directed Activity Participation	2,908	2,482	551
	d. Adult (19+)	e. General Interest (all ages)	f. Total
Number of Self-Directed Activities	15	1	96
Total Self-Directed Activity Participation	1,099	293	7,333

2. Name and email address of primary staff person who serves as the children, youth, or teen librarian. Only the primary person is displayed here.

a. First Name	b. Last Name	c. Email Address
Sarah	Bublitz	sarah.stoecker@mcfls.org

3. Name and email address of primary staff person who serves as the librarian for adults. Only the primary person is displayed here.

a. First Name	b. Last Name	c. Email Address
Keri	Whitmore	keri.miller@mcfls.org

XIV. PUBLIC LIBRARY ASSURANCE OF COMPLIANCE WITH SYSTEM MEMBERSHIP REQUIREMENTS

We assure the Public Library System of which this library is a member and the Division for Libraries and Technology, Department of Public Instruction that this public library is in compliance with the following requirements for public library system membership as listed in Wis. Stats.

A check (X) or a mark in the checkbox indicates compliance with the requirement.

- ☒ The library is established under s. 43.52 (municipalities), s. 43.53 (joint libraries), or s. 43.57 (consolidated county libraries and county library services) of the Wisconsin Statutes [s. 43.15(4)(c)1].
- ☒ The library is free for the use of the inhabitants of the municipality by which it is established and maintained [s. 43.52(2), 73 Op. Atty. Gen. 86(1984), and OAG 30-89].
- ☒ The library's board membership complies with statutory requirements regarding appointment, length of term, number of members and composition. [s. 43.54 (municipal and joint libraries), s. 43.57(4) & (5) (consolidated and country library services), and s. 43.60(3) (library extension and interchange)].
- ☒ The library board has exclusive control of the expenditure of all moneys collected, donated, or appropriated for the library fund [s. 43.58(1)].
- ☒ The library director is present in the library at least 10 hours a week while library is open to the public, less leave time [s. 43.15(4)(c)6].
- ☒ The library board supervises the administration of the library, appoints the librarian, who appoints such other assistants and employees as the library board deems necessary, and prescribes their duties and compensation [s. 43.58(4)].
- ☒ The library is authorized by the municipal governing board to participate in the public library system [s. 43.15(4)(c)3].
- ☒ The library has entered into a written agreement with the public library system board to participate in the system and its activities, to participate in interlibrary loan of materials with other system libraries, and to provide, to any resident of the system area, the same library services, on the same terms, that are provided to the residents of the municipality or county that established the member library. This shall not prohibit a municipal, county, or joint public library from giving preference to its residents in library group programs held for children or adults if the library limits the number of persons who may participate in the group program, or from providing remote access to a library's online resources only to its residents. [s. 43.15(4)(c)4].
- ☒ The library's head librarian holds the appropriate grade level of public librarian certification from the Department of Public Instruction [s. 43.15(4)(c)6 and Administrative Code Rules PI 6.03].
- ☒ The library annually is open to the public an average of at least 20 hours each week except that for a library in existence on June 3, 2006, annually is open to the public an average of at least 20 hours or the number of hours each week that the library was open to the public in 2005, whichever is fewer [s. 43.15(4)(c)7].
- ☒ The library annually spends at least \$2,500 on library materials. [s. 43.15(4)(c)8].

XV. CERTIFICATION

I CERTIFY THAT, to the best of my knowledge, the information provided in this annual report and any attachments are true and accurate and the library board has reviewed and approved this report.

President, Library Board of Trustees Signature or designee	Name of President or Designee Print or type	Date Signed
<i>Maria Imp</i>	Maria Imp	2-23-26
Library Director / Head Librarian Signature	Library Director / Head Librarian Print or type	Date Signed
<i>Jennifer Loeffel</i>	Jennifer Loeffel	2/23/26

STATEMENT CONCERNING PUBLIC LIBRARY SYSTEM EFFECTIVENESS

As required by Wis. Stat. s. 43.58(6)(c), the following statement that the library system either did or did not provide effective leadership and adequately meet the needs of the library must be completed and approved by the library board. The response should be made in the context of the public library system's statutory responsibilities and the funding which it has available to meet those responsibilities.

County

Milwaukee

The Franklin Public Library Board of Trustees hereby states that in 2025 the waukee County Federated Library Sys
Name of Public Library *Name of Public Library System / Service*

☒ did provide effective leadership and adequately met the needs of the library.

☐ did not provide effective leadership and did not adequately meet the needs of the library.

Indicate with an X one of the above statements

Explanation of library board's response. *Attach additional sheets if necessary.*

Note: With the approval of the library board of trustees, this statement may be submitted separately from the Annual Report form that is sent to the library system, as an e-mail attachment to LibraryReport@dpi.wi.gov.

XV. CERTIFICATION

The preceding statement was approved by the Public Library Board of Trustees.

Division staff will compile the statements received for each library system and, as required by Wis. Stat. s. 43.05(14), conduct a review of a public library system if at least 30 percent of the libraries in participating municipalities that include at least 30 percent of the population of all participating municipalities report that the public library system did not adequately meet the needs of the library. This statement may be provided to the public library system.

President, Library Board of Trustees Signature or designee	Name of President or Designee Print or type	Date Signed
<i>► Maria Smyk</i>	Maria Imp	2-23-26

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
REPORTS & RECOMMENDATION S	AN ORDINANCE TO AMEND § 55-17 OF THE MUNICIPAL CODE OF THE CITY OF FRANKLIN TO AUTHORIZE THE HEALTH OFFICER'S DESIGNEE TO PERFORM HEALTH HAZARD REMOVAL DUTIES	ITEM NUMBER 95.11. District: Citywide

BACKGROUND

Section 55-17 of the City of Franklin Municipal Code addresses the removal of health hazards and currently provides that the Health Officer shall cause the removal of objects or noxious substances detrimental to health in the City. The existing language does not expressly recognize the ability of a designee of the Health Officer to carry out this operational function on behalf of the Health Officer.

ANALYSIS

The proposed amendment is a limited clarification to § 55-17 and does not otherwise modify the powers, duties, qualifications, or statutory authority of the Health Officer under Chapter 55. The amendment would authorize the **Health Officer or designee** to cause the removal of objects or noxious substances detrimental to health within the City. This provides necessary administrative and operational flexibility when the Health Officer assigns an appropriate staff member or other designee to carry out the function. The proposed amendment is intentionally limited to § 55-17 and does not modify other Article III provisions governing the Health Officer's appointment, qualifications, enforcement authority, entry authority, communicable disease authority, quarantine or isolation responsibilities, or other statutory duties.

FISCAL NOTE

No direct fiscal impact is anticipated as a result of the proposed amendment.

COUNCIL ACTION REQUESTED

Motion to adopt Ordinance No. 2026-_____, an Ordinance to Amend § 55-17 of the Municipal Code of the City of Franklin to Authorize the Health Officer's Designee to Perform Health Hazard Removal Duties.

Roll Call Vote Required

Health: AB/LO; DOA: KH; Legal: CML

STATE OF WISCONSIN : CITY OF FRANKLIN : MILWAUKEE COUNTY

ORDINANCE NO. 2026 - _____

AN ORDINANCE TO AMEND § 55-17 OF THE MUNICIPAL CODE OF THE CITY OF
FRANKLIN RELATING TO REMOVAL OF HEALTH HAZARDS

WHEREAS, § 55-17 of the Municipal Code currently assigns responsibility for removal of health hazards to the Health Officer; and

WHEREAS, the City desires to clarify that such operational duties may also be performed by a designee of the Health Officer where permitted by law;

NOW, THEREFORE, the Common Council of the City of Franklin, Wisconsin, does hereby ordain as follows:

SECTION 1. Section 55-17 of the Municipal Code is hereby amended to read as follows:
§ 55-17. Removing health hazards.

The Health Officer or designee shall cause the removal of all objects or noxious substances detrimental to health in the City.

SECTION 2. The terms and provisions of this Ordinance are severable. Should any term or provision of this Ordinance be found invalid by a court of competent jurisdiction, the remaining terms and provisions shall remain in full force and effect.

SECTION 3. All ordinances and parts of ordinances in contravention of this Ordinance are hereby repealed.

SECTION 4. This Ordinance shall take effect upon passage and publication or posting as required by law.

Passed and adopted at a regular meeting of the Common Council of the City of Franklin this _____ day of _____, 2026.

APPROVED:

John R. Nelson, Mayor

ATTEST:

Shirley J. Roberts, City Clerk

AYES _____ NOES _____ ABSENT _____

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
REPORTS & RECOMMENDATIONS	RETIREE HEALTH INSURANCE ELIGIBILITY CORRECTION (NON-REPRESENTED FIRE DEPARTMENT EMPLOYEES)	ITEM NUMBER A.12. District: Citywide

BACKGROUND

As part of the City's prior action to reduce the years-of-service requirement for retiree health insurance eligibility from 20 years to 15 years for non-represented employees, the separate Employee Handbook provision applicable to non-represented Fire Department employees covered under the Fire Department Command Staff provision was inadvertently not updated. The Fire Chief recently brought this oversight to Administration's attention. As a result, the Fire Department provision still requires 20 years of service, even though the intended policy change was to establish a consistent 15-year City service requirement across employee groups.

RECOMMENDATION

- Amend only the Fire Department Command and Nonrepresented staff retiree health insurance provision in the Employee Handbook to reduce the required full-time service with the City from 20 years to 15 years.
- All other eligibility requirements and benefit terms applicable to non-represented Fire Department employees, including the applicable retirement age and the City's premium contribution, remain unchanged.
- Apply the correction to retirements occurring on or after January 1, 2026, consistent with the effective date of the prior retiree health insurance eligibility changes.
- Direct Human Resources to update the Employee Handbook and related employee communications, and direct Finance to incorporate the correction in the City's next GASB 75/OPEB valuation and reporting.

FISCAL IMPACT

Limited immediate fiscal impact is anticipated. Any incremental long-term OPEB liability associated with this correction will be reflected in the City's next actuarial valuation. No budget amendment is requested at this time.

STAFF REPORT

This action is a correction to the prior retiree health insurance eligibility change, not a new benefit design. It remedies the inadvertent omission of the non-represented Fire Department provision and establishes the intended 15-year City service requirement consistently across employee groups.

COUNCIL ACTION REQUESTED

Motion to amend the Employee Handbook provision applicable to non-represented Fire Department employees covered under the Fire Department Command Staff retiree health insurance provision to reduce the required full-time City service for eligibility from 20 years to 15 years, effective for retirements occurring on or after January 1, 2026; to retain all other existing eligibility and benefit terms; and to direct Human Resources and Finance to implement the necessary updates.

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE X 10/12/25
REPORTS & RECOMMENDATIONS	Retiree Health Insurance Eligibility Change (Non-Represented Employees)	ITEM NUMBER G.12.

DESCRIPTION / BACKGROUND
The City currently requires 20 years of service and age 62 for non-represented employees (excluding Fire and Police Command Staff, Police Sergeants, and Public Works employees) to qualify for retiree health insurance. Public Works employees currently require 20 years of service and are aged 60.

Recent Police and Fire collective bargaining agreements reduced the service requirement for retiree health insurance eligibility to 15 years. To maintain parity for non-represented employees and support retention and recruitment, staff recommends aligning the service requirement for retiree health insurance.

RECOMMENDATION
Amend the Employee Handbook to:

- Change the retiree health insurance eligibility requirement for non-represented full-time employees (excluding Fire and Police Command Staff, Police Sergeants, and Public Works employees) from 20 years of credited service to 15 years, with a minimum retirement age of 62.
- Change the requirement for Public Works/Sewer & Water employees to 15 years of credited service with a minimum retirement age of 60.
- Apply changes to retirements occurring on or after January 1, 2026.
- Direct Human Resources to update written materials and employee communications.
- Direct Finance to incorporate the change in the City's next GASB 75/OPEB valuation and reporting.

FISCAL IMPACT
Minimal immediate fiscal impact is anticipated. Incremental long-term OPEB liability will be quantified in the next actuarial valuation update. No budget amendment is requested at this time.

Staff Report
This recommendation provides consistency across employee groups and addresses equity considerations. Eight (8) employees are currently projected to benefit from the change over the coming years. Adoption of this amendment aligns the City's policies, supports retention, and simplifies administration.

COUNCIL ACTION REQUESTED

Motion to amend the Employee Handbook to change retiree health insurance eligibility for non-represented full-time employees (excluding Fire and Police Command Staff, Police Sergeants, and Public Works employees) to require 15 years of credited City service, with a minimum retirement age of 62; to update the Public Works/Sewer & Water provision to 15 years of credited service at age 60; to make these changes effective January 1, 2026; and to direct Human Resources and Finance to implement necessary updates.

HR – DZ; DOA – KH

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
REPORTS & RECOMMENDATIONS	APPROVAL OF THE 2027 EMPLOYEE BENEFIT PROGRAM RENEWALS AND EMPLOYEE CONTRIBUTIONS	ITEM NUMBER D.13. District: Citywide

BACKGROUND

The City's employee benefit program renews effective January 1, 2027. Administration and Human Resources recommend continuation of the City's medical and prescription, dental, vision, life and disability, Nice Healthcare, health spending account, and related benefit arrangements, subject to the terms summarized below. The Personnel Committee will review the proposed 2027 benefit program on October 19, 2026. Any recommendation of the Committee will be reported to the Common Council for consideration on October 20, 2026.

RECOMMENDATION DETAILS

1. Medical Insurance and Prescription Benefits

Continue UMR administration of the PPO and HDHP medical plans using the NexusACO network and Serve You Rx prescription benefits. UMR administrative expenses are projected at \$41.76 per employee per month, up approximately 3.93% from \$40.18. Serve You Rx is in the second year of the three-year renewal arrangement effective January 1, 2026.

USI, the City's insurance broker, projected a 16.98% increase for the initial medical renewal. Continued use of the NexusACO network is projected to reduce annual funding by approximately \$117,844, resulting in an adjusted projected medical increase of 14.13%. The proposed monthly funding rates below are total plan funding rates and are not employee payroll deductions.

Medical plan	Current monthly rate	Proposed 2027 rate
PPO single	\$1,090.00	\$1,244.01
PPO family	\$2,373.00	\$2,708.30
HDHP single	\$974.00	\$1,111.62
HDHP family	\$2,176.00	\$2,483.46

Stop-loss coverage: USI's projection assumes continuation of the \$110,000 specific deductible and estimates specific stop-loss costs at \$579.71 per employee per month (\$1,314,788 annually), up 48.87%, and aggregate stop-loss at \$12.43 per employee per month (\$28,191 annually), up 8.94%. These amounts are projections and are not final carrier quotes.

Plan design: Retain the PPO in-network deductibles of \$1,500 single / \$4,500 family. Retain HDHP in-network deductibles of \$3,000 single / \$6,000 family, including the \$3,500 embedded individual deductible within family coverage, as reflected in the 2027 renewal and rate materials; 2027 Renewal Summary; and the September 18 medical projection through July 2026.

Health Reimbursement Arrangement (HRA): Continue City funding up to \$1,250 single / \$2,500 family after the employee reaches \$1,750 single / \$3,500 family in eligible in-network deductible and coinsurance expenses. The employee access points increase by \$50 single / \$100 family for 2027. Unused HRA funds do not roll over.

Health Savings Account (HSA): Continue annual City contributions of \$750 single / \$1,500 family for eligible HDHP participants, deposited monthly at \$62.50 / \$125.00.

Nice Healthcare: Continue coverage for eligible enrolled employees and family members at no employee cost. The 2027 renewal reflects no rate change.

Flexible Spending Accounts: Continue EBC administration with no rate change. Employee election amounts shall be administered in accordance with the 2027 benefit plan documents and applicable federal limits.

2. Dental Insurance

Continue the self-funded Delta Dental plan. Projected annual funding increases from \$154,344 to \$160,219, an increase of \$5,875 or 3.81%. Administrative costs remain \$5.00 per employee per month. Proposed total monthly funding rates are \$38.41 single and \$112.11 family, compared with \$37.00 and \$108.00 currently.

Continue CarePlus Dental HMO with no rate change through December 31, 2027. Total monthly premiums remain \$29.49 single and \$86.85 family.

3. Vision Insurance

Continue VSP with no rate change through December 31, 2027. Monthly employee contributions remain \$6.85 employee only, \$10.95 employee and spouse, \$11.18 employee and children, and \$18.03 family.

4. Life and Disability Insurance

Continue NIS Life and AD&D, Short-Term Disability, and Long-Term Disability arrangements with no rate change under the current guarantee through December 31, 2030. Retain existing eligibility and benefit schedules. Voluntary LTD remains employee-paid at \$0.308 per \$100 of monthly salary, with a 60% benefit up to \$6,000 monthly after a 90-day waiting period, as reflected in the benefit materials.

5. Employee Contributions

Approve the proposed monthly medical employee contributions reflected below. Wellness-discounted rates require completion of the applicable wellness program requirements.

Medical coverage	With wellness discount	Without wellness discount
HDHP single	\$113.75	\$157.58
HDHP family	\$275.60	\$373.52
PPO single	\$189.90	\$238.95
PPO family	\$458.00	\$564.79

Monthly dental contributions remain unchanged: \$0 for employee-only coverage and management family coverage; non-management family contributions remain \$71.00 for Delta Dental and \$57.36 for CarePlus.

FISCAL IMPACT

Projected 2027 medical funding is \$4,722,638, compared with \$4,137,960 currently, an increase of \$584,678 or 14.13%. Projected Delta Dental funding is \$160,219, compared with \$154,344 currently, an increase of \$5,875 or 3.81%. Combined projected medical and Delta Dental funding is \$4,882,857, compared with \$4,292,304 currently, an increase of \$590,553 or approximately 13.76%. These are gross plan funding amounts before employee contributions and are not the City's net expense. The medical projection assumes 189 contracts; the Delta Dental projection assumes 173 contracts.

PERSONNEL COMMITTEE ACTION REQUESTED

Motion to recommend Common Council approval of the 2027 employee benefit program renewals, plan designs, employee contributions, and City HSA and HRA funding as outlined, effective January 1, 2027, and authorization for the Director of Administration to finalize and implement the renewals and related agreements.

COUNCIL ACTION REQUESTED

Motion to approve the 2027 employee benefit program renewals, plan designs, employee contributions, and City HSA and HRA funding as outlined, effective January 1, 2027; and authorize the Director of Administration to finalize and implement the renewals, including stop-loss coverage, and execute related agreements and documents consistent with the approved benefit program and budget.



Self-Funded Renewal Projection

USI has reviewed City of Franklin's medical experience reporting from UMR, ServeYou, and Symetra and has made the following observations.

Medical Plan

Underwriting Period:	The mid year projection calculation includes claims from August 2024 through July 2026.
Large Claims:	Large Claims above the pooling point have been removed.
Trend:	For our calculations we used a trend of 8.0% for medical and 11.5% for drugs. We have not built in any additional margin.
Claims Liability:	The current expected claims are \$1,363.02 PEPM. We expect an increase of about 8.57% or \$265,013.
Administrative Expenses:	UMR's current charge for Administrative Expenses is \$40.18 PEPM. We expect an increase of about 3.93% or \$3,577.
Specific Stop Loss:	The premium for the \$110,000 specific stop loss coverage currently is \$389.40 PEPM. Based on USI's estimations we expect an increase of about 48.87% or \$431,619.
Aggregate Stop Loss:	The premium for Aggregate Stop Loss currently is \$11.41 PEPM. We expect an increase of about 8.94% or \$2,313.
Total Fixed Fee's	Overall, the current cost for all administrative expenses is \$461.47 PEPM. We expect an increase of about 41.8% or \$437,509.

Conclusions

The current expected cost of the plan is \$1,824 PEPM.
Based on the above observations, USI believes the initial renewal will result in an increase of about 16.98% or \$702,522.



City of Franklin
Renewal Projection
January 1, 2027 - December 31, 2027 Renewal

USI Projected Renewal

Renewal Projection Detail

Experience Periods		Medical		Rx	
		Aug 25 - Jul 26	Aug 24 - Jul 25	Aug 25 - Jul 26	Aug 24 - Jul 25
A: Actual Paid Claims		\$2,734,465	\$2,386,023	\$1,386,151	\$1,141,651
B: Large Claims Removed		-\$497,894	-\$209,275	-\$249,198	-\$241,011
C: Claims Paid - After Pooling	A + B	\$2,236,571	\$2,176,748	\$1,136,953	\$900,640
Adjustments					
Agg Spec		\$75,000	\$75,000		
D: Total Adjustments		\$75,000	\$75,000		
E: Total after Adjustments	C + D	\$2,311,571	\$2,251,748	\$1,136,953	\$900,640
F: Average Contracts		189	194	189	194
H: Claims Per Employee (PEPM)	E / F / 12	\$1,019.21	\$969.75	\$501.30	\$387.87
I: *Trend Used:		8.00%	8.00%	11.50%	11.50%
J: Trended Months		17	29	17	29
L: Experience Rated Claims / Contract		\$1,136.62	\$1,167.97	\$584.89	\$504.59
M: Experience Period Weighting		80%	20%	80%	20%
N: Projected Claims Blended By Year	L * M	\$1,142.89		\$568.83	
O: Manual Claim Pick (Independent Med/Rx)					
P: Credibility		100%		100%	
Q: Rx Rebates (Annual)			-\$525,823		

Estimated Renewal		Per Employee	Annualized
R: Projected Contracts		189	
S: Projected Claim Cost	N + Q	\$1,479.87	\$3,356,348
Current Claim Costs Based on 189 EE's		\$1,363.02	\$3,091,335
Change from Current		8.57%	\$265,013
Fixed Costs (estimated)			
Administrative Expenses		\$41.76	\$94,705
Specific Stop Loss		\$579.71	\$1,314,788
Aggregate Stop Loss		\$12.43	\$28,191
RX Interface Fee		\$8.40	\$19,051
Interface Fee		\$0.53	\$1,202
Utilization Management		\$3.41	\$7,734
Complex Condition CARE		\$2.10	\$4,763
Ongoing Condition Care		\$4.04	\$9,163
NexusACD Network Fee		\$2.00	\$4,536
T: Total Administrative Fees		\$654.38	\$1,484,133
Projected Total Renewal Cost		\$2,134.25	\$4,840,482
Current Total Budgeted Costs Based on 189 EE's		\$1,824.50	\$4,137,960
Change from Current		16.98%	\$702,522

NOTE: Fixed costs assume an average increase of 42%. The actual renewal will vary.

*The trend used is based on probabilistic data provided by USI Trend Survey respondents and enrollment by carrier

- We applied an annual Medical and Rx trend of 8.0% and 11.5% respectively, compounded based on Trended Months from line J.



City of Franklin
Proposed Plan Funding - medical
January 1, 2027 - December 31, 2027 - renewal

Proposed Funding	Current	Initial Renewal	Adjusted Renewal
	Current Plans	No Plan Changes	NexusACO Network
Projected Fixed Costs	\$1,046,625	\$1,484,133	\$1,484,133
Estimated Expected Claims	\$3,091,335	\$3,356,348	\$3,356,348
Plan Design Adjustments			
- Estimated Percent of Savings			-2.43%
Nexus ACO Savings			-\$117,844
Total Cost for Funding	\$4,137,960	\$4,840,482	\$4,722,638
Percent of Funding Variance		16.98%	14.13%
Reduction from Renewal			

Premium Rates	Enrollment	Current Plans	No Plan Changes	NexusACO Network
Plan 1- PPO				
Employee	12	\$1,090.00	\$1,275.05	\$1,244.01
Family	34	\$2,373.00	\$2,775.88	\$2,708.30
Plan 2-HDHP				
Employee	50	\$974.00	\$1,139.36	\$1,111.62
Family	93	\$2,176.00	\$2,545.43	\$2,483.46
Total Estimated Premium				
Monthly Premium	189	\$344,830	\$403,373	\$393,553
Annual Premium		\$4,137,960	\$4,840,482	\$4,722,638
Annual Change from Current			\$702,522	\$584,678
% Change from Current			16.98%	14.13%
Notes: The group moved to NexusACO Network effective 1/1/2027. We are showing Medical claims savings on prior R12 and 5 months of current R12 based on Projected \$166,367.84 savings illustrated on the August 2025 Medical Projection.				



City of Franklin

Self-Funded Renewal Projection - Dental

USI has reviewed City of Franklin's Dental experience reporting from Delta Dental and has made the following observations.

Dental Plan

Underwriting Period: The mid year projection calculation includes claims from August 2024 through July 2026.

Trend: For our calculations we used a trend of 4.5% for dental. We have not built in any additional margin.

Claims Liability: The current expected claims are \$69.35 PEPM. We expect an increase of about 4.08% or \$5,875.

Total Fixed Fees: Overall, the current cost for all administrative expenses is \$5.00 PEPM. We expect a flat renewal.

Conclusions

The current expected cost of the plan is \$74 PEPM.

Based on the above observations, USI believes the initial renewal will result in an increase of about 3.81% or \$5,875.



City of Franklin
Renewal Projection - Dental
January 1, 2027 - December 31, 2027 Renewal

Time Periods	Aug 25 - Jul 26	Aug 24 - Jul 25	USI Projected Renewal	
Estimated Renewal Projection			Per Employee	Annualized
A: Average Contracts	175	183	173	
B: Average Membership	384	402	381	
C: Actual Paid Dental Claims	\$143,623	\$136,636		
Adjustments				
No Adjustments Applied this Period	\$0	\$0		
D: Total Adjustments	\$0	\$0		
E: Total <u>after</u> Adjustments	C + D	\$143,623	\$136,636	
F: Claims Per Contract (PEPM)	E / A / 12	\$68.49	\$62.31	
G: *Trend Used:	4.50%	4.50%		
H: Trended Months	17	29		
I: Experience Rated Claims / Contract	\$72.90	\$69.30		
J: Experience Period Weighting	80%	20%		
K: Projected Claims Blended By Year			\$72.18	\$149,839
Current Claim Costs Based on 173 EE's			\$69.35	\$143,964
Change from Current			4.08%	\$5,875
Fixed Costs (estimated)				
Administrative Expenses			\$5.00	\$10,380
L: Total Fixed Fees			\$5.00	\$10,380
Projected Total Renewal Cost			\$77.18	\$160,219
Current Total Budgeted Costs Based on 173 EE's			\$74.35	\$154,344
Change from Current			3.81%	\$5,875

NOTE: Fixed costs assume an average increase of 0%. The actual renewal will vary.

*The trend used is based on probabilistic data provided by USI Trend Survey respondents and enrollment by carrier.

- We applied a Dental trend of 4.5% respectively.



City of Franklin
Proposed Plan Funding - Dental
January 1, 2027 - December 31, 2027 Renewal

Proposed Funding	Current	Initial Renewal
	Current Plans	No Plan Changes
Projected Fixed Costs	\$10,380	\$10,380
Estimated Expected Claims	\$143,964	\$149,839
Total Cost for Funding	\$154,344	\$160,219
Percent of Funding Variance		3.81%
Reduction from Renewal		

Premium Rates	Enrollment	Current Plans	No Plan Changes
Plan 1			
Employee	82	\$37.00	\$38.41
Family	91	\$108.00	\$112.11
Total Estimated Premium			
Monthly Premium	173	\$12,862	\$13,352
Annual Premium		\$154,344	\$160,219
Annual Change from Current			\$5,875
% Change from Current			3.81%

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE October 20, 2026
REPORTS AND RECOMMENDATIONS	Waste Management Metro Landfill Expansion Wetland Disturbance Application Wisconsin Department of Natural Resources Denial Order. The Common Council may enter closed session pursuant to Wis. Stat. § 19.85(1)(g), to confer with legal counsel for the Common Council who is rendering advice concerning strategy to be adopted by the body with respect to litigation upon the Waste Management Metro Landfill Expansion Wetland Disturbance Application Wisconsin Department of Natural Resources Denial Order, in which the City is likely to become involved, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate	ITEM NUMBER J.S. 14.

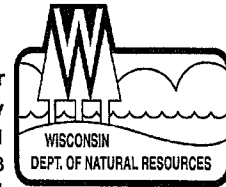
Annexed hereto is correspondence from the Wisconsin Department of Natural Resources with its Findings of Fact, Conclusions of Law, Denial Order and Notice of Appeal Rights.

COUNCIL ACTION REQUESTED

A motion to enter closed session pursuant to Wis. Stat. § 19.85(1)(g), to confer with legal counsel for the Common Council who is rendering advice concerning strategy to be adopted by the body with respect to litigation upon the Waste Management Metro Landfill Expansion Wetland Disturbance Application Wisconsin Department of Natural Resources Denial Order, in which the City is likely to become involved, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate.

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
1027 W St. Paul Ave.
Milwaukee, WI 53233

Tony Evers, Governor
Karen Hyun, Ph.D., Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



September 24th, 2026

IP-SE-2024-41-03989

Waste Management of Wisconsin
Attn: Tyler Field
W132 N10487 Grant Dr.
Germantown, WI 53022

RE: Application IP-SE-2024-41-03989 for Wetland Disturbance in the City of Franklin, Milwaukee County

Dear Tyler Field,

The Department of Natural Resources has reviewed your application to fill wetlands in the northern half of Section 31, Township 5 N, Range 21 E in the City of Franklin. **Your application is hereby denied.**

A denial order is attached which includes our findings of fact listing the specific reasons for denial. Your rights to appeal this action are also defined.

If you have any questions about this determination, please contact me.

Sincerely,

Michelle Soderling
Water Management Specialist
michelle.soderling@wisconsin.gov
(414) 430-7129

Email CC: Tim Orlowski – USACE Project Manager
Betsy Powers – SCS Engineers
Brett Coogan – WMWI
Madeline Schwerinski – WMWI
Jeff Kraemer – Heartland Ecological
Jane Landretti – Stafford Rosenbaum
David Crass – Michael Best
Melanie Burns – WDNR
Natasha Gwidt – WDNR
Mark Peters – WDNR
Tony Peterson – WDNR
Duncan Moss – WDNR
Kate Hanson – WDNR
Travis Schroeder – WDNR

FINDINGS OF FACT

1. Waste Management of Wisconsin (WMWI) owns and operates the Northern Expansion – West (NEW) landfill at the Metro Recycling and Disposal Facility (Metro RDF) complex located in the North 1/2 of Section 31, Township 5 North, Range 21 East, City of Franklin, in Milwaukee County, Wisconsin.
2. The facility accepts commercial, industrial, municipal and permitted special waste, primarily from Milwaukee, Waukesha, and Racine Counties.
3. On December 3, 2024, WMWI submitted a wetland individual permit application to the Wisconsin Department of Natural Resources (DNR). WMWI proposes to vertically and horizontally expand the existing NEW landfill. The horizontal expansion area would cover 72.25 acres of land and would directly impact eleven wetlands totaling 7.66 acres.
4. The overall purpose and scope of the project is to expand landfill capacity at the Metro RDF facility in order to provide economically feasible and environmentally sound landfill capacity to meet the solid waste disposal needs of southeastern Wisconsin.
5. In early 2023 the DNR Waste and Materials Management (Waste) Program completed a review of the initial site report (ISR) for the proposed expansion of the NEW landfill. WMWI submitted the ISR to DNR on January 11, 2023, and DNR determined the ISR to be complete on February 15, 2023. On April 6, 2023, DNR sent WMWI an ISR Opinion Letter, stating that, "It is the department's opinion, based on the information presented in the ISR, that the proposed site has little or no potential for development as a solid waste disposal facility." The Opinion Letter further provided that constraints on site feasibility include the presence of navigable waters and numerous wetlands present within the proposed landfill expansion footprint, numerous water supply wells within 1,200 feet of the proposed expansion footprint, and setback requirements from state highways, navigable waters, and water supply wells.
6. A wetland delineation was completed by Heartland Ecological Group, Inc. (Heartland) on August 1-5, 2022. The wetland delineation was split into two units. The first unit (the "Western Study Area") is a 178.55 acre site. The second unit (the "Eastern Study Area") is an 80.19 acre site. In the Western Study Area, thirty-six wetland areas totaling approximately 26.22 acres and two historically excavated ponds were delineated. In the Eastern Study Area, ten wetland areas totaling approximately 8.86 acres, three waterways, and one pond were delineated. The proposed project would occur in the Western Study Area.
7. DNR visited the proposed project site on November 9, 2022, with representatives from Heartland and WMWI for an onsite pre-application meeting to review and discuss the results of the rare and high quality wetland assessments for the purposes of obtaining a nonfederal exemption and Chapter 30 jurisdictional determination process.
8. DNR staff visited the proposed project site on May 25, 2023, with representatives from Heartland Ecological Group, SCS Engineers and WMWI for the purpose of navigability determinations (FOR-SE-2023-41-04444). Wetlands W-1, W-10, W-15, W-17, and W-21 were determined to be navigable and subject to regulation under Chapter 30, Wis. Stats. Vegetation surveys were also conducted in wetlands for the purposes of determining eligibility for the nonfederal wetland exemption. Surveys were conducted in wetlands W-1, W-11, W-15, and W-16. Out of the four surveys conducted, wetlands W-11 and W-16 were determined not to meet the plant community requirements to qualify as rare and high-quality wetland and therefore could be eligible for the nonfederal wetland exemption.

9. Heartland requested and obtained an Approved Jurisdictional Determination from the U.S. Army Corps of Engineers on March 16, 2023, and February 12, 2024. Heartland requested a nonfederal wetland exemption from the DNR for the following wetlands and proposed impacts on October 22, 2024 (EXE-SE-2024-41-03520). Mitigation requirements have not been satisfied for the nonfederal wetland exemption, so the exemption request remains on hold and has not been approved.

Nonfederal Wetland	Wetland Size (Acres)	Proposed Impacts (Acres)
W-9	0.21	0.21
W-11	0.72	0.72
W-13	0.04	0.04
W-14	0.18	0.13
W-16	1.56	1.05
W-18	0.80	0.80
W-19	0.23	0.23
W-20	0.94	0.94
W-22	1.26	1.01
W-24	0.48	0.48
W-25	0.30	0.30
W-26	0.29	0.29
W-32	2.58	0.55
W-33	0.45	0.45
Proposed Total Impacts (Acres) = 7.2		

10. Heartland requested an artificial wetland exemption from the DNR on October 24, 2023, for the following wetlands and proposed impacts. Wetlands W-2, W-3, W-4, W-8A, W-12, W-28, W-29, W-30, W-31 received an approved artificial wetland exemption determination (WIC-SE-2023-41-03630) on November 13, 2023.

Artificial Wetland & Community Type(s)	Wetland Size (Acres)	Proposed Impacts (Acres)
W-2: wet prairie	0.01	0.01
W-3: shrub-car	0.01	0.01
W-4: ruderal wet meadow	0.17	0.17
W-8A: ruderal wet meadow, ruderal marsh	0.62	0.62
W-12: shrub-carr, wet-mesic prairie	0.56	0.56
W-28: ruderal marsh	0.14	0.14
W-29: ruderal shrub swamp	0.06	0.06
W-30: ruderal marsh	0.05	0.05
W-31: ruderal marsh	0.05	0.05
Proposed Total Impacts (Acres) = 1.67		

8. DNR concurred via email on November 20, 2023, that Pond 1 and Pond 2 are artificial waterbodies. Pond 1 was constructed in 2020 and Pond 2 was constructed in 2013. Both were constructed within uplands and are engineered sedimentation basins. These waterbodies are not subject to regulation under Chapter 30 or s. 281.36, Wis. Stats. Both of these waterbodies would be permanently filled by the Preferred Alternative.
9. DNR staff visited the proposed project site on April 15, 2025, with representatives from Heartland and Southeastern Wisconsin Regional Planning Commission (SEWRPC) to conduct wetland functional value assessments, documented on Wetland Rapid Assessment Methodology (WRAM) forms. During the site visit, the DNR took depth measurements and identified an ordinary high water mark within wetland W-33. Based on site conditions and historical data, DNR determined

W-33 is a navigable waterway subject to regulation under Ch. 30, Wis. Stats. (FOR-SE-2026-41-02941).

10. On May 9, 2025, the DNR Storm Water Program sent WMWI a notice of noncompliance (NON) for Wisconsin WPDES Permit No. WI-S067857-5. The alleged violations included not maintaining best management practices (BMPs) on site to protect the wetlands from sediment laden storm water runoff, not installing adequate BMPs throughout the site such as sediment traps and slope stabilization, improper installation of silt fencing, and running silt fencing directly through wetland areas and on delineated wetland boundaries. The NON stated that WMWI is required to maintain proper erosion controls and requested photos and narrative of the work once completed.
11. DNR received a letter from WMWI dated June 17, 2025, which included a proposed restoration plan to address the NON for Wisconsin WPDES Permit No. WI-S067857-5. DNR responded to WMWI on July 1, 2025 to request that additional details be provided including erosion control methods and materials, sequence of erosion control methods, a wetland restoration plan, site photos, and inspection and maintenance plans. DNR did not receive a response from WMWI.
12. The DNR Waste Program conducted a compliance inspection on April 6, 2026 for the Metro Recycling and Disposal Facility. Based on observations from the inspection, DNR determined the landfill was not in compliance with applicable solid waste management regulations and sent a notice of noncompliance (NON) to WMWI on April 9, 2026. Section NR 506.07(1)(b) and (c), Wis. Adm. Code, requires that a landfill has provisions to confine windblown material within the active disposal area and that a landfill owner collect windblown material and properly dispose of it in the active disposal area. During the inspection, DNR observed a substantial amount of windblown material in the tree line and wetland areas east of the landfill and within the storm water drainage ditches around the perimeter the landfill.
13. The DNR Waste Program sent WMWI a return to compliance letter on July 2, 2026, because WMWI provided documentation demonstrating that these areas of alleged noncompliance were addressed.
14. DNR and WMWI exchanged the following correspondence regarding application number IP-SE-2024-41-03989 before DNR issued the notice of closure under s. 281.36 (3m) (d), Wis. Stats.:
 - a. 1/6/25: DNR sent WMWI a notice that the permit application was incomplete and DNR requested additional information (note: the notice of incompleteness (NOI) incorrectly dates the year as 2024).
 - b. 2/11/25: WMWI provided a response to DNR's NOI
 - c. 2/21/25: DNR informed the project proponent and consultant that the application remained incomplete.
 - d. 3/31/25: DNR sent WMWI a notice that the application remained incomplete and identified questions from the 1/6/25 NOI that required additional information.
 - e. 9/11/25: WMWI responded to the 3/31/25 request for information from DNR.
 - f. 9/22/25: DNR informed the project proponent and consultant that the application remained incomplete.
 - g. 11/24/25: WMWI sent DNR a summary and crosswalk of its responses to DNR's information requests.
 - h. 11/25/25: Staff from DNR Waterways and Waste Programs met with WMWI to discuss the application.

- i. 1/22/26: DNR sent WMWI a notice that the application remained incomplete and responded to WMWI's summary and crosswalk, identifying outstanding questions from DNR's 1/6/25 and 3/31/25 notices.
 - j. 6/5/26: WMWI responded to the 1/22/26 request from DNR.
 - k. 6/15/26: DNR sent WMWI a date of closure notification for the wetland individual permit application.
15. On June 30, 2026, DNR sent WMWI a notice of pending application and published the notice of pending application on the DNR ePermitting website.
16. DNR received a request for a public informational hearing on July 10, 2026. On July 24, 2026, DNR sent WMWI a notice of public informational hearing and published the notice of public informational hearing on the DNR ePermitting website.
17. DNR hosted a public informational hearing at the Franklin City Hall on 8/25/26. 13 oral comments were provided at the hearing and there were 27 attendees. The comments were in favor of the proposed landfill expansion.
18. During the public comment period, more than 40 written comments were received.
 - a. Comments were in favor of the proposed landfill expansion, referencing the landfill's benefit to the local economy and the regional need for reliable waste disposal facilities.
 - b. One comment objected to the expansion based on wetland impacts. The comment stated, "The land north of the current landfill contains multiple wetlands that appear to ultimately drain into Ryan Creek. In addition, there are three isolated natural areas located north of the landfill. The environmental impacts of disturbing these wetlands and natural areas would be substantial. Mitigating the loss of so many wetlands and isolated natural areas would likely be both environmentally inadvisable and cost prohibitive."
19. WMWI considered 10 alternatives in its application and selected the Preferred Alternative:
 - a. Preferred Alternative, impacting 7.66 acres of wetlands and navigable waters, providing 15,300,000 cubic yards of additional landfill capacity, or 14,676,000 cubic yards of additional landfill capacity if they expand wetland buffer zones
 - b. Alternative 1: Enlarged Expansion Footprint, impacting 8.64 acres of wetlands and navigable waters
 - c. Alternative 2: Northern Expansion, impacting 14.73 acres of wetlands and navigable waters
 - d. Alternative 3: Eastern Expansion, impacting 7.8 acres of wetlands and navigable waters
 - e. Alternative 4: Greenfield Landfill
 - f. Alternative 5: Development on adjacent WMWI property
 - g. Alternative 6: No Action
 - h. Alternative 7: Upland Expansion, impacting 0.51 acres of wetlands, providing 3,583,000 cubic yards of additional landfill capacity
 - i. Revised Alternative 2, impacting 4.39 acres of wetlands, providing 7,711,000 cubic yards of additional landfill capacity
 - j. Revised Alternative 3, impacting 3.39 acres of wetlands, providing 5,734,000 cubic yards of additional landfill capacity
20. Pursuant to s. 281.36(3m)(b) and (3n)(a)1.b., Wis. Stats., the review of alternatives was limited to practicable alternatives that are located at the site of the discharge and that are located adjacent to that site based on the following:

- I. The proposed project is necessary for the expansion of an existing industrial facility that is in existence at the time the application is submitted.
21. Practicable alternatives exist which would avoid adverse impacts to wetlands. WMWI provided Alternative #7 in its September 11, 2025, information response to DNR. WMWI's Alternative #7 included a contiguous expansion of 13.6 acres that would impact artificial wetlands W-4 and W-12, and nonfederal wetland W-11. Alternative #7 also included a non-contiguous expansion of 14.9 acres that would impact Pond 2 and artificial wetlands W-28, W-29, and W-31. WMWI's proposed layout of Alternative #7 includes impacts to 0.51 acres of wetland W-16 for the purpose of soil stockpiling, but it appears these impacts could be avoided by readjusting the layout of the stockpiles on site. WMWI stated this alternative could not be permitted under Waste Program requirements, but a January 25, 2016, letter from the Waste Program states that non-contiguous expansions can be permitted as landfill expansions. Alternative #7 also includes a 3.6 acre contiguous expansion, but the feasibility of this element could be affected by the W-33 navigability determination. WMWI estimated that Alternative #7 would cost approximately \$18 million to construct, compared to the \$37.2 million cost of the Preferred Alternative. By shifting soil stockpiles away from wetland W-16, Alternative #7 would avoid filling 7.66 acres of wetlands proposed under the Preferred Alternative. A modified Alternative #7 that avoids wetland W-16 aligns with the overall purpose and scope of the project, and therefore the proposed project is not the least environmentally damaging practicable alternative taking into consideration practicable alternatives that avoid wetland impacts.
22. WMWI's Revised Alternatives #2 and #3 are also not as impactful as the Preferred Alternative. Revised Alternative #2 would impact 4.39 acres of wetlands, and Revised Alternative #3 would impact 3.39 acres of wetlands. The landfill footprints and soil stockpile layouts under both alternatives may result in significant adverse impacts to wetland functional values, and DNR cannot determine whether they are permissible based on the information that WMWI has provided. However, due to their more limited scope they would result in fewer direct impacts than the Preferred Alternative and they appear to align with the overall purpose and scope of the project.
23. All practicable measures to minimize adverse impacts to wetland functional values have not been taken. WMWI has not attempted to reduce the scope of its proposed footprint to limit wetland impacts, such as by avoiding impacts to wetlands W-8, W-23, or W-27, which are located near the edge of the footprint under the Preferred Alternative. Under the Preferred Alternative, WMWI also proposes to permanently impact wetland W-16 by placing a storm water pond in part of the wetland and stockpiling excavated soil in the remainder of the wetland. WMWI has not explained why it is not practicable to minimize its impacts to wetland W-16. WMWI has not explored redesigning the planned storm water pond to be located on either side of W-16, nor has it considered stockpiling the material intended for W-16 in another area.
24. The Preferred Alternative would affect the wetland functional values noted in Findings of Fact Numbers 29-32 by directly filling 7.66 acres of wetlands. Permanently filling these wetlands would erase the functional values provided by these wetlands.

Wetland	Discharge Area
W-5 (0.89 acres)	0.89 acres
W-6 (0.53 acres)	0.53 acres
W-7 (0.29 acres)	0.29 acres
W-8 (1.43 acres)	1.43 acres
W-16 (0.51 acres)	0.51 acres
W-22 (0.25 acres)	0.25 acres
W-22A (0.32 acres)	0.32 acres

W-23 (0.14 acres)	0.14 acres
W-27 (0.35 acres)	0.35 acres
W-32 (2.03 acres)	2.03 acres
W-34 (0.92 acres)	0.92 acres
Proposed Total Impacts (Acres) = 7.66	

25. The Preferred Alternative would result in secondary adverse impacts to wetland functional values. The wetlands provide critical wildlife and aquatic habitat, hold storm water runoff, settle out sediment, and filter pollutants. The facility currently demonstrates a failure of storm water features functioning as wetland protective measures, which has resulted in sedimentation and nutrient pollution to wetlands on site. The proposed major alterations to the landscape would change hydrology at the site and move pollution closer to the remaining wetlands and navigable waters.
- The permit application fails to address the following wetland secondary impacts associated with storm water discharges:
 - The application does not include a site-specific erosion and sediment control plan that identifies the type and location of practices to control the discharge of sediment to wetlands during site construction.
 - The application identifies locations of wet detention ponds for post-construction storm water management. However, the application does not include an evaluation of the effectiveness (modeling) of these ponds to control the discharge of storm water pollutants to wetlands in the post-construction condition.
 - The application identifies peak discharge rates and volumes of storm water discharged to wetlands in the pre-construction and post-construction conditions. This information does not provide a complete picture of potential wetland hydrologic impacts. Specifically, the application does not quantify the actual hydrologic changes within each wetland (changes in water surface elevation, changes in duration of inundation) and the susceptibility of each wetland to hydrologic changes based on wetland type.
 - Water quality degradation from pollution would lead to an increase in invasive species in those features. The water quality degradation and subsequent floristic degradation would contribute to further habitat degradation at the site.
 - The Preferred Alternative would fragment the remaining wetland habitat at the site. The project plans for the Preferred Alternative would surround wetlands W-1, W-10, W-15, W-17, and W-21 with the landfill footprint, soil stockpiles, and storm water ponds, such that the remaining wetlands would be almost entirely separated.
26. The Preferred Alternative would result in cumulative adverse impacts to wetland functional values. WMWI has applied to fill over 20 acres of wetlands at the site in the past 10 years. Milwaukee County has had 73.5 acres of wetland permanently filled between 2019 and 2025.
- The proposed project involves a total of 16.53 acres of wetland fill: 7.66 acres of wetland fill under the individual permit application, 7.20 acres of wetland fill under the requested nonfederal exemption, and 1.67 acres of wetland fill under the approved artificial wetland determinations. WMWI's Preferred Alternative would fill all remaining wetlands onsite, except wetlands W-1, W-10, W-15, W-17, and W-21, which contain navigable waters regulated under ch. 30, Wis. Stats.
 - The loss of wetlands under the nonfederal exemption is an overall loss of wetland functional values on site. Multiple wetlands that were approved for the nonfederal exemption, and specifically wetland W-16, were found to be dominated by non-native, invasive species, and would therefore not be considered rare and high-quality wetlands under s. 281.36(4n)(a)3., Wis. Stats. However, the presence of invasive plants did not

remove the high functional value of this wetland as a remnant ephemeral pond that was observed to be providing critical wildlife and aquatic life habitat and storm water storage. One acre of this wetland would be filled under the requested nonfederal exemption while the remaining half acre of this wetland has been proposed to be impacted under this permit application.

- c. WMWI received approval from DNR in 2017 to fill 6.86 acres of wetlands at the site as part of its Northern Expansion-West project (IP-SE-2015-41-01130).
 - d. WMWI received approval from DNR in 2010 to fill 0.38 acres of wetlands (IP-SE-2010-41-00713) and 0.17 acres of wetlands (IP-SE-2010-41-00714).
27. WMWI's proposed compensatory mitigation might not compensate for the loss to wetland functional values under the Preferred Alternative. Available mitigation credits are constantly in fluctuation depending on credit releases from US Army Corps of Engineers and when approved projects requiring mitigation can pay for credits. The proposed project sits within two mitigation service areas. The eastern portion of the project is in the Southwestern Lake Michigan service area (SA), and the western portion of the project is in the Upper Illinois SA. As of 9/24/2026, there are 0.43 Shallow Marsh credits and 4.83 Wet to Wet Mesic Prairie credits available for the project in the Southwestern Lake Michigan SA, and in the Upper Illinois SA there are 2.63 Sedge Meadow credits and 0.24 Shrub Carr credits available. WMWI is also required to purchase 7.42 mitigation credits to receive a nonfederal exemption determination.

If there are not enough private mitigation bank credits available in the correct service areas for this project when the applicant pays for mitigation, the applicant would also need to purchase credits through the Wisconsin DNR Wetland Conservation Trust (In Lieu Fee Program/ILF) as mitigation, which may have the following impacts on wetland functional values:

- a. ILF credits cannot guarantee in-kind replacement of all site-specific wetland types and functions lost as the result of the constructed project. While the proposed credits/fees will be used for wetland mitigation within the correct service areas, the location and potentially restorable wetland functional values at the mitigation site are yet to be determined, which could result in an indefinite temporal loss of wetland function.
 - b. If the proposed mitigation credits/fees are applied to wetland mitigation outside of the same watersheds as the impacts, this would result in a net loss of habitat, water quality protection, and flood and storm water storage in a developed area of the state with already limited wetlands and wetland functional values.
 - c. The filled wetland fragments are within an approximately 100-acre contiguous wetland-upland habitat complex. If the proposed credits/fees used to construct the ILF mitigation site does not result in restoring or creating contiguous habitat at this scale, the project would result in a net loss of wildlife habitat.
 - d. The ILF credit purchases may not compensate for the ephemeral pond habitat losses from this project.
28. The proposed project will result in a net negative environmental impact:
- a. WMWI's proposed mitigation is unlikely to fully compensate for the impacted wetland functional values due to the number of ILF credits that may be needed under the Preferred Alternative.
 - b. The permanent filling of wetlands will lead to adverse impacts to wildlife. Wood frogs, (*Rana sylvatica*), have had an observed population decline in Milwaukee County. Visible egg masses from this species were observed in wetlands W-16 and W-27, indicating the persistence of a breeding population of this species in a location where their population is declining. The loss of the wetlands on this property will directly contribute to the loss of critical habitat that supports this species.

29. Based on consideration of the factors discussed in Findings of Fact Numbers 23-28, the Preferred Alternative will result in significant adverse impacts to the wetland functional values under s. NR 103.03(1)(a), (c), (e), and (f), as described in further detail below.
30. Habitat. The wetlands at the site provide important habitat for wildlife and aquatic life. The site contains multiple wetland communities, including floodplain forest, hardwood swamp, ephemeral pond, wet prairie, wet-mesic prairie, and sedge meadow. In the context of southeastern Wisconsin in which wetland habitats are becoming regionally scarce, the functional values of aquatic and wildlife habitat have increased importance. The proposed project would fill all wetlands onsite, except those that contain navigable waters, permanently destroying vital habitat.

a. Wildlife habitat

The wetlands onsite provide valuable habitat for birds, wildlife, and for Wisconsin Special Concern species, which is also an important cultural and scientific human use functional value of wetlands. Three wetlands (W-16, W-22, and W-27) had a high functional value rating for wildlife habitat, while four wetlands (W-22a, W-23, W-32, and W-34) had a medium rating. Nearly all of the wetlands surveyed had three or more strata present (i.e., tree, sapling, shrub, herb, vine), which provide habitat to a diversity of wildlife species. Numerous birds, frogs, and invertebrates were directly observed in the wetlands during surveys, as well as nesting activity and evidence of mammal use. It is likely these wetlands and areas of shallow ponded water are utilized by waterfowl, secretive marshbirds, and other game species. As many of these areas of ponding water should remain as possible.

Several wetlands (W-16, W-23, and W-27) were observed to support key ephemeral pond indicator species. Ephemeral ponds are recognized by DNR's Natural Heritage Inventory as key contributors of biodiversity in forested areas and the ecological landscape, and provide critical breeding habitat for invertebrates, amphibians, and songbirds along with acting as a food source for mammals and reptiles.

The Southeast Wisconsin Regional Planning Commission has identified several Isolated Natural Resource Areas at the project site. The isolated natural resource area wetlands on the property may provide important refugia for unobserved rare species populations, such as the several state and federally listed species known to be present at the Franklin Savanna property, just north of the landfill site, that is owned by Milwaukee County. Due to the proximity and comparable habitats, it's likely that these state and federally listed species also utilize the wetlands and undeveloped acres on the WMMWI property.

b. Aquatic life habitat

The wetlands onsite provide important habitat for numerous aquatic lifeforms. Several wetlands are ephemeral ponds (W-16, W-23, and W-27) that had standing water during the April 2025 site visit. DNR's Potential Ephemeral Ponds viewer also identified wetland W-22 as an ephemeral pond. Ephemeral ponds are vital breeding grounds for amphibians and aquatic invertebrates. Numerous insects, insect larvae, crustaceans, mollusks, frogs, and frog egg masses were observed in the wetlands. The ephemeral pond indicator species observed included fairy shrimp (*Eubrachyus* spp., W-16, W-27, W-33), wood frog eggs (*Rana sylvatica*, W-16, W-27, W-33), and fingernail clams (*Sphaeriidae* spp., W-16, W-23, W-27). Two wetlands (W-16 and W-27) had a high functional value rating for aquatic life habitat, and three wetlands (W-22, W-22a, W-23) had a medium rating.

During the April 2025 DNR site visit three individual Butler's Gartersnakes were found. Butler's gartersnake (*Thamnophis butleri*) is a WI Special Concern species restricted to southeastern Wisconsin. There were a number of mud chimneys or similar crayfish burrows observed in several wetlands that had potential to be utilized by Prairie Crayfish (*Procambarus gracilis*). Prairie Crayfish (*Procambarus gracilis*) is also a WI Special Concern species restricted to southeastern Wisconsin and the rarest crayfish in the state.

The wetlands and surrounding uplands facilitate a habitat block that can support these state sensitive species.

c. Floristic Integrity

High-quality vegetation is present in the wetlands, despite the heavy industrial use of the surrounding landfill operations, with associated impacts from siltation, invasive species introduction, and landfill debris. For example, wetland W-23 had a low relative cover of invasive species, while wetlands W-16, W-22, and W-27 contained remnant high-quality ephemeral pond and emergent marsh plant species. Fen wiregrass sedge (*Carex lasiocarpa*), a conservative sedge meadow indicator species, was observed in wetland W-22 despite the direct runoff from the landfill operation being observed flowing into this feature. Additional ephemeral pond vegetation species were observed in wetland W-16 including yellow water crowfoot (*Ranunculus flabellaris*), hemlock water parsnip (*Sium suave*), common hop sedge (*Carex lupulina*), swamp loosestrife (*Lysimachia thyrisflora*), and northern bugleweed (*Lycopus uniflorus*). The continued diversity of plant species in the wetlands provides quality habitat to wildlife and aquatic life.

31 Flood and storm water storage

The wetlands onsite can hold a significant amount of storm water. This functional value is classified as high in several wetlands due to the storm water runoff calculations performed as part of WRAMs, as well as in the direct observations of siltation and algal growth present in several wetlands. From these observations, the wetlands are directly providing storm water storage from increased runoff from the impervious surfaces of the ongoing landfill operations. Despite the direct observations of sedimentation/siltation that were present in multiple wetlands, the presence of intact native species and community structure in these same wetlands is evidence that these features can continue to provide storm water storage and retention. Wetlands W-16, W-22, and W-27 had a high functional value rating for flood and storm water storage, and wetlands W-22a, W-23, W-32, and W-34 had a medium rating.

32. Water quality protection

Wetland plants and soils have the capacity to store and filter pollutants. Due to the close proximity of an industrial operation and historically inadequate wetland protection measures, wetlands at this site have been filtering and storing sediments or nutrients for extended periods. Multiple features were identified in close proximity on the property as also containing navigable waterways (W-1, W-10, W-15, W-17, W-21, and W-33). While the wetlands have experienced siltation and plant community shifts, they have continued ability to store and filter sediments and nutrients and are providing protection for the navigable waterways. The larger wetlands onsite contain dense vegetation that are most effective in protecting water quality. The functional value assessments placed a medium value for water quality protection on wetlands W-16, W-22, W-22a, W-27, W-32, and W-34.

33. The Preferred Alternative will result in significant adverse impacts to water quality under s. 281.36(3n)(c)3., Wis. Stats. The existing wetlands provide a buffer and protect the site's navigable waters and waters in the surrounding area from nutrients, sediments, and debris that could enter from nearby landfill operations. Permanently filling these wetlands would contribute to water quality issues in the area. In addition, the proposed major alterations to the landscape would change hydrology at the site and move pollution closer to the navigable waters. Under the Preferred Alternative, the landfill footprint and soil stockpiles would be placed within a few hundred feet of the navigable waters in wetlands W-1, W-10, W-15, and W-21.

CONCLUSIONS OF LAW

- 1 The Department has authority under s. 281.36, Wis. Stats., and the foregoing Findings of Fact, to deny the requested permit.
2. The Department has complied with s. 1.11, Wis Stats.

ORDER

IT IS THEREFORE ORDERED THAT the application of Tyler Field, docket IP-SE-2024-41-03989, under s. 281.36, Wis. Stats., to place 7.66 acres of permanent fill into wetlands at the NEW landfill located at the North ½ of Section 31, Township 5 North, Range 21 East, City of Franklin, Milwaukee County, is denied.

NOTICE OF APPEAL RIGHTS

If you believe that you have a right to challenge this decision, you should know that the Wisconsin statutes and administrative rules establish time periods within which requests to review Department decisions shall be filed. For judicial review of a decision pursuant to s. 227.52 and 227.53, Wis. Stats., you have 30 days after the decision is mailed, or otherwise served by the Department, to file your petition with the appropriate circuit court and serve the petition on the Department. Such a petition for judicial review shall name the Department of Natural Resources as the respondent.

To request a contested case hearing of any individual permit decision pursuant to s. 281.36(3q), Wis. Stats., you have 30 days after the decision is mailed, or otherwise served by the Department, to serve a petition for hearing on the Secretary of the Department of Natural Resources, P.O. Box 7921, Madison, WI, 53707-7921. The petition shall be in writing, shall be dated and signed by the petitioner, and shall include as an attachment a copy of the decision for which administrative review is sought. If you are not the applicant, you must simultaneously provide a copy of the petition to the applicant. If you wish to request a stay of the project, you must provide information, as outlined below, to show that a stay is necessary to prevent significant adverse impacts or irreversible harm to the environment. The filing of a request for a contested case hearing is not a prerequisite for judicial review and does not extend the 30-day period for filing a petition for judicial review. If you are not the permit applicant, you must provide a copy of the petition to the permit applicant at the same time that you serve the petition on the Department. The filing of a request for a contested case hearing does not extend the 30 day period for filing a petition for judicial review.

A request for contested case hearing must meet the requirements of Wis. Stats. § 281.36 (3q) and Wis. Admin. Code § NR 2.03, and if the petitioner is not the applicant the petition must include the following information:

- 1 A description of the objection that is sufficiently specific to allow the department to determine which provisions of Wis. Stats. § 281.36 may be violated if the proposed discharge under the wetland individual permit is allowed to proceed.
2. A description of the facts supporting the petition that is sufficiently specific to determine how the petitioner believes the discharge, as proposed, may result in a violation of the provisions of Wis. Stats. § 281.26.
3. A commitment by the petitioner to appear at the administrative hearing and present information supporting the petitioner's objection.

Dated at the Southeast Region Headquarters, Milwaukee, Wisconsin on 9/24/2026.

STATE OF WISCONSIN DEPARTMENT OF NATURAL RESOURCES
For the Secretary

By:

A handwritten signature in black ink, reading "Michelle Soderling". The signature is written in a cursive, flowing style with a long, sweeping underline that extends to the right.

Michelle Soderling
Water Management Specialist

APPROVAL	REVISED REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
LICENSES AND PERMITS	MISCELLANEOUS LICENSES	ITEM/NUMBER H.

See attached License Committee Meeting Minutes from the License Committee Meeting of October 20th, 2026.

COUNCIL ACTION REQUESTED

Approval of the Minutes of the License Committee Meeting of October 20th, 2026.



414-425-7500

License Committee Agenda
Franklin City Hall Aldermen's Room
9229 West Loomis Road, Franklin, WI
October 20, 2026 – 5:55 p.m.

1.	Call to Order & Roll Call	Time:		
2.	Applicant Interviews & Decisions			
		Recommendations		
Type/ Time	Applicant Information	Approve	Hold	Deny
Class B Combination, Entertainment & Amusement 2026-2027 New 6:00 pm	LM Rueth LLC DBA Swiss Street Pub & Grille Linda Rueth, Agent 11430 W Swiss Street			
Operator 2026-2027 New	Megan Thomas Milwaukee Burger Company			
Operator 2026-2027 New	Ryan Wunderlich Crystal Ridge			
3.	Adjournment	Time:		

*Notice is given that a majority of the Common Council may attend this meeting to gather information about an agenda item over which they have decision-making responsibility. This may constitute a meeting of the Common Council per State ex rel. Badke v. Greendale Village Board, even though the Common Council will not take formal action at this meeting.

APPROVAL	REQUEST FOR COUNCIL ACTION	MEETING DATE 10/20/2026
Bills	Vouchers and Payroll Approval	ITEM NUMBER I

Attached are vouchers dated October 2, 2026 through October 14, 2026 Nos. 208645 through Nos. 208791 in the amount of \$ 2,278,385.23. Also included in this listing are EFT Nos. 6679 through EFT Nos. 6694, Library vouchers totaling \$ 85.11 and Water Utility vouchers totaling \$ 143,378.70.

Early release disbursements dated October 2, 2026 through October 14, 2026 in the amount of \$ 1,689,606.73 are provided on a separate listing and are also included in the complete disbursement listing. These payments have been released as authorized under Resolutions 2013-6920, 2015-7062 and 2022-7834.

The net payroll dated October 16, 2026 is \$ 477,964.02, previously estimated at \$ 505,000. Payroll deductions dated October 16, 2026 are \$ 268,745.84, previously estimated at \$ 600,000.

The estimated payroll for October 30, 2026 is \$ 500,000 with estimated deductions and matching payments of \$ 559,000.

COUNCIL ACTION REQUESTED

Motion approving the following

- City vouchers with an ending date of October 14, 2026 in the amount of \$ 2,278,385.23
- Payroll dated October 16, 2026 in the amount of \$ 477,964.02 and payments of the various payroll deductions in the amount of \$ 268,745.84 plus City matching payments and
- Estimated payroll dated October 30, 2026 in the amount of \$ 500,000 and payments of the various payroll deductions in the amount of \$ 559,000, plus City matching payments.

ROLL CALL VOTE NEEDED