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<https://www.youtube.com/c/CityofFranklinWIGov>

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

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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	
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



Municipal Boundaries

A horizontal scale bar with three segments. The first segment is labeled '0', the second '400', and the third '800'. The unit 'ft' is at the right end.

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)

By: RE Dfdd
 Title: Project Manager
 Date: 10/5/2026

Authorized by Owner

By: _____
 Title: _____
 Date: _____

Accepted by Contractor

Initial Signed by:
DR Michael Wise
 1E29D10698E8430
 Project Controls Director
 10/7/2026

Approved by Funding Agency (if applicable)

EJCDC® C-941, Change Order EJCDC® C-941, Change Order, Rev.1.

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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.

Attest:

Name:
Title:

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

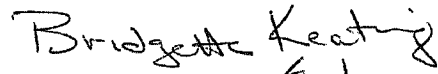
If the foregoing terms of this engagement are acceptable to you, please so indicate by returning a copy of this letter dated and signed by an appropriate officer, retaining the original for your files. If we do not hear from you within thirty (30) days, we will assume that these terms are acceptable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

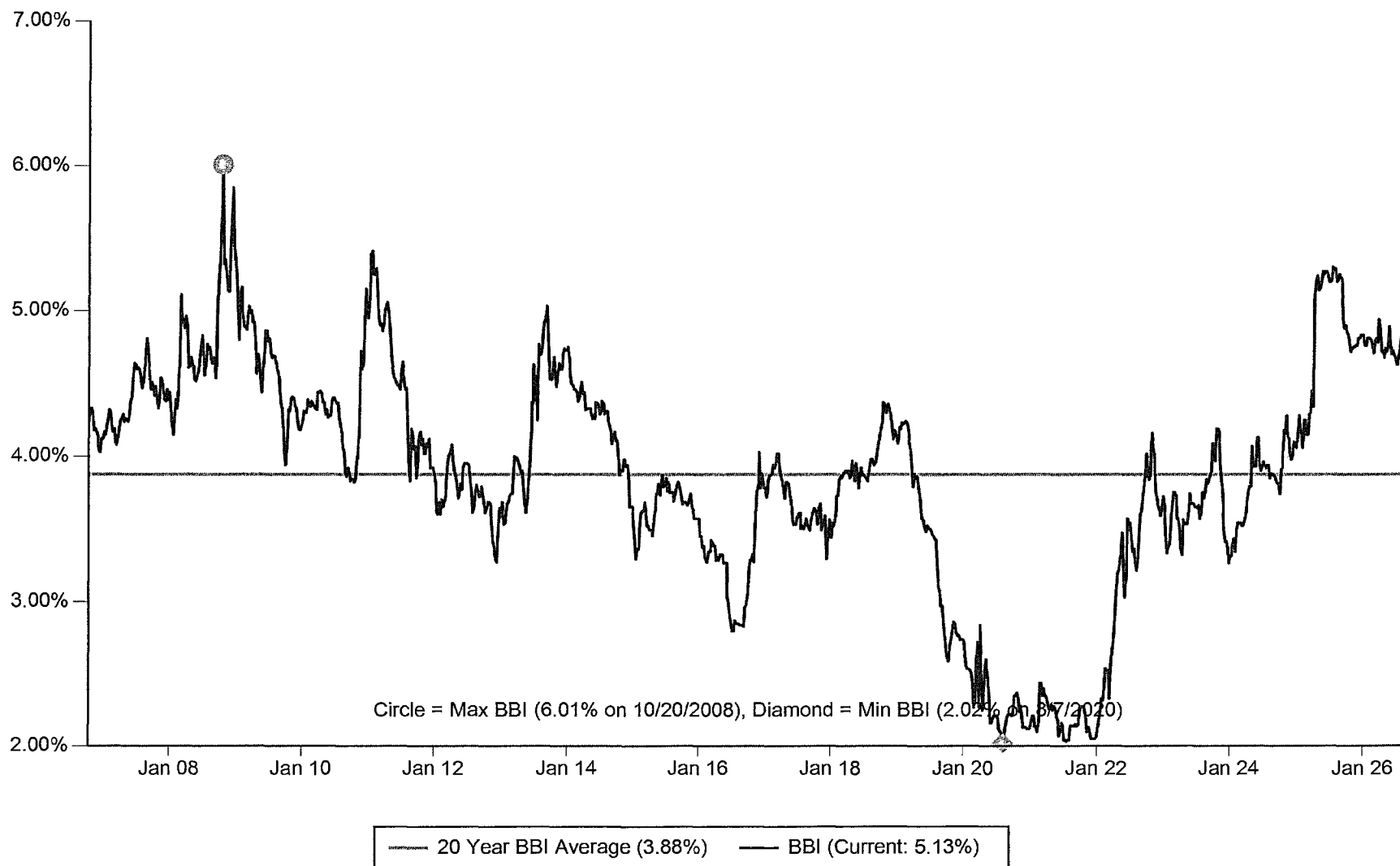
Existing Debt					Proposed Debt				
Year Ending	Projected Equalized Value (TID IN) ¹	Debt Limit	Existing Principal Outstanding	% of Limit	Combined Principal Existing			Residual Capacity	Year Ending
					2026 G.O. Notes	& Proposed	% of Limit		
2025	7,245,524,200	362,276,210	63,977,003	18%		\$63,977,003	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

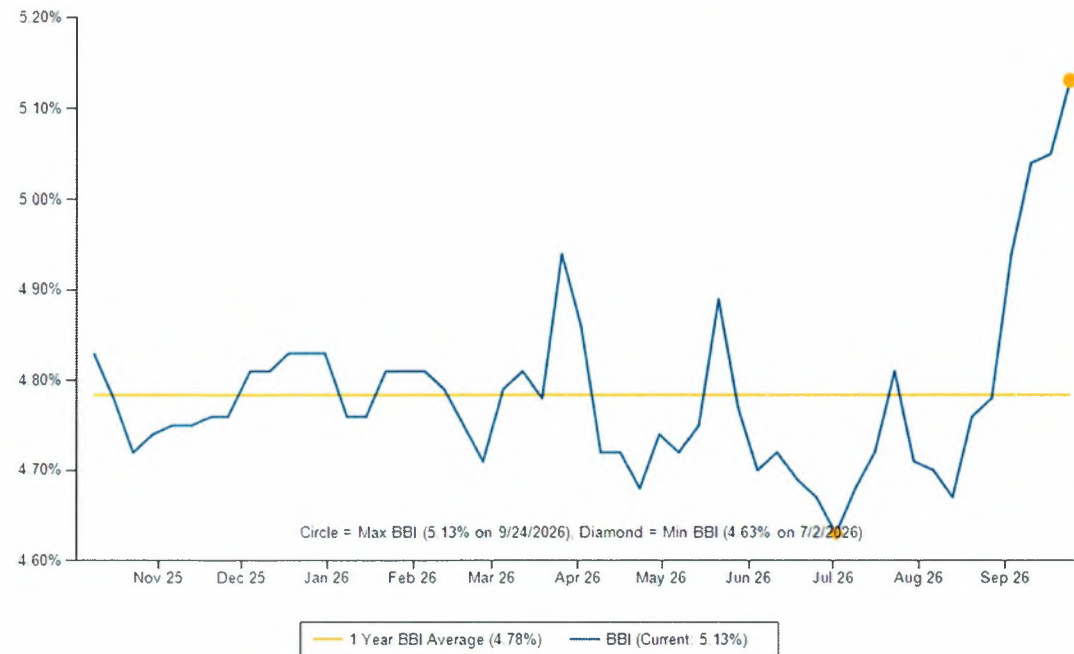
Market Conditions

Bond Buyer Index (BBI)

- 1-Year Trend
- Tax-Exempt Index

1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates October, 2025 - October, 2026



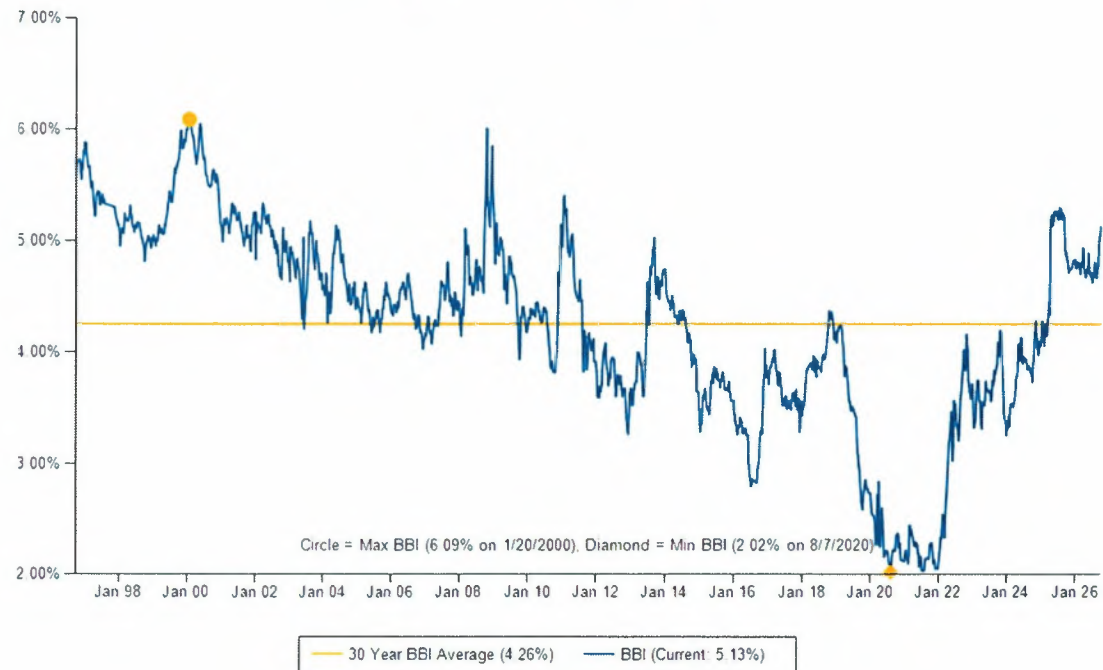
Market Conditions

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____

REVISED

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 D.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.)

	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-0365 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

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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 COMMERCIALY 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 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 Person, 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 willful 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, and on the next business day if sent after 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.

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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 commence, 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)

**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.

**AURORA ENDPOINT DEFENSE SECURITY PRODUCTS
SUPPLEMENTAL PRODUCT TERMS**

These Aurora Endpoint Defense Security Products Supplemental Product Terms ("**Supplemental Product Terms**") is an addendum to, supplements, and is made part of the General Terms located at <https://arcticwolf.com/terms/general-terms/> (or such other similarly executed General Terms or negotiated Solutions Agreement) in place between the parties (the "**General Terms**") (the Supplemental Product Terms and General Terms collectively referred to herein as the "**Agreement**") and, subject to the terms herein, governs Customer's use of the Aurora Endpoint Defense Products set forth on an Order Form (the "**Solution**") These Supplemental Product Terms apply to the extent Customer has subscribed to the Solution either as a standalone offering or as part of Customer's subscription to other Products. Any capitalized terms not otherwise defined herein have the same meanings as those noted in the General Terms. If there is any conflict between these Supplemental Product Terms and the General Terms, then these Supplemental Product Terms shall control.

BY CLICKING ON THE APPROPRIATE BUTTON WITHIN THE SOLUTION, OR BY INSTALLING, ACCESSING OR USING ANY THE SOLUTION, YOU ARE AGREEING TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT. IF YOU DO NOT AGREE TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, OR IF YOU ARE NOT AUTHORIZED TO ACCEPT THE TERMS AND CONDITIONS OF THIS AGREEMENT ON BEHALF OF CUSTOMER, DO NOT COPY, INSTALL, ACCESS OR USE THE SOLUTION.

1. SOLUTION.

1.1 The Solutions are more fully described in the applicable Product Description located at <https://docs.arcticwolf.com/> (the "**Product Description**") and incorporated herein by reference. Any capitalized terms not otherwise defined in these Supplemental Product Terms, or the General Terms shall have the definition in the Product Description.

1.2 The Solutions may include, to the extent identified on an Order Form, the Software and/or Services and applicable Documentation pertaining to Aurora Endpoint Solutions. "**Services**" means any paid service made available by or on behalf of Arctic Wolf hereunder and identified as an Arctic Wolf service, including Technical Support Services and cloud services made available via the Software, but excluding any Third-Party Items, and set forth on an accepted Order Form. "**Software**" means any Arctic Wolf proprietary enterprise software (and any licensed third-party software embedded therein) in object code form only (and not source code) provided hereunder, including server software, client software, personal computer software and interfaces and Documentation. Any upgrades, updates or modified versions of the Software that may be provided to Customer excludes any Customer or any third party provided: (i) software; (ii) content; (iii) services, including 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 any Authorized Partner to Customer pertaining to the Solution (collectively, "**Third Party Items**").

1.3 Any Technical Support Services acquired by Customer, including as part of a subscription, may be provided by Arctic Wolf or an Authorized Partner, subject to Customer's agreement directly with such Authorized Partner. To the extent provided by Arctic Wolf, performance of such Technical Support Services are provided subject to: (i) the General Terms, as supplemented by these Supplemental Product Terms; (ii) the Technical Support Services program description found at <https://docs.arcticwolf.com/> (or such other site as may be made available by Arctic Wolf from time-to-time), as may be amended by Arctic Wolf and which is incorporated herein by this reference, and (iii) Customer's payment of all applicable fees for the requisite time period and number and type of licenses acquired by Customer pursuant to an accepted Order Form. Customer agrees that it may be required to update Software and/or Third Party Items to continue to access or use the Solution, Third Party Items or portions thereof.

1.4 If applicable, Customer understands, agrees, and consents to access to and management of Customer's Tenant(s) and the performance of any services, including Third Party Items, by Customer's MSP/MSP+ partner. Arctic Wolf disclaims any and all liability for the acts or omissions of such MSP/MSP+ partner as it relates to MSP/MSP+ partner's performance of any services, including Third Party Items, for Customer related to the Products.

2. DATA; ARCTIC WOLF TECHNOLOGY.

2.1 Data Data processed by Arctic Wolf in the normal delivery of the Solution includes, depending on the Solution deployed.

2.1.1 Aurora MDR Data If Aurora Managed Endpoint Defense on Demand or Aurora Endpoint Defense are included in the subscription, Arctic Wolf may process Aurora MDR Data. "**Aurora MDR Data**" means the operational system log data and any other information provided by Customer in furtherance of its use of the Solution and which Customer may elect to submit to Arctic Wolf using the Solution, including, but not limited to operational system log data and any other information provided by you in furtherance of your use of the Solutions and which you 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. Personal data included in the of data to deliver these Solutions may include IP addresses, first name, last name, username, user unique identifier., but excluding Threat Intelligence Data.

2.1.2 Endpoint Solutions Data If Aurora Endpoint Defense, Aurora Protect, Aurora Protect Server, or Aurora Mobile Threat Defense are included in the subscription, Arctic Wolf may process Endpoint Solutions Data. "**Endpoint Solutions Data**" may include usernames, first name, last name, email address, IP addresses, username unique identifier, user privileges, device name, account status, password status, password age, country code, account type, assigned workstations, failed login attempts, roaming configuration, removable media events (insertion, removal, file copy), script execution events (JScript, VBScript, and VBA macro script, PowerShell), Windows event logs, WMI events, SMS sender ID, SMS message contents and hyperlinks from unknown senders.

2.2 Data Storage. Customer's Confidential Information is stored in Arctic Wolf's third-party service provider data centers selected by Customer and specified within the Unified Portal and may be processed as set forth in the Agreement and Data Processing Addendum.

2.3 Potentially Malicious Code and Anonymous Data

2.3.1 **Transmission of Files.** Customer acknowledges that a feature of certain 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 Customer's devices ("Files") to identify potential or actual malicious code, malware or other intrusive artifacts or processes therein ("Potentially Malicious Code"). Customer therefore acknowledges and agrees that, in certain configurations, to function optimally, the applicable Solution may transmit Files to servers owned or controlled by Arctic Wolf or may otherwise analyze Files.

2.3.2 **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 Customer's 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 Customer, Customers' operations, systems, networks or devices (individually and collectively, "**Anonymous Data**"). Arctic Wolf may also extract, compile, synthesize, and analyze non-personally identifiable data transmitted by Solutions, or information resulting from Customer's use of or access to the Solution, in each case to the extent such data or information only includes Anonymous Data. Customer 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 Customer as the source of any Files, Anonymous Data or Potentially Malicious Code.

2.3.3 **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 Customer may either allow execution of the Potentially Malicious Code or quarantine it. Alternatively, Customer may determine that Potentially Malicious Code is acceptable for use on Customer devices and need not be blocked or quarantined. Customer 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 Customer's devices, and cause other potential harm or loss. CUSTOMER'S DECISION TO BLOCK, QUARANTINE OR ENABLE EXECUTION OF POTENTIALLY MALICIOUS CODE IS AT CUSTOMER'S OWN RISK. CUSTOMER ACKNOWLEDGES THAT ARCTIC WOLF HAS NO CONTROL OVER THE SPECIFIC CONDITIONS UNDER WHICH CUSTOMER USES THE SOLUTION OR ALLOWS OR DISALLOWS POTENTIALLY MALICIOUS CODE TO EXECUTE THE SOLUTION. THE SOLUTIONS DO NOT REPLACE CUSTOMER'S OBLIGATION TO EXERCISE CUSTOMER'S INDEPENDENT JUDGMENT WITH RESPECT TO THE EXISTENCE OR SUITABILITY OF POTENTIALLY MALICIOUS CODE EXISTING ON ITS DEVICES OR THE SECURITY THEREOF.

3. **TRIAL LICENSE.** If the Solution is provided by Arctic Wolf to Customer for internal testing purposes ("Trial"), the license set out above shall be of a limited duration from when the applicable Solution is made available by Arctic Wolf to Customer and may be terminated by Arctic Wolf at any time in its sole discretion ("Trial Period") and shall apply solely to the extent necessary to perform the Trial. Notwithstanding anything to the contrary in this Agreement, such license shall automatically terminate upon the expiry of the Trial Period, or earlier if Customer breaches any provision of this Agreement, and subsection 12 (d) of this Agreement shall apply. The Trial Period may be extended or terminated by Arctic Wolf in writing (email sufficient) at any time in its sole discretion.

4. **CUSTOMER WARRANTIES.** In addition to any warranties set forth in the General Terms

4.1 CUSTOMER ACKNOWLEDGES AND AGREES THAT WHERE THE SOLUTION IS DESIGNED TO INTEROPERATE WITH OR FACILITATE CUSTOMER'S ACCESS TO THIRD PARTY ITEMS, ARCTIC WOLF HAS NO CONTROL OVER THE FUNCTIONALITY, DELIVERY, USE OR PERFORMANCE OF SUCH THIRD PARTY ITEMS.

4.2 CUSTOMER ACKNOWLEDGES AND WARRANTS THAT CUSTOMER IS SOLELY RESPONSIBLE AND LIABLE FOR: (I) VERIFYING THE ACCURACY AND ADEQUACY OF ANY INPUT, OUTPUT OR ALERT INTO OR FROM THE SOLUTION; OR (II) CUSTOMER'S DECISION TO ALLOW OR MAINTAIN ANY MALWARE OR VULNERABILITY ON OR TO CUSTOMER'S (OR ITS USERS') ENDPOINTS, SYSTEMS OR NETWORKS. TO THE MAXIMUM EXTENT PERMITTED BY LAW, CUSTOMER WAIVES ANY AND ALL CAUSES OF ACTION OR CLAIMS AGAINST ARCTIC WOLF ARISING FROM OR RELATING TO THIS SECTION 4.2.

5. **TERMINATION.** Except as otherwise required by law and provided that the Solution is no longer in use by Customer, Arctic Wolf will remove, delete, or otherwise destroy all copies of Confidential Information in its possession one hundred-twenty (120) days following expiration or termination. Notwithstanding anything contrary herein, should Customer fail to immediately cease all use of and/or access to the Solution and delete and/or destroy all copies of Software that are in Customer's possession or control, the subscription will not terminate, and Customer shall remain responsible for payment of fees pertaining to the subscription.

**AURORA MANAGED DETECTION AND RESPONSE
SUPPLEMENTAL PRODUCT TERMS**

These Aurora Managed Detection and Response Supplemental Product Terms ("**Supplemental Product Terms**") is an addendum to, supplements, and is made part of the General Terms located at <https://arcticwolf.com/terms/general-terms/> (or such other similarly executed General Terms or negotiated Solutions Agreement) in place between the parties (the "**General Terms**") (the Supplemental Product Terms and General Terms collectively referred to herein as the "**Agreement**") and, subject to the terms herein, governs Customer's use of the Managed Detection and Response solution (the "**Solution**") These Supplemental Product Terms apply to the extent Customer has subscribed to the Solution either as a standalone offering or as part of Customer's subscription to other Products. Any capitalized terms not otherwise defined herein have the same meanings as those noted in the General Terms. If there is any conflict between these Supplemental Product Terms and the General Terms, then these Supplemental Product Terms shall control.

1. SOLUTION.

1.1 The Solution may be licensed separately or as part of a Security Operations Bundle as more fully described at <https://arcticwolf.com/terms/bundles-tiers/> (each a "Bundle") The Solution includes the following Components.

Component	
Software	The object form of any software, including any operating system software included in the Equipment, and add-ons offering enhanced features and functionality made generally available to Arctic Wolf customers from time-to-time
Equipment	Virtual network appliances (vSensor) or physical sensors (Sensor)
Services	Support, onboarding services, and services provided by Security Services, and Cyber Resilience Assessment (" CRA ") within the Platform and accessible on the Unified Portal
Platform	One (1) vSensor 100 series Unlimited data ingestion Access to the Unified Portal (formerly called Customer Portal) Use of the Arctic Wolf Agent ITSM Ticketing Integrations (if elected by Customer) 90-day Log Retention (unless another retention period is purchased by Customer and set forth on an Order Form)

1.2 The Solution and its Components are more fully described in the MDR Product Description located at <https://docs.arcticwolf.com/> (the "**Product Description**") and incorporated herein by reference. Any capitalized terms not otherwise defined in these Supplemental Product Terms or the General Terms shall have the definition in the Product Description.

2. DATA; ARCTIC WOLF TECHNOLOGY.

2.1 **Data** Data processed by Arctic Wolf in the delivery of the Solution includes.

2.1.1 **Solutions Data** "**Solutions Data**" means the operational system log data and any other information provided by Customer in furtherance of its use of the Solution and which Customer may elect to submit to Arctic Wolf using the Solution, 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

2.1.2 Customer acknowledges and agrees that Arctic Wolf, in the performance of the Solution, may use a GeoIP service (i.e., a method of locating a computer terminal's geographic location by identifying that terminal's internet protocol ("IP") address) to report the location of Customer's IP address

2.2 **Data Storage** Customer's Confidential Information is stored in Arctic Wolf's third-party service provider data centers specified by the Platform location included on Customer's Order Form (or within the General Terms, if identified) and may be processed as set forth in the Agreement and Data Processing Addendum

2.3 **Data Transmission** Customer's Data will be transmitted to Arctic Wolf via a secure tunnel in compliance with the requirements of Arctic Wolf's then-current SOC2 Type II Report and ISO27001 certification

3. TERMINATION. Except as otherwise required by law, Arctic Wolf will remove, delete, or otherwise destroy all copies of Confidential Information in its possession upon the earlier of the following: (i) the return of the Equipment, if applicable, to Arctic Wolf, or (ii) one hundred-twenty (120) days following expiration or termination. Notwithstanding anything contrary in this Agreement, should Customer fail to return any Equipment within ninety (90) days following discontinuation of use of the Equipment or termination or expiration of this Agreement, Customer will be liable for the replacement cost of the Equipment, which shall be due and owing upon receipt of the invoice from Arctic Wolf or the Authorized Partner, and Arctic Wolf shall have no liability to Customer for a breach of Data included on such unreturned Equipment and Customer shall be liable for any breach of the Arctic Wolf Technology contained within such unreturned Equipment

4. MICROSOFT US GOVERNMENT COMMUNITY AND HIGH US GOVERNMENT COMMUNITY ENVIRONMENT MONITORING. In the event Arctic Wolf monitors applications for Customer within the Microsoft US Government Community environment or US Government Community High environment (each a "GCC environment") as part of the delivery of the Solutions, Customer understands and agrees as follows:

4.1 Arctic Wolf is not FedRAMP compliant

4.2 Only Arctic Wolf supported and integrated applications will be monitored in the GCC environment

- 4.3 Solutions Data (i) may be accessed by Arctic Wolf, its Affiliates, and any third-party providers, from locations outside the United States, and (ii) may be accessed by persons who are not United States citizens.
- 4.4 Arctic Wolf does not require access to or delivery of Customer's Controlled Unclassified Information ("CUI") and in the event information classified as CUI is provided, Arctic Wolf may immediately cease ingestion of Customer Solutions Data without further liability to Customer
- 4.5 Arctic Wolf will provide reasonable cooperation to Customer in the event of a data breach involving Solutions Data including, but not limited to assistance in responding to any government or regulatory inquiries
- 4.6 Certain Microsoft log sources may be in beta and, consequently, Arctic Wolf makes no representations as to the delivery of the Solutions related to any such beta Microsoft log sources
- 4.7 Customer will immediately notify Arctic Wolf of non-consent or any change in consent and any monitoring of Customer's GCC environment will immediately cease without further liability to Arctic Wolf.

AURORA SECURITY AWARENESS & TRAINING SUPPLEMENTAL PRODUCT TERMS

These Aurora Security Awareness & Training ("ASAT", fka Managed Security Awareness) Supplemental Product Terms ("**Supplemental Product Terms**") is an addendum to, supplements, and is made part of the General Terms located at <https://arcticwolf.com/terms/general-terms/> (or such other similarly executed General Terms or negotiated Solutions Agreement) in place between the parties (the "**General Terms**") (the Supplemental Product Terms and General Terms collectively referred to herein as the "**Agreement**") and, subject to the terms herein, governs Customer's use of the ASAT solution (the "**Solution**"). These Supplemental Product Terms apply to the extent Customer has subscribed to the Solution either as a standalone offering or as part of Customer's subscription to other Products. Any capitalized terms not otherwise defined herein have the same meanings as those noted in the General Terms. If there is any conflict between these Supplemental Product Terms and the General Terms, then these Supplemental Product Terms shall control.

BY EXECUTING, WHETHER MANUALLY OR ELECTRONICALLY, OPERATING, DOWNLOADING, INSTALLING, REGISTERING OR OTHERWISE USING THE SOLUTION, ACCEPTING AN ORDER FORM WHICH INCLUDES THE SOLUTION, OR CLICKING AN "I ACCEPT", "SUBMIT", OR "CONTINUE" BUTTON ASSOCIATED WITH THIS AGREEMENT, CUSTOMER (OR ITS AUTHORIZED AGENT, IF APPLICABLE) EXPRESSLY AND EXPLICITLY ACKNOWLEDGES AND AGREES THAT THIS IS A BINDING AGREEMENT AND CUSTOMER HEREBY AGREES TO THE GENERAL TERMS AND THESE SUPPLEMENTAL PRODUCT TERMS. IF YOU ARE AN EMPLOYEE OR OTHER REPRESENTATIVE, INCLUDING CUSTOMER'S AUTHORIZED PARTNER (AS DEFINED BELOW), ACCEPTING THIS AGREEMENT ON BEHALF OF CUSTOMER OR USING OR ACCESSING CYBER JUMPSTART PORTAL ON BEHALF OF CUSTOMER, YOU HEREBY REPRESENT AND WARRANT TO ARCTIC WOLF THAT YOU ARE (A) AUTHORIZED TO ENTER INTO THIS AGREEMENT ON BEHALF OF CUSTOMER; AND (B) YOU HAVE APPROPRIATE CONSENT AND AUTHORIZATION TO ACCESS YOUR CUSTOMER'S ACCOUNT. IF YOU AND/OR CUSTOMER 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 LICENSE OR SUBSCRIBE TO THE SOLUTION OR OTHERWISE USE THE SOLUTION.

1. SOLUTION.

1.1 The Solution may be licensed separately or as part of a Security Operations Bundle as more fully described at <https://arcticwolf.com/terms/bundles-tiers/> (each a "Bundle") The Solution includes the following Components:

Component	
Software	Phishtel Reporting Engine and Arctic Wolf Report Email Button
Content	Online access and download rights, if licensed by Customer, to Customer learning content and Content Compliance Pack within the Administrator Dashboard and/or Content Library
Content Management Hosting Environment	Access to and use of the Administrator Dashboard and metrics related to the use of the Content by Customer's Users
Services	Support, onboarding services, Content modification services, and Cyber Resilience Assessment ("CRA") within the Platform and accessible on the Unified Portal
Professional Services	If available with Customer's subscription and purchased subject to a separately executed SOW

1.2 The Solution and its Components are more fully described in the ASAT (formerly MA) Product Description located at <https://docs.arcticwolf.com/> (the "**Product Description**") and incorporated herein by reference. Any capitalized terms not otherwise defined in the Agreement shall have the definition in the Product Description.

2. DATA; ARCTIC WOLF TECHNOLOGY.

2.1 Data Data processed by Arctic Wolf in the delivery of the Solution includes

2.1.1 Learner Data "**Learner Data**" means User setup details (User email, work title, and name), Solution metrics related to such Users, including your Users' learning status, training scores, and Phishing results associated with such Users' use of the Solution.

2.1.2 Phishtel Data "**Phishtel Data**" is collected if the Arctic Wolf Report Email Button is deployed by Customer and means the information pertaining to the phishing email(s) self-reported by a User and includes or may include name of User, email address of User, Microsoft Graph API ID, json web token, full content of email, and version data

2.1.3 Customer created and owned content, if any

2.2 Arctic Wolf Technology For purposes of these Supplemental Product Terms, Arctic Wolf Technology includes System Metrics Data and Arctic Wolf Trademarks.

2.2.1 System Metrics Data "**System Metrics Data**" means any machine-generated data, such as metadata derived from tasks, file execution, commands, resources, network telemetry, executable binary files, macros, scripts, and processes, that: (i)

Customer provides to Arctic Wolf, or (ii) is collected or discovered during the course of Arctic Wolf's delivery of the Solution or Customer's use thereof, excluding any such information or data that identifies Customer or to the extent that it includes personal information of Customer's data subjects

2.2.2 Arctic Wolf Trademarks Any license to Arctic Wolf Trademarks requires the following: (a). All uses of Arctic Wolf Trademarks will comply with any written trademark guidelines that Arctic Wolf may provide to Customer from time to time, (b) Customer is prohibited from removing or altering any Arctic Wolf Trademarks displayed with or in the Content or Hosting Environment except with Arctic Wolf's written consent or as otherwise accommodated by Arctic Wolf as part of the Solutions, and (c) Customer agrees that it will not in any way suggest or imply by the use of Arctic Wolf Trademarks that Customer is affiliated with or endorsed or sponsored by Arctic Wolf

2.3 Data Storage. Customer's Confidential Information is stored in Arctic Wolf's third-party service provider data centers located in the United States and may be processed as set forth in the Data Processing Addendum

3. OWNERSHIP

3.1 Customer Ownership. Except for the limited rights granted in the Agreement, Customer owns all Phishtel Data, Learner Data, and Customer created and owned content.

4. TERMINATION

4.1 Except as otherwise required by law, Arctic Wolf will remove, delete, or otherwise destroy all copies of Confidential Information in its possession within one hundred twenty (120) days of expiration or termination

AURORA VULNERABILITY MANAGEMENT SUPPLEMENTAL PRODUCT TERMS

These Aurora Vulnerability Management (AVM, formerly Managed Risk (MR)) Supplemental Product Terms ("**Supplemental Product Terms**") is an addendum to, supplements, and is made part of the General Terms located at <https://arcticwolf.com/terms/general-terms/> (or such other similarly executed General Terms or negotiated Solutions Agreement) in place between the parties (the "**General Terms**") (the Supplemental Product Terms and General Terms collectively referred to herein as the "**Agreement**") and, subject to the terms herein, governs Customer's use of the AVM solution (the "**Solution**"). These Supplemental Product Terms apply to the extent Customer has subscribed to the Solution either as a standalone offering or as part of Customer's subscription to other Products. Any capitalized terms not otherwise defined herein have the same meanings as those noted in the General Terms. If there is any conflict between these Supplemental Product Terms and the General Terms, then these Supplemental Product Terms shall control.

1. SOLUTION.

1.1 The Solution may be licensed separately or as part of a Security Operations Bundle as more fully described at <https://arcticwolf.com/terms/bundles-tiers/> (each a "Bundle"). The Solution includes the following Components:

Component:	
Software	The object form of any software, including any related to virtual Equipment, if applicable, any operating system software included in the Equipment, and add-ons offering enhanced features and functionality made generally available to Arctic Wolf customers from time-to-time
Equipment	Virtual network appliances (vScanner) or physical scanners (Scanner)
Services	Support, onboarding services, and services provided by Security Services, and Cyber Resilience Assessment (" CRA ") within the Platform and accessible on the Unified Portal
Platform	Unlimited data ingestion Access to the Unified Portal (fka Customer Portal) Use of the Arctic Wolf Agent ITSM Ticketing Integrations (if elected by Customer)

1.2 The Solution and its Components are more fully described in the MR Product Description located at <https://docs.arcticwolf.com/> (the "**Product Description**") and incorporated herein by reference. Any capitalized terms not otherwise defined in the Agreement shall have the definition in the Product Description.

2. DATA; ARCTIC WOLF TECHNOLOGY.

2.1 Data. Data processed by Arctic Wolf in the delivery of the Solution includes:

2.1.1 Solutions Data. "**Solutions Data**" means the operational system log data and any other information provided by Customer in furtherance of its use of the Solution and which Customer may elect to submit to Arctic Wolf using the Solution, 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.

2.1.2 Customer acknowledges and agrees that Arctic Wolf, in the performance of the Solution, may use a GeoIP service (i.e., a method of locating a computer terminal's geographic location by identifying that terminal's internet protocol ("IP") address) to report the location of Customer's IP address.

2.2 Data Storage. Customer's Confidential Information is stored in Arctic Wolf's third-party service provider data centers specified by the Platform location included on Customer's Order Form (or within the General Terms, if identified) and may be processed as set forth in the Agreement and Data Processing Addendum.

2.3 Data Transmission. Customer's Data will be transmitted to Arctic Wolf via a secure tunnel in compliance with the requirements of Arctic Wolf's then-current SOC2 Type II Report and ISO27001 certification.

3. TERMINATION

3.1 Except as otherwise required by law, Arctic Wolf will remove, delete, or otherwise destroy all copies of Confidential Information in its possession upon the earlier of the following: (i) the return of the Equipment, if applicable, to Arctic Wolf, or (ii) one hundred-twenty (120) days following expiration or termination. Notwithstanding anything contrary in this Agreement, should Customer fail to return any Equipment within ninety (90) days following discontinuation of use of the Equipment or termination or expiration of this Agreement, Customer will be liable for the replacement cost of the Equipment, which shall be due and owing upon receipt of the invoice from Arctic Wolf or the Authorized Partner, and Arctic Wolf shall have no liability to Customer for a breach of Data included on such unreturned Equipment and Customer shall be liable for any breach of the Arctic Wolf Technology contained within such unreturned Equipment.

4. **TRIAL ACCESS**. If Arctic Wolf has made available to Customer Trial Access, Customer may use such access solely to evaluate purchase of a subscription from Arctic Wolf. The Trial Access is limited to thirty (30) days from the date Customer activates the Trial Access, unless otherwise specified by Arctic Wolf (the "**Trial Period**"). Notwithstanding any other provision of the Agreement, the Trial Access is provided "AS IS" without warranty or support of any kind, express or implied. Arctic Wolf may terminate Customer's Trial Access at any time for any reason and without liability of any kind. "**Trial Access**" means free, trial or evaluation access to the Solution or any other separately offered feature or functionality pertaining thereto.

**AURORA INCIDENT RESPONSE (IR) SERVICES
SUPPLEMENTAL PRODUCT TERMS**

These Aurora Incident Response (IR) Services Supplemental Product Terms ("**Supplemental Product Terms**") is an addendum to, supplements, and is made part of the General Terms located at <https://arcticwolf.com/terms/general-terms/> (or such other similarly executed General Terms or negotiated Solutions Agreement) in place between the parties (the "**General Terms**") (the Supplemental Product Terms and General Terms collectively referred to herein as the "**Agreement**"). These Supplemental Product Terms apply to the extent Customer or its Counsel (as defined herein) has engaged Arctic Wolf in an incident response engagement under a Statement of Work ("**SOW**"). Any capitalized terms not otherwise defined herein have the same meanings as those noted in the General Terms. If there is any conflict between these Supplemental Product Terms and the General Terms, then these Supplemental Product Terms shall control. Arctic Wolf and the customer (or client identified by counsel) identified on a SOW ("**Customer**"), and if applicable Customer's legal counsel, solicitor, or however legally named in a particular jurisdiction identified thereon ("**Counsel**"), may execute a SOW and agree that the Agreement govern any such SOW executed by the parties from time-to-time. If Counsel has been engaged by Customer, the parties agree that Counsel has been engaged by Customer to interact with Arctic Wolf on behalf of Customer as it relates to any such incident response engagement. As such, Arctic Wolf will work at the direction of Counsel. Any capitalized terms not otherwise defined herein will have the meaning set forth in the General Terms. In the event of any conflict between these Supplemental Product Terms and the General Terms, these Supplemental Product Terms shall control.

1. IR SERVICES.

1.1 **SOWs** Arctic Wolf shall provide to Customer the incident response consulting services as described in one or more SOWs (the "**IR Services**") and as more fully detailed in the IR Services Product Description located at <https://docs.arcticwolf.com/>. Arctic Wolf, together with its Affiliates, will provide the IR Services as set forth in a SOW. "**SOW**" means the document(s) signed by Customer, Counsel, or both and issued by Arctic Wolf to Customer pursuant to these Supplemental Product Terms that list the IR Services to be provided to Customer and the fees to be paid to Arctic Wolf for such IR Services. The parties understand and agree that Arctic Wolf, upon Customer's or Counsel's authorization (email sufficient), may initiate IR Services prior to execution of a SOW. Customer, and Counsel (as applicable), agree that their authorization of such initiation of IR Services will be subject to the terms of the Agreement. A SOW may be presigned by Arctic Wolf. In such instances, the SOW will be effective upon execution by Customer and Counsel, if applicable, and no modifications to the SOW that are not expressly accepted by Arctic Wolf as evidenced by a initial shall be effective and are deemed null and void. The hours set forth on a SOW are estimates only and any line item estimates are for reference purposes. Should additional scope over the total estimated hours for a SOW be required and warrant an increase in the estimates set forth on the SOW, Arctic Wolf will notify Customer, and Counsel (if applicable), and provide a revised budget prior to commencing additional IR Services. Arctic Wolf agrees that it will not exceed the total estimate on the SOW without prior express written approval (email sufficient) from Customer, and Counsel (if applicable). Notwithstanding the foregoing, Customer, and Counsel (as applicable), understand and agree that Arctic Wolf may immediately discontinue IR Services, in its sole discretion and without liability, in the event Customer, and/or Counsel, do not execute a SOW for any additional hours.

2. DATA; SYSTEMS.

2.1 **Data** Data processed by Arctic Wolf in the delivery of the IR Services will include:

2.1.1 **Incident Evidence** "**Incident Evidence**" means all files, data, text, audio, images, video and other content in any form made accessible to Arctic Wolf by or on behalf of Customer, but excluding Threat Intelligence Data. Except as otherwise required by law, Arctic Wolf will remove, delete, or otherwise destroy Incident Evidence in its possession within sixty (60) days following termination of a SOW, or any extension thereof. On or before thirty (30) days after the completion of IR Services and upon written notification (email being sufficient) to Arctic Wolf, Customer may request the return of Customer's Incident Evidence in a method mutually agreed on by the parties. Customer understands and agrees that Arctic Wolf may share, to the extent necessary to deliver the IR Services and subject to the limitations stated herein, the Incident Evidence with Customer's third party advisors and consents to such sharing. Customer is responsible for the purchase of hard drives from Arctic Wolf, if needed, for the delivery of Incident Evidence to Arctic Wolf for the delivery of the IR Services. Shipment of the hard drives to Customer will be F.O.B. Arctic Wolf's facilities and risk of loss or damage shall pass to Customer when the hard drives are delivered to the carrier for shipment to Customer. Customer's return of the hard drives to Arctic Wolf shall be D.A.P. Arctic Wolf's facilities and risk of loss or damage shall pass to Arctic Wolf upon delivery of the hard drives in such facilities.

2.1.2 **Report Data** "**Report Data**" means the expert reporting materials created by Arctic Wolf from the processing and analysis of the Incident Evidence. Such Report Data will include meta data and operating system evidence which are used by Arctic Wolf to support its conclusions related to the investigation of any incident. Report Data will be retained by Arctic Wolf for twelve (12) months following the completion of the IR Services set forth on a SOW and used in accordance with the Agreement and Privacy Notice.

2.1.3 **Regulated Data** "**Regulated Data**" means information Arctic Wolf is required by law, government or in accordance with regulatory requirements to retain for a defined period of time, and including any information related to ransom payment activities. Such Regulated Data will be retained in accordance with Arctic Wolf's standard information retention practices and used in accordance with the Privacy Notice. Notwithstanding the foregoing, Arctic Wolf should not be relied upon as Customer's source for such information and Customer is solely responsible for maintaining its own copies of any Regulated Data in order to ensure compliance with its specific legal and regulatory requirements.

2.2 **Data Storage; Access** Incident Evidence, Report Data, and Regulated Data will be stored in data centers located in the United States unless an alternative data storage location is purchased by Customer and referenced on a SOW. Arctic Wolf's and Affiliates' personnel will have access to such Confidential Information to provide IR Services, subject to the terms set forth herein. Access may occur from outside of the country in which Customer is located. Customer consents to the use of such data centers and access by Arctic Wolf and its Affiliates.

2.3 **Customer Systems** Arctic Wolf has no rights in or to any software, hardware, equipment, or systems made accessible to Arctic Wolf by or on behalf of Customer (collectively, the "**Systems**"), except as specified herein. Arctic Wolf may use the Systems during the Term only in order to provide the IR Services, and Customer shall take all reasonable steps requested by Arctic Wolf, at Customer's sole cost, to provide Arctic Wolf with the corresponding rights and access necessary for Arctic Wolf to provide the IR Services. Arctic Wolf's performance of the IR Services may be dependent on Customer providing reasonable and timely delivery of or access to the Systems. As between the parties, Customer is solely responsible for backing up Incident Evidence on the Systems and for the encryption and/or security of its Incident Evidence in the delivery of such information to Arctic Wolf.

2.4 **Limited Use and Disclosure** Arctic Wolf may disclose to Customer's authorized partner, if any, and Customer, and Counsel, if applicable, consents to such disclosure, Customer (or Counsel) engaged Arctic Wolf for IR Services for the sole purpose of Arctic Wolf's payment of commissions or other amounts due to such authorized partner. Incident Evidence, any findings related thereto, or further details regarding the IR Services provided by Arctic Wolf to Customer will not be disclosed to such authorized partner.

3. CUSTOMER RESPONSIBILITIES

3.1 Customer Instructions. Arctic Wolf will perform the IR Services on the basis of, and in reliance upon access to the Incident Evidence, Systems and Customer's instructions. If any error results from incorrect, improper, or otherwise erroneous Systems or Customer instructions, Arctic Wolf shall not be liable for any damages or delays arising therefrom. Customer is solely responsible for reporting errors and supplying the Incident Evidence, Systems or instructions necessary to correct such error.

3.2 Export Compliance. Should Arctic Wolf share non-public vulnerability-related information with Customer, Customer agrees that its use of such information is for conducting or coordinating remediation to resolve the vulnerability or to address a cybersecurity incident. Customer acknowledges that subsequent disclosure of such non-public vulnerability information for any other purpose may be subject to export control authorization requirements.

4. **THIRD PARTY LICENSES AND RESTRICTIONS.** Any use by Customer of any software or products related to the IR Services made accessible by Arctic Wolf or its third party licensors, including both Arctic Wolf's software and third-party software, may be subject to execution by Customer of then-current software license agreement, as the same may be updated from time to time by Arctic Wolf or third party licensors. To the extent of a conflict between any such third party software license agreement and this Agreement, such software license agreement controls. Any liability of such third party licensors is limited in accordance with such third party licensor terms.

5. TERM; TERMINATION; SUSPENSION.

5.1 Term. The Term of an engagement for IR Services will commence on the Effective Date of any SOW and continue until the earlier of (a) the completion of the IR Services engagement set forth in a SOW or any extension thereof or (b) the earlier termination in accordance with the terms of the Agreement. The parties may extend the Term upon mutual written agreement and execution of an additional SOW.

5.2 Termination for Convenience. Either party may terminate a SOW without cause upon forty-eight (48) business hours prior notice to the other party. In the event notice of termination is provided, Customer will remain obligated to pay for the IR Services completed and expenses incurred by Arctic Wolf through the effective date of termination.

5.3 Suspension. In addition to any other suspension rights within the General Terms, Arctic Wolf reserves the right, in its sole discretion, to make necessary unscheduled deployments of changes, tool deployment modifications, updates, or enhancements to the IR Services relating to incident response or other emergency consulting IR Services at any time.

5.4 Effect of Termination. Sections 2, 4, 5, 4, 6, and 7 through 9 survive any termination of a SOW.

6. FEES.

6.1 Fee Structures. All IR Services will be performed on a time and materials or fixed fee basis in the amounts and at the rates outlined in the SOW including any travel time related to IR Services performed onsite at Customer's location. Purchase Orders are not required and execution of the SOW is a binding commitment by Customer (or Counsel, as applicable). As work is performed, Customer will be invoiced for IR Services charged on a time and materials basis on a monthly, milestone, or percentage (generally, 75% of SOW budget on SOW execution and remainder upon SOW conclusion) basis, or as may otherwise be agreed by the parties and reflected in a SOW. Customer, or its Authorized Partner, if applicable, will be invoiced for IR Services charged on a fixed fee basis upon SOW execution, or as may otherwise be agreed by the parties and reflected in a SOW. Notwithstanding anything contrary in a SOW, Customer agrees to remit payment to Arctic Wolf for all third party costs incurred by Arctic Wolf. Where Arctic Wolf is engaged under an insurance claim and the IR Services performed are potentially applicable to that claim, Arctic Wolf will send invoices contemporaneously to the Customer and the relevant representative(s) of insurance carrier via email. Customer is solely liable for the payment of all fees invoiced by Arctic Wolf to Customer directly or via an Authorized Partner pursuant to a SOW, regardless of outcome of any insurance claim decisions and without offset of any insurance deductibles.

6.2 Other Proceedings. In the event of any request or demand from a governmental entity or any other third party, and/or mandatory legal process, seeking information, documents, testimony, or anything else from Arctic Wolf in connection with a SOW, Arctic Wolf will comply with same only to the extent that Customer has requested Arctic Wolf in writing (email sufficient) to do so or Arctic Wolf is legally bound to do so. If it is practicable and permitted, Arctic Wolf will notify Customer of the request or the sharing of information. Customer agrees to reimburse Arctic Wolf for all costs or expenses Arctic Wolf incurs in connection with matters covered by this paragraph, including any time spent by Arctic Wolf (at then-current Arctic Wolf professional IR Services rates) as well as any other costs or expenses Arctic Wolf may incur, including but not limited to attorneys' fees.

7. **ATTORNEY CLIENT PRIVILEGE.** In the event Counsel is engaged by Customer and is party to a SOW, the purpose of the engagement under the Agreement is to enable Counsel to render legal advice to Customer. All work under any SOW is to be performed at the direction of Counsel and is subject to the attorney-client privilege and/or the work product doctrine. Arctic Wolf understands that information and materials received from Counsel or Customer, or generated by Arctic Wolf, are protected by the attorney-client privilege and other applicable privileges such as the work-product doctrine. As such, all communications between and among Arctic Wolf, Counsel, or Customer, either oral or written, as well as any materials or information developed or received by Arctic Wolf pursuant to this arrangement will be treated as confidential. Arctic Wolf agrees, subject to applicable law or court order, and the terms set forth herein, not to disclose any of our communications, or any of the information Arctic Wolf receives or develops in the course of the IR Services, to any other person or entity without Counsel's written authorization. For the avoidance of doubt, references to attorney-client privilege and work product doctrine are intended to include solicitor-client privilege, litigation privilege, or such other similar privilege and doctrine however named within the applicable jurisdiction of Counsel and Customer.

8. **DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE SET FORTH IN THE AGREEMENT, CUSTOMER EXPRESSLY AGREES AND ACKNOWLEDGES THAT USE OF IR SERVICES IS AT CUSTOMER'S SOLE RISK. CUSTOMER AGREES AND ACKNOWLEDGES THAT ARCTIC WOLF AND ITS EMPLOYEES AND CONTRACTORS ARE NOT ATTORNEYS AND THAT THE IR SERVICES AND DO NOT CONSTITUTE LEGAL ADVICE. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY ARCTIC WOLF OR ITS AUTHORIZED REPRESENTATIVES CREATES ANY OTHER WARRANTIES OR IN ANY WAY INCREASES THE SCOPE OF ARCTIC WOLF'S OBLIGATIONS UNDER THE AGREEMENT. THE IR SERVICES MAY BE USED TO ACCESS AND TRANSFER INFORMATION, INCLUDING CONFIDENTIAL INFORMATION, OVER THE INTERNET. CUSTOMER ACKNOWLEDGES AND AGREES THAT ARCTIC WOLF AND ITS VENDORS AND LICENSORS DO NOT OPERATE**

OR CONTROL THE INTERNET AND THAT (A) VIRUSES, WORMS, TROJAN HORSES, OR OTHER UNDESIRABLE DATA OR SOFTWARE OR (B) UNAUTHORIZED THIRD PARTIES (e.g., HACKERS) MAY ATTEMPT TO OBTAIN ACCESS TO AND DAMAGE INCIDENT EVIDENCE, CONFIDENTIAL INFORMATION AND SYSTEMS. ARCTIC WOLF WILL NOT BE LIABLE FOR ANY SUCH ACTIVITIES NOR WILL SUCH ACTIVITIES CONSTITUTE A BREACH BY ARCTIC WOLF OF ITS OBLIGATIONS UNDER THE AGREEMENT. ARCTIC WOLF MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, RELATING TO ANY PRESENT OR FUTURE METHODOLOGY EMPLOYED IN ITS GATHERING OR REPRODUCING OF ANY THIRD PARTY IR SERVICES, OR AS TO THE ACCURACY, CURRENCY, OR COMPREHENSIVENESS OF THE SAME.

9. LIMITATION OF LIABILITY. IN ADDITION TO THE LIMITATION OF LIABILITY SET FORTH IN THE GENERAL TERMS, ARCTIC WOLF WILL HAVE NO LIABILITY OF ANY KIND AS A RESULT OF THE DELETION OF, CORRECTION OF, DESTRUCTION OF, DAMAGE TO, LOSS OF OR FAILURE TO STORE OR ENCRYPT ANY INCIDENT EVIDENCE BELONGING TO OR IN THE POSSESSION OF CUSTOMER. ARCTIC WOLF WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE ARISING FROM OR RELATING TO ANY UNAUTHORIZED USE OF ACCOUNTS DUE TO CUSTOMER 'S FAILURE TO COMPLY WITH THE TERMS OF THE AGREEMENT.

DATA PROCESSING ADDENDUM

(Last Updated: October 2026)

This Data Processing Addendum ("Addendum") forms part of the agreement between Arctic Wolf Networks, Inc. and Customer for the purchase of products and/or solutions identified in the agreement (collectively, the "Products") from Arctic Wolf (the "Agreement"). Each of Customer and Arctic Wolf may be referred to herein as a "party" and together the "parties".

How this Addendum applies

Data protection laws worldwide, including the GDPR (as defined below), place certain obligations upon a data controller to ensure that any data processor it engages provides sufficient guarantees to ensure that the processing of the personal data carried out on its behalf is secure.

This Addendum exists to ensure that there are sufficient security guarantees in place and that the processing conducted by Arctic Wolf on behalf of Customer complies with obligations equivalent to those in the Applicable Data Privacy Laws, as defined in the Addendum.

How to accept this Addendum

This Addendum consists of the main terms and Schedules I through III.

To accept this Addendum, please execute where highlighted yellow on the pages listed below:

1. Complete the Customer information in the signature boxes and sign and date page 8;
2. Send the completed and signed Addendum to Arctic Wolf at legal@arcticwolf.com.

The Customer entity signing this Addendum must be the same as the Customer entity party to the Agreement.

If the entity signing this Addendum is not a party to the Agreement directly with Arctic Wolf, this Addendum is not valid and is not legally binding. Such entity should request that the Customer entity who is a party to the Agreement executes this Addendum.

This Addendum has been pre-signed on behalf of Arctic Wolf. Any changes to this Addendum, other than completion of information and execution in the signature boxes on the pages referenced above, renders Arctic Wolf's signature to this Addendum null and void.

The date of this Addendum shall be the later of the date set forth on page 8 in Customer's signature box and the date when a signed copy of this Addendum is received by Arctic Wolf as described above.

Arctic Wolf Data Processing Addendum – Frequently Asked Questions

Thank you for reviewing the Arctic Wolf Data Processing Addendum. We appreciate your interest in becoming a customer of Arctic Wolf. As a cybersecurity company, protecting our customers' personal information is a priority. We hope the below information will help you better understand how Arctic Wolf protects this information.

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

What is Arctic Wolf's role?

Arctic Wolf is processor as it relates to the delivery of our products and services (the "Products") to you. Arctic Wolf processes the personal information you provide to us in accordance with your instructions. You remain the controller of your information received in the delivery of the Products. You also may provide personal information to us that we use for billing, account management, and communication purposes. We use this information as a controller for such purposes.

Your DPA only references European and United Kingdom privacy laws. Why?

Our DPA incorporates the core privacy principles that underlie many international data protection laws, and most significantly, the General Data Protection Regulation ("GDPR") from the European Economic Area and the United Kingdom, applicable state privacy laws which pertain to business-to-business transactions and specifically the California Privacy Rights Act of 2020 ("CCPA"), and other country-specific privacy laws which apply to our operations, specifically the South Africa Protection of Personal Information Act ("POPIA"), the Australia Privacy Act No. 119 1988 (as amended), and the Canadian Personal Information Protection and Electronic Documents Act ("PIPEDA"). This foundation provides our global customers with a basis to support their privacy compliance requirements. However, our customers are responsible for determining whether our practices and this framework are sufficient to process personal information given our customers' integral knowledge of the legal and regulatory frameworks within which they operate.

What data does Arctic Wolf receive to deliver the Products and what personal information may be included?

As a processor, and depending on the Products subscribed to (please see our Privacy Notice located at <https://arcticwolf.com/terms/privacy-notice-for-customers/> for further information), we may receive the following personal information from our customers.

- **Points of Contact Information.** Points of Contact Information includes contact details for the individuals who may be contacted by Arctic Wolf to deliver the Products. This Points of Contact Information will be collected by Arctic Wolf during various phases of Product delivery and throughout the life of the subscription. Points of Contact Information may include the following personal information: first name, last name, corporate email address, phone number, job title, address, organization hierarchy.
- **Solutions Data.** Solutions Data is systems and operational log data provided by our customers during the onboarding process as well as collected via the deployed MDR and MR Solutions. Personal information included in the Solutions Data may include: first name, last name, IP (Internet Protocol) Addresses, geolocation, usernames, passwords, email addresses. Arctic Wolf does not require any special categories of data to deliver these Solutions.
- **Incident Evidence.** Incident Evidence is the information you provide to Arctic Wolf and is required for the completion of the forensic/investigation processes conducted by Arctic Wolf as part of the incident response (IR) services. You provide this information to Arctic Wolf via firewall logs, server/workstation logs, logs from cloud services, email, individual files, full images of servers/workstations, SaaS configuration data, Firewall configuration data, memory snapshots, process lists, installed software lists, inventory of hosts, and DNS records. To the extent personal information is included in these sources of information, Arctic Wolf will obtain all such personal information to deliver IR services.
- **Learner Data.** Learner Data may be provided by you via the Administrator Portal or via a direct API feed from your Active Directory set up to Arctic Wolf with respect to the Users you permit to use the Managed Security Awareness Solution. Learner Data includes User setup details, including email, work title, and name and your program metrics, including your Users' learning status, training scores, and Phishing results associated with such Users' use of this Solution.
- **Phishtel Data.** Phishtel Data includes information pertaining to the phishing email(s) self-reported by a User as part of the Managed Security Awareness solution and includes or may include name of User, email of User, json web token, full content of email, and version data.
- **Security Profile Data.** Security Profile Data may be uploaded by you or your third-party agent in the Cyber JumpStart Portal when using the modules therein. Personal information you may elect to upload into the applications includes names, emails, employee and third-party agent contact information, and IP addresses.
- **Aurora MDR Data.** If Aurora Managed Endpoint Defense on Demand or Aurora Endpoint Defense are included in your subscription, Arctic Wolf processes Aurora MDR Data. Aurora MDR Data is systems and operational log data provided by you during the onboarding process as well as collected via such deployed products. Personal information included in the Aurora MDR Data may include: first name, last name, IP (Internet Protocol) Addresses, geolocation, usernames, passwords, email addresses. Arctic Wolf does not require any special categories of data to deliver these Solutions.

- **Endpoint Solutions Data.** If Aurora Endpoint Defense, Aurora Protect, Aurora Protect Server, or Aurora Protect Mobile are included in your subscription, Arctic Wolf processes Endpoint Solutions Data. Personal Information included in Endpoint Solutions Data may include usernames, first name, last name, email address, IP addresses, username unique identifier, user privileges, SMS sender ID, SMS message contents and hyperlinks from unknown senders.

Does Arctic Wolf use subprocessors?

Arctic Wolf uses subprocessors to provide the Products (e.g., as part of our global follow-the-sun operations to make updates to our software-as-a-service applications and prevent or address technical issues). Any subprocessor that Arctic Wolf engages to process our customers' personal information undergoes a thorough vendor due diligence review and agrees to abide by data protection terms no less protective than those set forth in this DPA.

Who are Arctic Wolf's subprocessors?

A list of Arctic Wolf's subprocessors can be found [here](#).

How do you inform your customers about new subprocessors?

Arctic Wolf will update its subprocessor list at least ten (10) days prior to implementing a new subprocessor. Customers can subscribe to receiving an alert that the list has been updated. Our customers are responsible for ensuring that the people in their organization who need to be notified about such updates subscribe to changes to the subprocessor list.

Can customers object to Arctic Wolf's use of a new subprocessor?

Where required by law, Arctic Wolf's customers can object to use of a new subprocessor on reasonable grounds relating to data protection. If Arctic Wolf decides to retain a subprocessor to which a customer has objected, then the customer has the option to terminate the affected Product.

How does Arctic Wolf help its customers legalize cross-border data transfers of personal information and meet the "adequacy" requirements for the United Kingdom, Switzerland, and European Economic Area?

Arctic Wolf has self-certified under the EU-U.S. Data Privacy Framework, the UK Extension related thereto, and the Swiss-U.S. Data Privacy Framework Principles and commits to the EU-U.S. Data Privacy Framework Principles as described therein. In addition, we use Standard Contractual Clauses to legalize transfers of personal information outside of the European Economic Area, the United Kingdom and Switzerland and within this DPA, we include reference to the Standard Contractual Clauses approved by the European Commission Implementing Decision of 4 June 2021, as currently set out at: https://eur-lex.europa.eu/eli/dec_impl/2021/914 (Module Two: Transfer Controller to Processor) and, with respect to UK GDPR, the International Data Transfer Addendum to the EU Commission Standard Contractual Clauses published by the UK's Information Commissioner's Office UK version B1.0, dated March 21, 2022. These Standard Contractual Clauses are model contracts developed by the European Commission and UK Information Commissioner's Office to legalize transfers of personal data from the United Kingdom, Switzerland and European Economic Area to processors located in other countries.

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

DATA PROCESSING ADDENDUM

This Data Processing Addendum ("Addendum") forms part and is incorporated into the agreement between Arctic Wolf Networks, Inc. and Customer for the purchase of or subscription to the Products identified in the agreement between Customer and Arctic Wolf (jointly referred to as the "Agreement"). Each of Customer and Arctic Wolf may be referred to herein as a "party" and together the "parties".

By signing below, Customer enters into this Addendum on behalf of itself and, to the extent required under Data Protection Laws (defined hereinafter), in the name and on behalf of its Authorized Affiliates, if and to the extent Arctic Wolf Processes Personal Data for such Affiliates and they qualify as, for the purposes of the GDPR, the controller and, for the purposes of the CCPA, the business (or as such similar terms are used under Data Protection Laws). For the purposes of the GDPR, Arctic Wolf is the processor and, for the purposes of the CCPA, the service provider (or as such similar terms are used under Data Protection Laws). In the delivery of Products to Customer pursuant to the Agreement, Arctic Wolf may Process Personal Data on behalf of Customer and the parties agree to comply with the following provisions with respect to any Personal Data, each acting reasonably and in good faith.

1. Definitions. Any capitalized terms not otherwise defined in this Addendum shall have the meaning set forth in the General Terms (also referred to as the Solutions Agreement). In this Addendum, the following terms shall have the meaning set forth as follows:

1.1 "Affiliate" means (i) an entity of which a party directly or indirectly owns fifty percent (50%) or more of the stock or other equity interest, (ii) an entity that owns at least fifty percent (50%) or more of the stock or other equity interest of a party, (iii) an entity which is under common control with a party by having at least fifty percent (50%) or more of the stock or other equity interest of such entity and a party owned by the same person, but such entity shall only be deemed to be an Affiliate so long as such ownership exists, or (iv) regardless of ownership, any company or other entity, whether or not with legal personality, which directly or indirectly, is under joint control with a party.

1.2 "Authorized Sub-Processor" means those parties listed in Schedule II of this Addendum, as such list may be updated from time-to-time in accordance with Section 4, who have a need to know or otherwise access Personal Data to enable Processor to perform its obligations under this Addendum or the Agreement and do not include subcontractors who provide ancillary services such as telecommunication services, postal/transport services, maintenance and user support services, as well as other resources, tools, and measures to ensure the confidentiality, availability, integrity and resilience of the Products.

1.3 "Customer" means the customer entity that is party to the Agreement.

1.4 "Data Subject" means (i) "data subject" as defined under the GDPR or the UK GDPR, (ii) "consumer" or "household" as defined under the CCPA, and/or (iii) such similar term under the relevant Data Protection Laws.

1.5 "Data Protection Laws" means one or more of the following data protection laws or regulations as applicable to the Processing of Personal Data by Arctic Wolf under the 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) 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) Malaysia Personal Data Protection Act 2010 (PDPA); and (ix) any relevant law, statute, regulation, legislative enactment, order or other binding instrument, that implements, supplements, or amends the foregoing.

1.6 "EU Standard Contractual Clauses" means the controller to processor clauses for the transfer of Personal Data from the EEA to processors established in non-EEA countries that do not provide an adequate level of data protection approved by the European Commission Implementing Decision (EU) 2021/914 of 4 June 2021, as currently set out at https://eur-lex.europa.eu/eli/dec_impl/2021/914/oj?un=CELEX_32021D0914 (Module Two: Transfer Controller to Processor) as may be amended or replaced by the European Union from time-to-time.

1.7 "EEA" means the European Economic Area.

1.8 "Instruction" means the (i) instructions from Customer as set forth in the Agreement, (ii) the "Business Purpose" as defined under CCPA, (iii) such similar term under the relevant Data Privacy Laws, and/or (iv) any direction, either in writing, in textual form (e.g. by e-mail) or by using a software or online tool, issued by Controller to Processor and directing Processor to Process Personal Data.

1.9 "Personal Data" means (i) "personal data" as defined under the GDPR and/or the UK GDPR, (ii) "personal information" as defined under CCPA, and/or (iii) such similar term under the relevant Data Protection Laws, that is under the control of Customer and Processed by Arctic Wolf in connection with the delivery of the Products.

1.10 "Personal Data Breach" means a breach of Processor's security leading to the accidental or unlawful or unauthorized destruction, loss, alteration, encryption, unavailability, acquisition, disclosure of, or access to, Personal Data transmitted, stored, or otherwise Processed.

1.11 "Process" or "Processing" is as defined under the applicable Data Privacy Laws and further described in Schedule I.

1.12 "Restricted Transfer" means the disclosure, grant of access or other transfer of Personal Data Processed under the Agreement to any person located in Third Countries.

1.13 "Products" shall have the meaning set forth in the Agreement.

1.14 "Sale", "Sell" or "Selling" means selling, renting, releasing, disclosing, disseminating, making available, transferring, or otherwise communicating orally, in writing, or by electronic or other means, Personal Data with a Third Party, whether for monetary or other valuable considerations or for no consideration, for the Third Party's commercial purposes.

1.15 "Standard Contractual Clauses" means government approved contract mechanism for Restricted Transfers.

1.16 "Third Country(ies)" means countries outside of the scope of the data protection laws of the EEA, Switzerland, and/or the UK (as applicable), excluding countries approved as providing adequate protection for Personal Data by the European Commission and/or the Information Commissioner's Office (as applicable) from time-to-time

1.17 "Third Party" means any person (including companies, entities, organizations, etc.) that is not Customer, an Authorized Subprocessor, or Arctic Wolf.

1.18 "UK Standard Contractual Clauses" means the International Data Transfer Addendum issued by the UK's Information Commissioner's Office under s119(A) of the UK Data Protection Act 2018 as may be updated from time-to-time, and currently found at <https://ico.org.uk/media2/migrated/4019539/international-data-transfer-addendum.pdf>

1.19 "Regulator" means (i) in the context of the EEA and the EU GDPR, the meaning given to that term in the EU GDPR, (ii) in the context of the UK and the UK GDPR, means the UK Information Commissioner's Office; and (iii) in the context of Switzerland means Swiss Federal Data Protection and Information Commissioner, and (iv) in the context of any other jurisdiction, any governmental authority with jurisdiction over Customer's Processing of Personal Data under the Agreement

2. Processing of Data

2.1 Scope and Roles of the Parties This Addendum applies when Personal Data is processed by Arctic Wolf. The parties acknowledge and agree that, regarding the Processing of Customer's Personal Data pursuant to the Agreement, Customer is the "Controller" and Arctic Wolf is the "Processor," as those terms are defined under the Data Protection Laws, and unless otherwise determined by a Regulator. As between the parties, all Personal Data Processed under the terms of the Agreement shall remain the property of Customer. During the term of the Agreement, Arctic Wolf shall Process Personal Data in accordance with Customer's Instructions (unless expressly waived in a written requirement). Further information regarding Arctic Wolf's Processing can be found in Schedule II. In the event Arctic Wolf reasonably believes there is a conflict with any Data Protection Laws and Customer's Instructions, Arctic Wolf will inform Customer and the parties shall cooperate in good faith to resolve the conflict and achieve the goals of such Instruction.

2.2 Controller's Processing of Personal Data. Controller shall, in its use of the Products, Process Personal Data and provide Instructions for the Processing of Personal Data in compliance with the Data Protection Laws. Controller shall ensure that Controller's Instructions comply with all laws, rules, and regulations applicable in relation to the Personal Data, and that the Processing of Personal Data in accordance with Controller's Instructions will not cause Processor to be in breach of the Data Protection Laws. Controller is solely responsible for the accuracy, quality, and legality of (i) the Personal Data provided to Processor by or on behalf of Controller, (ii) how Controller acquired any such Personal Data, (iii) the volume, categories, and sensitivities of the Personal Data provided to Processor, and (iv) the Instructions Controller provides to Processor regarding the Processing of such Personal Data. Controller is likewise responsible for ensuring that its transfer of Personal Data to Processor will comply with Data Protection Laws. Controller shall not provide or make available to Processor any Personal Data in violation of the Agreement or otherwise inappropriate for the nature of the Products and shall indemnify Processor from all claims and losses in connection therewith.

2.3 CCPA If the CCPA is applicable,

2.3.1 Arctic Wolf shall act as a "service provider" and certifies that it shall Process Customer Personal Data on behalf of Customer in accordance with and for the Business Purpose. Notwithstanding the foregoing, Arctic Wolf may Process Customer Personal Data as may otherwise be permitted for service providers or under a comparable exemption from "Sale" under Data Protection Laws, as reasonably determined by Arctic Wolf.

2.3.2 Each party shall comply with the obligations applicable to that party under the applicable Data Protection Laws.

2.3.3 Arctic Wolf represents and warrants that: (i) it shall promptly inform Customer if, in Arctic Wolf's opinion, (i) Arctic Wolf cannot comply with such Data Protection Law, or (ii) Customer's Instructions violate such Data Protection Law, provided that Arctic Wolf is not obliged to perform a comprehensive legal examination with respect to an Instruction of Customer; (iii) its personnel and Authorized Subprocessors who Process Personal Data have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality; and (iv) Arctic Wolf understands the restrictions placed on it as a Processor of the Personal Data.

2.3.4 Customer represents and warrants that: (i) its use of the Products and the Instructions provided do not contravene such Data Protection Law, (ii) it has complied and continues to comply with such Data Protection Law, in particular that it has obtained any necessary consents and/or given any necessary notices, and/or otherwise has the right to disclose Personal Data to Arctic Wolf and enable the Processing set out in this Addendum and as contemplated by the Agreement, (iii) it has assessed the requirements under such Data Protection Law as they apply to Customer with regard to Personal Data and finds that the security measures referenced in Schedule 3 are adequate to meet those requirements, and (iv) it will ensure compliance with and shall not in any way alter or diminish such security measures referenced in Schedule 3 to the extent applicable to Customer through its use of the Products.

2.4 Restricted Transfers

2.4.1 Arctic Wolf has self-certified under the EU-U.S. Data Privacy Framework, the UK Extension related thereto, and the Swiss-U.S. Data Privacy Framework Principles and commits to the EU-U.S. Data Privacy Framework Principles and/or the Swiss-US Data Privacy Framework (as applicable) as described therein.

2.4.2 To the extent needed and applicable, if, in fulfilling its obligations under the Agreement or pursuant to other lawful instructions from Customer, there is a Restricted Transfer of Personal Data, the parties agree to enter into and abide by the EU Standard Contractual Clauses and/or UK Addendum (as applicable), which are incorporated into this Addendum as follows.

- (i) Customer is the Data Exporter and Arctic Wolf is the Data Importer (the foregoing shall apply with respect to Table 1 of the UK Addendum),
- (ii) In Clause 7, the "Docking Clause (Optional)", shall be deemed incorporated (the foregoing shall apply with respect to Table 1 of the UK Addendum),
- (iii) In Clause 9, the parties choose Option 2, 'General Written Authorisation', with a time period of 10 days (the foregoing shall apply with respect to Table 2 of the UK Addendum),
- (iv) The optional wording in Clause 11 shall be deemed not incorporated (the foregoing shall apply with respect to Table 2 of the UK Addendum);
- (v) In Clause 13, the competent Regulator shall be the Irish Data Protection Authority,
- (vi) In Clause 17, the Data Exporter and Data Importer agree that the EU Standard Contractual Clauses shall be governed by the laws of Ireland, and choose Option 1 to this effect (Part 2, Section 15(m) of the UK Addendum shall apply);
- (vii) In Clause 18, the Data Exporter and Data Importer agree that any disputes shall be resolved by the courts of Ireland (Part 2, Section 15(n) of the UK Addendum shall apply);
- (viii) In accordance with Section 19 of the UK Addendum and Section 2.6 of this Addendum, neither party may end the UK Addendum when the UK Addendum changes,
- (ix) Completed Annexes I, II and III of the EU Standard Contractual Clauses and Annexes 1B, II and III of Table 3 of the UK Addendum are included in Annexes I through III herein;
- (x) Notwithstanding the fact that the Standard Contractual Clauses are incorporated herein by reference without the Standard Contractual Clauses actually being signed by the parties, the parties agree that the execution of this Addendum is deemed to constitute its execution of the Standard Contractual Clauses on behalf of the Data Exporter or Data Importer (as applicable), and that it is duly authorized to do so on behalf of, and to contractually bind, the Data Exporter or Data Importer (as applicable) accordingly;
- (xi) The parties agree that the Standard Contractual Clauses shall cease to apply to the Processing of Personal Data if and to the extent that the relevant transfer of Personal Data ceases to be a "restricted transfer", and
- (xii) The provisions in this Addendum shall be without prejudice to the parties' ability to rely on any other legally valid international data transfer mechanism for the transfer of data out of the EEA, UK, and/or Switzerland. The parties agree to enter into other standard contractual clauses approved under Data Protection Laws to effectuate the Restricted Transfers of Personal Data for purposes of providing the Products

2.5 The parties further agree that if any of the EU Standard Contractual Clauses or the UK Addendum are updated, replaced, or are no longer available for any reason, the parties will cooperate in good faith to implement updated or replacement Standard Contractual Clauses, as appropriate, or identify an alternative mechanism(s) to authorize the contemplated Restricted Transfers.

2.6 Deletion or Return of Personal Data Following expiration or termination of the Agreement, at Controller's request, Processor shall return or delete the Personal Data (including Personal Data in the possession of Authorized Sub-Processors), unless further storage of Personal Data is required or authorized by applicable law. If return or destruction is impracticable or prohibited by law, rule or regulation, Processor shall take measures to block such Personal Data from any further Processing (except to the extent necessary for its continued hosting or Processing required by law, rule, or regulation) and shall continue to appropriately protect the Personal Data remaining in its possession, custody, or control. The parties agree that the certification of deletion of Personal Data that is described in Clause 8.5 of the Standard Contractual Clauses or Clause 12(1) of the UK Standard Contractual Clauses shall be provided by Arctic Wolf to Customer only upon Customer's request.

3. **Audits.** Taking into account the nature of the Processing and the information available to Arctic Wolf, Arctic Wolf shall provide reasonable assistance in response to inquiries from Customer or a competent Regulator relating to Arctic Wolf's Processing of Customer's Personal Data.

3.1 Arctic Wolf shall, upon written request from Customer, provide Customer with information reasonably necessary to demonstrate compliance with its obligations set forth in this Addendum. This information shall consist of permitting examination of the most recent reports, certificates and/or extracts prepared by an independent auditor pursuant to Arctic Wolf's ISO27001 or similarly held industry certification.

3.2 In the event the information provided in accordance with Section 3.1 above is insufficient to reasonably demonstrate compliance, Arctic Wolf shall permit Customer, or Customer's third party auditor (provided such auditor is not a competitor to Arctic Wolf or provides products and/or services to a competitor of Arctic Wolf) to inspect or audit the technical and organisational measures of Arctic Wolf for the purposes of monitoring compliance with Arctic Wolf's obligations under this Addendum. Any such audit or inspection shall be (i) at Customer's expense; (ii) limited in scope to matters specific to Customer; (iii) agreed in advance between the parties in writing, including scope, duration, start date and Arctic Wolf's then-current rates for professional services; (iv) conducted in a way that does not interfere with Arctic Wolf's day-to-day business; (v) during local business hours of Arctic Wolf and, upon not less than twenty (20) business days advance written notice unless, in Customer's reasonable belief an identifiable, material Breach has arisen; (vi) limited to no more than once per any twelve (12) calendar month period, except if (i) required by instruction of a competent Regulator; or (ii) in case of a security breach; and (vii) subject to the confidentiality obligations in the Agreement or, where a third-party auditor conducts the audit, such third-party auditor must be a professional bound by a duty of confidentiality or subject to a suitable non-disclosure agreement.

3.3 Customer will provide Arctic Wolf with copies of any audit reports generated in connection with any audit under this Section, unless prohibited by the applicable Data Protection Law. Customer may use the audit reports only for the purposes of meeting its regulatory audit requirements and/or confirming compliance with the requirements of this Addendum.

3.4 For the avoidance of doubt, the provisions of this Section 3 shall also apply to the audit provisions of any Standard Contractual Clauses entered into in accordance with Section 2 of this Addendum.

4. **Authorized Sub-Processors**

4.1 Customer consents to the use of Authorized Subprocessors to deliver the Products

4.2 Customer agrees it may subscribe to receive notifications related to the modification to the Authorized Subprocessors. At least ten (10) days before enabling any third party other than current Authorized Subprocessors to access or participate in the Processing of Personal Data, Arctic Wolf will add such third party to the Authorized Subprocessor list referenced in Schedule III. If Customer reasonably believes the third party cannot comply with the requirements of this Addendum, Customer may reasonably object to the addition of any such third parties to the List by informing Arctic Wolf in writing within ten (10) days of receipt of the aforementioned notice by Customer. If Customer objects to such change, and Arctic Wolf cannot provide a commercially reasonable alternative within a reasonable period of time, the parties may terminate the Agreement. Termination shall not relieve Customer of any fees owed to Arctic Wolf under the Agreement. This termination right is Customer's sole and exclusive remedy if Customer objects to any newly added Authorized Subprocessor. If Customer does not object to the engagement of a third party within ten (10) days of notice by Arctic Wolf that third party will be deemed an Authorized Subprocessor for the purposes of this Addendum.

4.3 Arctic Wolf will enter into a written agreement with each Authorized Subprocessor that requires the Authorized Subprocessor to (1) protect Personal Data to the same extent required by Arctic Wolf under this Addendum, and (2) be in compliance with Data Protection Laws. Arctic Wolf will remain liable to Customer for the non-performance of the Authorized Subprocessor's data protection obligations under such agreement.

4.4 Arctic Wolf may replace an Authorized Subprocessor without advance notice where the reason for the change is outside of Arctic Wolf's reasonable control and prompt replacement is required for security or other urgent reasons. In this case, Arctic Wolf will inform Customer of the replacement subprocessor as soon as possible following its appointment. Section 4.2 applies accordingly.

5. Security of Personal Data. Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of Processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, Processor shall maintain appropriate technical and organizational measures to ensure a level of security appropriate to the risk of Processing Personal Data as set forth in Schedule III. Arctic Wolf will regularly monitor compliance with such security standards and will not intentionally decrease the security standards during the term of the Agreement.

6. Rights of Data Subjects

6.1 If Arctic Wolf directly receives a Data Subject Request in relation to Customer's Personal Data and Customer is identified or identifiable from the request without the need for any independent investigation that Customer is the applicable controller of such Data Subject's Personal Data, Arctic Wolf will promptly forward such Data Subject to Customer, unless otherwise required by the applicable Data Protection Law. If Arctic Wolf is legally compelled to respond directly to the Data Subject, Customer will fully co-operate with Arctic Wolf, as appropriate. Customer agrees that provision of technical tools to enable Customer to take the necessary action to comply with such requests shall be sufficient to discharge Arctic Wolf's obligations of assistance hereunder. Customer is solely responsible for ensuring that Data Subject Requests for erasure, restriction or cessation of Processing, or withdrawal of consent to Processing of any Personal Data are communicated to Arctic Wolf, and for ensuring that a record of consent to Processing is maintained with respect to each Data Subject.

6.2 Arctic Wolf shall, at the request of the Customer, and taking into account the nature of the Processing applicable to any Data Subject Request, apply appropriate technical and organizational measures to assist Customer in complying with Customer's obligation to respond to a Data Subject Request and/or in demonstrating such compliance, where possible, *provided that* (i) Customer is itself unable to respond without Arctic Wolf's assistance and (ii) Arctic Wolf is able to do so in accordance with all applicable laws, rules, and regulations. Customer shall be responsible to the extent legally permitted for any costs and expenses arising from any such assistance by Arctic Wolf.

7. Actions and Access Requests

7.1 Where Customer is obligated by Data Protection Laws to carry out a data protection impact assessment ("DPIA") relating to Customer's use of the Products, Arctic Wolf shall provide reasonable cooperation and assistance to Customer for the DPIA to allow Customer to comply with its obligations under the Data Protection Laws. Customer shall be responsible to the extent legally permitted for any costs and expenses arising from any such assistance by Arctic Wolf and Arctic Wolf shall be entitled to involve Customer at Arctic Wolf's then-current rates for any time expended in assisting with the DPIA.

7.2 Arctic Wolf shall provide Customer with reasonable assistance to Customer in cooperation or prior consultation with any Regulator as may be required by Data Protection Laws. Customer shall be responsible to the extent legally permitted for any costs and expenses arising from any such assistance by Arctic Wolf and Arctic Wolf shall be entitled to involve Customer at Arctic Wolf's then-current rates for any time expended in providing such assistance.

8. Personal Data Breach. After declaring a breach of security which results in or is likely to result in the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Customer's Personal Data which affects the integrity, availability, or confidentiality of Customer's Personal Data (a "Breach") Processed by Arctic Wolf or its Authorized Subprocessors, Arctic Wolf shall (i) notify Customer of the Personal Data Breach without undue delay (and in no event more than seventy-two (72) hours), (ii) take all steps it deems necessary and reasonable (in its sole discretion) to investigate and remediate the Personal Data Breach, to the extent that remediation is within Arctic Wolf's reasonable control; (iii) provide Customer with reasonable cooperation and assistance necessary for Customer to comply with its obligations under the applicable Data Protection Laws relating to the Personal Data Breach; and (iv) provide Customer with details about the Personal Data Breach. The obligations described in this Section 8 shall not apply in the event that a Personal Data Breach results from the actions or omissions of Customer. For the avoidance of doubt, a Breach will not include unsuccessful attempts to, or activities that do not, compromise the security of Personal Data including, without limitation, unsuccessful log in attempts, denial of service attacks and other attacks on firewalls or networked systems and no notice of the foregoing shall be required. In the event a Breach requires notification by Customer to Data Subjects or relevant Regulators, the parties agree to coordinate in good faith on developing the content of any public statements or required notices.

9. Liability. Each party's liability for breaches of this Addendum shall be subject to the limitations and exclusions of liability set out in the Agreement. Each party's liability for a breach of this Addendum will be subject to the liability cap set out in the Agreement. Without limiting the

parties' obligations under the Agreement, each party agrees that any regulatory penalties incurred by one party (the "Incurring Party") in relation to the Customer Personal Data that arise as a result of, or in connection with, the other party's failure to comply with its obligations under this Addendum or any applicable Data Protection Laws shall count toward and reduce the Incurring Party's liability under the Agreement as if it were liability to the other party under the Agreement

10. Changes in Data Protection Laws. The parties agree to negotiate in good faith modifications to this Addendum if changes are required for Arctic Wolf to continue to Process Personal Data in compliance with Data Protection Laws, including but not limited to (i) the GDPR, (ii) the CCPA, (iii) any Standard Contractual Clauses; or (iv) if changes to the membership status of a country in the European Union or the European Economic Area require such modification.

11. Confidentiality. The confidentiality terms in the Agreement shall apply to this Addendum and where applicable, the Standard Contractual Clauses

12. Miscellaneous.

12.1 Conflicts. In the event of any conflict or inconsistency between this Addendum and the Agreement, the terms of this Addendum shall prevail. In the event and to the extent of any conflict or inconsistency between the body of this Addendum and the Standard Contractual Clauses or the UK Standard Contractual Clauses in a way that materially affects the adequacy of the transfer, the Standard Contractual Clauses or the UK Standard Contractual Clauses shall prevail

12.2 Severability In the event any provision of this Addendum, in whole or in part, is invalid, unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, such provision will be replaced, to the extent possible, with a provision which accomplishes the original business purposes of the provision in a valid and enforceable manner, and the remainder of this Addendum will remain unaffected and in full force.

12.2.1 Counterparts. This Addendum may be executed in several counterparts, each of which shall be deemed and original and all of which shall constitute one and the same instrument and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterparts. Signatures of the parties transmitted via facsimile or other electronic means shall be deemed to be their original signatures for all purposes

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

Arctic Wolf Networks, Inc.:	Customer Legal Name:
Signed: 	Signed:
Name: <u>Rob Mobassaly</u>	Name: _____
Title: <u>Chief Legal & Administrative Officer</u>	Title: _____
Date: <u>10/01/2026</u>	Date: _____
Notice Address: PO Box 46390 Eden Prairie, MN 55344 Attn: General Counsel legal@arcticwolf.com	Notice Address/email:

SCHEDULE I TO DATA PROCESSING ADDENDUM

Processing Details

The details of the Processing relevant to the Products provided by Arctic Wolf can be found at <https://arcticwolf.com/terms/processing-details/>

**SCHEDULE II
TO DATA PROCESSING ADDENDUM**

Arctic Wolf maintains a list of its Authorized Subprocessors by Product at <https://arcticwolf.com/terms/sub-processors/>

SCHEDULE III

Technical and Organisational Measures

Arctic Wolf shall implement the technical and organisational security measures specified in its Product - Technical and Organizational Measures document set forth at <https://arcticwolf.com/terms/product-technical-measures/> as a minimum security standard. Customer acknowledges and agrees that the nature of the Products mean that the technical and organisational measures may be updated by Arctic Wolf from time-to-time, but such updates shall not result in a lesser standard of security to that in place upon signature of this Addendum.

Privacy Notice for Customers

Last Updated: July 1, 2026

Purpose

Arctic Wolf Networks, Inc. ("AWN," "Arctic Wolf") is a corporation located at 8939 Columbine Road, Suite 150, Eden Prairie, MN 55347. Arctic Wolf and its affiliates ("we," "us," "our," or the "Company") describe in this Privacy Notice (the "notice," "Privacy Notice") our processing practices with respect to your personal data (data associated with an identified or identifiable natural person and is protected as personal data or personal information under applicable data protection laws) that is provided by you and your authorized resources ("Users", "you", "your") to use and while using the Arctic Wolf products, solutions, and services (collectively, "Solutions"). For purposes of clarity, MSP Partners ("MSP," "MSPs") using the Solutions on behalf of its end-users are considered Users for the purposes of this Privacy Notice to the extent defined in the Partner Agreement between Arctic Wolf and the MSP Partner.

This Privacy Notice describes the Customer Information (as defined below) we collect in the delivery of the Solutions and the way the Customer Information is used to deliver and support your use of the Solutions.

Terms of Use

If you have any dispute over the privacy of your information, the dispute is subject to this Privacy Notice and as applicable, the applicable Agreement or Partner Agreement made between us, including any provisions related to the limitation of liability and application of choice of law.

Scope

In the delivery of the Solutions, you will determine how and why Customer Information is used. With respect to the Customer Information, (1) Arctic Wolf is a "data processor" ("Data Processor") under the EU General Data Protection Regulation or the EU GDPR as it forms part of the law of the United Kingdom by virtue of section 3 of the European Union (Withdrawal) Act 2018 (collectively "GDPR") and a "service provider" under the California Consumer Privacy Act, as amended by the California Privacy Rights Act ("CCPA"), and (2) you are the controller under GDPR ("Data Controller").

As a Data Controller, you are responsible for disclosing the rights of individuals ("Data Subjects") with respect to the Customer Information pertaining to them and other information regarding the collection and use of Customer Information, in accordance with the GDPR, CCPA, and other applicable laws requiring such disclosures.

This Privacy Notice covers the Customer Information collected by us as a Data Processor¹ from Users of the Portals and Solutions and the access to and submission of Customer Information for the purposes set forth in the "How We Use the Customer Information" section below, including:

- Opening tickets
- Adding comments to existing tickets
- Adding attachment(s) to tickets
- Being authenticated to use the Solutions
- Uploading credentials for application event monitoring
- Obtaining configuration information, reports, and metrics related to the operation of the Solutions within your environment
- Supporting our business operations
- Delivering the Solutions to you, including the provision of support and the delivery of our Concierge services

To the extent Arctic Wolf acts as a Data Controller, Arctic Wolf processes personal data in accordance with its Privacy Notice located [here](#).

Customer Information

Each User is responsible for the quality, integrity, reliability, and appropriateness of Customer Information submitted to us and in the Solutions and must comply with terms contained in the applicable Agreement or, in the case of certain partners and MSPs, including the terms of the applicable Partner Agreement. Depending on the Solutions to which you subscribe, the Customer Information we may collect from you while using each Solution includes:

¹ Arctic Wolf collects Contract Account Information from Customers and its Users as a Data Controller under GDPR. Contract Account Information includes first name, last name, corporate email address, phone number, job title, address, and organization hierarchy. This information is used by Arctic Wolf in accordance with its Privacy Notice located at <https://arcticwolf.com/privacy-policy/>.

<i>Solution</i>	<i>Data Type</i>	<i>Description</i>
Aurora Managed Detection & Response, Aurora Vulnerability Management (fka Managed Risk)	Solutions Data	These Solutions, depending on their set up and deployment in your environment, may collect log data from various sources, including your. - data center, - infrastructure in the cloud, - on-premises infrastructure, and - remote endpoints. In addition, these Solutions may perform inspection of network traffic, scan internal and external-facing devices, and collect configuration data, vulnerability data, system-level inventory, and event data. Solutions Data received from these sources may include operational system log data and any other information provided by you in furtherance of your use of the Solutions and which you 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. Personal data included in the Solutions Data may include: first name, last name, IP (Internet Protocol) Addresses, geolocation, usernames, passwords, and email addresses. Arctic Wolf does not require any special categories of data to deliver these Solutions.
Aurora Security Awareness & Training (fka Managed Security Awareness)	Learner Data	Learner Data is provided by you via the Administrator Portal or via a direct API feed from your Active Directory set up to Arctic Wolf with respect to the Users you permit to use this Solution. Learner Data includes User setup details, including email, work title, and name and Solution metrics, including your Users' learning status, training scores, and Phishing results associated with such Users' use of the Solution.
Aurora Security Awareness & Training (fka Managed Security Awareness)	Phishtel Data	Phishtel Data includes information pertaining to the phishing email(s) self-reported by a User and includes or may include name of User, email of User, json web token, full content of email, and version data.
Aurora Incident Response Services	Incident Evidence	Incident Evidence is the business information provided to Arctic Wolf for the completion of the forensic/investigation processes used in the delivery of this Solution. Information is provided via firewall logs, server/workstation logs, logs from cloud services, email, individual files, full images of servers/workstations, SaaS configuration data, Firewall configuration data, memory snapshots, process lists, installed software lists, inventory of hosts, and DNS records. To the extent personal data is included in these sources of information, Arctic Wolf will obtain all such personal data during delivery of the Solution.

CRA & IR Planner and certain other identified tools that may be made available within the Unified Portal	Security Profile Data	Security Profile Data may be uploaded by you or your third-party agent in the use of tools such as IR Planner and CRA. Personal data you may elect to upload into these tools include names, emails, employee and third-party agent contact information, and IP addresses.
All Solutions	Point of Contact Information	Users may need to be contacted by Arctic Wolf to deliver the Solutions. Points of Contact Information will be collected by Arctic Wolf about Users during various phases of Solutions delivery and throughout the life of the subscription. Points of Contact Information may include the following personal data: first name, last name, corporate email address, phone number, job title, address, and organization hierarchy.
CylanceOPTICS, CylancePROTECT, CylancePROTECT Desktop, Aurora Endpoint Defense, Aurora Protect, Aurora Protect Server, Aurora Mobile Threat Defense, CylanceGUARD, CylanceMDR, Aurora Managed Endpoint Defense on Demand, Aurora Endpoint Defense	Endpoint Solutions Data	These Solutions, depending on their set up and deployment in your environment, may collect log data from various sources, including your - data center, - infrastructure in the cloud, - on-premises infrastructure, and - remote endpoints In addition, these Solutions may perform inspection of network traffic, scan internal and external-facing devices, and collect configuration data, vulnerability data, system-level inventory, and event data. Endpoint Solutions Data received from these sources may include operational system log data and any other information provided by you in furtherance of your use of the Solutions and which you may elect to submit to Arctic Wolf through the Solutions, including username, unique identifier, user privileges, device name, account status, password status, password age, country code, account type, assigned workstations, failed login attempts, roaming configuration, removable media events (insertion, removal, file copy), script execution events (JScript, VBScript, and VBA macro script, PowerShell), Windows event logs, WMI events, file paths, process names, registry paths, file and process metadata such as file type, digital signatures, author, creation history and clipboard contents. Personal data that may be included in Endpoint Solutions Data includes username, first name, last name, email address, IP addresses, geolocation (not real time unless permission is granted), SMS sender ID, SMS message contents, and hyperlinks from unknown senders.
Aurora Attack Surface Management (formerly Sevco Exposure Management)	Aurora Attack Surface Management (ASM) Solutions Data	These Solutions, depending on their set up and deployment in your environment, may collect log data from various sources, including your: - data center, - infrastructure in the cloud, - on-premises infrastructure, and - remote endpoints In addition, these Solutions may perform inspection of network traffic, scan internal and external-facing devices, and collect configuration data, vulnerability data, system-

		level inventory, and event data Solutions Data received from these sources may include operational system log data and any other information provided by you in furtherance of your use of the Solutions and which you 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 Personal data included in the Solutions Data may include first name, last name, IP (Internet Protocol) Addresses, geolocation, usernames, passwords, and email addresses Arctic Wolf does not require any special categories of data to deliver these Solutions
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All categories of information set forth in the table above are collectively referred to herein as "Customer Information"

You may choose not to provide Customer Information to us when requested or manage the processing of certain Customer Information using available Solution configurations, however this may affect our ability to deliver the Solutions to you

How We Use the Customer Information

We use Customer Information for the following purposes.

1) **Support Ticket Management and Resolution**

Support tickets are the primary medium that Users and the Security Services organization, including your Concierge Security™ team (CSTs), and your Customer Support teams use to provide support to you. Point of Contact Information is used to communicate issues or requests over the use and improvement of the Solutions. Both parties can comment and provide more information in a support ticket until the issue/request is resolved Company, including your CSTs, use a ticketing system to communicate security alerts to Users allowing the Users to respond and see the status of the alert until it is closed.

2) **Provision of the Solutions**

Customer Information is integral to the functionality of our Solutions and is used to provision the Solutions Solutions Data, for example, allows us to monitor and detect security and threat incidents within your network of connected applications and systems Point of Contact Information can be viewed and managed by Users, including your MSP, if applicable, and may be accessed and viewed by Company employees and resources for support ticket issue resolution. Based on your environment, Solutions deployed, and configuration, the Customer Information allows for the following:

- configuration of the Solutions, and monitoring of cloud infrastructure resources to detect network misconfigurations, access and misuse of a User's networks, resources, and application instances,
- monitoring of SaaS applications to detect malicious activities, threats, and potential data exposures in cloud-based applications;
- monitoring of security events related to user single sign-on and malicious endpoint activity for security providers and deliver alerts,
- accessing learning content and other resources available to you through the Solutions,
- conducting trainings and preparing metrics related to your Users' activities within the Solutions,
- completion of forensic/investigatory processes related to an incident,
- preparation of reports, analyses, summaries and/or recommendations,
- manage resolution of detected threats,
- preparation of your incident response plans,
- User validation and authentication,
- building business intelligence logic, supporting email scoring validation, and policy compliance verification,
- other functionality directly applicable to the purpose and function of the Solution licensed, and
- communications with your third-party agents, including insurance carriers and legal advisors

3) **Communication With You**

Company may use and/or obtain Customer Information from you to manage its ongoing business activities related to the delivery of the Solutions such as managing escalation and notification processes, delivery of support which could include (with your consent) the recording and transcription of support calls, preparing reports and analyses, providing value-add communications such as generic threat intelligence briefings, updating you about changes to our terms and conditions, sending you general information about Company and its business, or other similar types of business purposes

4) **Improve the Solutions**

Company may use Customer Information to create our own intellectual property, such as Systems Metrics Data and Threat Intelligence Data. Notwithstanding anything contrary in the Agreement, such intellectual property may include limited incidental or contextual Personal Data or data that may identify you or Personal Data of your Data Subjects to the extent it is or may be needed to identify a potentially malicious threat. Customer Information may be used by Arctic Wolf or shared with third parties for the purposes of improving the Solutions, improving threat detection, analysis, awareness, and prevention, or for other purposes to advance its mission of ending cyber risk

How We May Share the Customer Information

We may share Customer Information as expressly permitted in writing by the User, as set forth in the Agreement made between us, or as required or permitted by law

We may share Customer Information only in the manner described below. We do not control, however, how you or your third-party agents and service providers, collect, use, share or disclose Customer Information

We may share or disclose Customer Information in the following ways:

- **When changing our business structure**
In the event of a proposed or completed merger, acquisition, bankruptcy, dissolution, reorganization, sale of some or all of our assets, similar transactions or proceedings, or steps in contemplation of such activities, Customer Information held by us may be among the assets transferred to the buyer or acquirer;
- **When conducting our business operations**
We may use third-party service providers and tools to provide services on our behalf, including customer ticketing and collaboration, internal support ticketing, access and identity management, cloud hosting, customer relations management, Solution improvement projects, development of system and usage analytics, error management, etc. Our service providers are only provided with information they need to perform their designated functions and are not authorized to use or disclose information for their own marketing or other purposes. Our service providers are in the United States, Canada, Germany, United Kingdom, Australia, European Union, and other foreign jurisdictions within which we do business. A list of the third-party service provider tools used in the delivery of our Solutions can be found [here](#) (Subprocessor List),
- **To comply with laws and regulations**
We and our affiliates or service providers in the United States, Canada, United Kingdom, Germany, Australia, Ireland, India, or other jurisdictions we may expand to from time-to-time may disclose Customer Information to comply with applicable legal or regulatory requirements (which may include lawful access by U.S. or foreign courts, law enforcement or other government authorities) and to respond to lawful requests by public authorities, including to meet national security, law enforcement requirements, court orders and legal processes,
- **To protect rights and safety**
To protect and defend the brand, rights, property and safety of Company, our customers, including enforcing contracts or policies, or in connection with investigating and preventing fraud

If Users have any questions about its Customer Information or rights with respect to the foregoing, please submit a request at [Data Protection](#) or open a ticket via the Solutions

Security

Company maintains administrative, physical, and technical safeguards to help protect the confidentiality and integrity of Customer Information that is submitted to us during transmission and once it is received. You should note that by submitting data through our Solutions, your Customer Information will be transferred through third-party infrastructures which are not under our control. We will strive to use tools and procedures to protect your Customer Information, however we cannot guarantee its absolute security. Customer is responsible for (i) protecting themselves against unauthorized access to passwords, private keys, and computers, (ii) protecting themselves against unauthorized disclosure, alteration, and destruction of Customer Information, (iii) timely provisioning and deprovisioning of Users, and (iv) performing periodic access reviews of their Users

Location of Customer Information

Arctic Wolf is headquartered in the United States. Arctic Wolf has affiliates, operations and service providers in the United States, United Kingdom, Germany, Australia, Ireland, India, and Canada and other countries throughout the world. Arctic Wolf and its affiliates' locations can be found [here](#). Locations of Arctic Wolf's third-party service providers (Subprocessor List) used in the delivery of the Solutions can be found [here](#). We and our service providers may transfer your Customer Information to, or access it from, countries other than the one in which you are located. These countries may have data protection laws different from those of the country which you are located. We will maintain administrative, physical, and technical safeguards to protect the Customer Information for instance by entering into agreements such as standard contractual clauses approved by an applicable regulator. See European Privacy Supplement below for additional information

Data Privacy Framework – EU, United Kingdom (UK), and Switzerland

Arctic Wolf complies with the EU-U.S. Data Privacy Framework (EU-U.S. DPF), the UK Extension to the EU-U.S. DPF, and the Swiss-U.S. Data Privacy Framework (Swiss-U.S. DPF) as set forth by the U.S. Department of Commerce. Arctic Wolf has certified to the U.S. Department of Commerce that it adheres to the EU-U.S. Data Privacy Framework Principles (EU-U.S. DPF Principles) with regard to the processing of personal data received from the European Union in reliance on the EU-U.S. DPF and from the United Kingdom (and Gibraltar) in reliance on the UK Extension to the EU-U.S. DPF. Arctic Wolf has certified to the U.S. Department of Commerce that it adheres to the Swiss-U.S. Data Privacy Framework Principles (Swiss-U.S. DPF Principles) with regard to the processing of personal data received from Switzerland in reliance on the Swiss-U.S. DPF. If there is any conflict between the terms in this Privacy Notice and the EU-U.S. DPF Principles and/or the Swiss-U.S. DPF Principles, the Principles shall govern. To learn more about the Data Privacy Framework (DPF) program, and to view our certification, please visit <https://www.dataprivacyframework.gov/>.

Arctic Wolf is responsible for the processing of the personal data it receives under each Data Privacy Framework and subsequently transfers to a third party acting as an agent on its behalf. Arctic Wolf complies with the Data Privacy Framework for all onward transfers of personal data from the EU, UK, and Switzerland, including the onward transfer liability provisions. With respect to personal data received or transferred pursuant to the EU-U.S. DPF, the UK Extension to the EU-U.S. DPF, and the Swiss-U.S. DPF, Arctic Wolf is subject to the regulatory enforcement powers of the U.S. Federal Trade Commission. In certain situations, we are required to disclose personal data in response to lawful requests by public authorities, including to meet national security or law enforcement requirements.

You may have choices related to the use of your personal data, including the right to access, update, opt-out, or delete your personal data. As stated previously, the personal data we may receive about you is provided by our Customers or a third party acting on your behalf. To exercise your choices, you should contact the company or person to whom you provided your personal data. If you would no longer like to be contacted by our Customers, or such other third party acting on your behalf, or would like to have your personal data corrected, updated, amended, or removed, please contact the Customer/data controller that you interact with directly.

You may also have a right to lodge a complaint with a supervisory authority to resolve complaints about our collection or use of your personal data. Individuals with inquiries or complaints regarding our Privacy Notice should submit a request at [Data Protection](#) or you may also call +1 (888) 286-6726.

If you have an unresolved privacy or data use concern that we have not addressed satisfactorily, please contact our U.S.-based third party dispute resolution provider (free of charge) at <https://www.jamsadr.com/DPF-Dispute-Resolution>.

Under certain conditions, more fully described on the Data Privacy Framework website, you may be entitled to invoke binding arbitration by going to [https://www.dataprivacyframework.gov/](#) on the Data Privacy Framework website when other dispute resolution procedures have been exhausted.

Supplemental Privacy Policy Terms

Canada

Consent

By using our Solutions, or otherwise interacting with us, you consent to the collection, use and disclosure of Customer Information in accordance with the terms of and for the purposes set out in this Privacy Notice. Arctic Wolf may seek consent to use and disclose Customer Information after it has been collected in those cases where we wish to use the information for a new or different purpose, where consent as not already been obtained for such use or disclosure.

If you submit personal information about an individual (i.e., your employees, personnel, account administrators, authorized resources, etc.) in connection with the use of the Solutions, you represent that you have obtained the requisite consent and/or provided appropriate notifications, as required under applicable privacy laws, including such consent and/or notifications as may be required for the transfer of personal information outside of Canada.

Privacy Rights

Subject to limited exceptions under applicable law, Users may have the right to access, update and correct inaccuracies in their Customer Information. To exercise these rights, please submit a request at [Data Protection](#) or you may also call +1 (888) 286-6726. Please be as specific as possible in relation to the Customer Information you wish to access. Once Arctic Wolf receives your request, Arctic Wolf will review it, determine whether Arctic Wolf can verify your identity, and process the request accordingly. If Arctic Wolf needs additional information to verify your identity, Arctic Wolf will let you know.

Please be advised that in the delivery of the Solutions to you, Arctic Wolf acts as data processor/service provider to process personal information and do so on behalf of our Customer under the terms of an Agreement, or in certain instances, a Partner Agreement, and the information you have requested therefore is under the control of such Customer. Accordingly, we will direct your request for access, withdrawal of consent, data deletion, or all such other related inquiries to our Customer and will assist our Customer in its response to your request as per our Customer's instructions and in accordance with the terms of our Agreement with them.

If you have any questions or complaints about our handling of Customer Information including personal information, or rights with respect to the foregoing, please submit a request at [Data Protection](#), and we will address your question or complaint, and otherwise further advise you of any rights you may have to complain to the relevant privacy commissioner(s).

United States Privacy Supplement California

The California Consumer Privacy Act went into effect on January 1, 2020, as supplemented by the California Privacy Rights Act which went into effect on January 1, 2023 (collectively, the "CCPA"). CCPA regulates how Arctic Wolf handles personal information of California residents and gives California residents certain rights with respect to their personal information.

Arctic Wolf is a "service provider" under the CCPA. The following supplemental privacy policy applies to information Arctic Wolf collects in its role as a service provider. If you would like more information about how your personal information is processed by such other companies, including companies that engage Arctic Wolf as a service provider, please contact those companies directly.

This provision is effective as of January 1, 2020, shall apply only to residents of California, and may be subject to change. The general privacy policy shall continue to apply to the extent that it applies to you as a resident of California; however, if you are a resident of California, Arctic Wolf also is required to disclose certain uses and disclosures in a certain format, as well as to inform you of certain rights you may have. Any capitalized terms used in this supplemental privacy notice shall have the same meaning as in the general privacy notice.

Information Arctic Wolf May Collect:

We may collect Customer Information as set forth in this Privacy Notice above in the section titled "Customer Information".

For each category of information, Arctic Wolf collects the information from a variety of sources, including directly from you, from your devices, and/or from your third-party providers. Arctic Wolf collects the information to:

- provide you with support on the Solutions,
- deliver the Solutions to you,
- protect Arctic Wolf (including the Solutions) and its customers,
- communicate with you regarding our Solutions and terms and conditions, and
- improve our Solutions.

Arctic Wolf may share personal information with Third Parties as the term is defined under the CCPA. Arctic Wolf shall not (i) sell your personal information, (ii) retain, use or disclose any personal information provided by you pursuant to the Agreement except as necessary for the specific purpose of performing the Solutions for you pursuant to the Agreement or as permitted by the CCPA; (iii) retain, use, or disclose personal information for a commercial purpose other than providing the Solutions unless otherwise permitted under the Agreement, (iv) retain, use, or disclose such personal information outside of the direct business relationship between us unless otherwise permitted under the Agreement, or (v) combine any such personal information with personal information that it receives from or on behalf of any other person(s) or collects from its own interaction with the consumer, provided that Arctic Wolf may combine personal information to perform any business purpose as defined in and as permitted under the CCPA.

Additional Disclosures:

Arctic Wolf engages certain trusted third-parties to perform functions and provide services to us, including auditing, hosting and maintenance, error monitoring, debugging, performance monitoring, and other short term uses. We may share your Customer Information with these third parties, but only to the extent necessary to perform these functions and provide such services. We require these third parties to maintain the privacy and security of the Customer Information they process on our behalf.

Arctic Wolf has disclosed the following categories of personal information for business purposes and valuable consideration in the 12 months prior to this Privacy Notice's last update:

A. Identifiers (names, email addresses, phone numbers, mailing address)	YES
B. Commercial Information (Solution subscription information)	YES
F. Internet or Other Electronic Network Activity Information (IP address, device identifier, information provided in URL string, internet service provider, browser used, operating system and other device identifications and configurations, locale and language preference)	YES
Geolocation Data	YES

Do Not Sell My Personal Information:

Arctic Wolf does not sell, as defined under the CCPA, personal information of any individual, including personal information of minors under 16 years of age.

Your Rights

You may have certain rights with respect to your personal information, including:

- The right to access, including the right to know, the categories and specific pieces of personal information Arctic Wolf collects,
- The right to deletion of your personal information, subject to certain limitations under applicable law,

- The right to request correction of information collected;
- The right to request limitation of use of information collected; and
- The right not to be discriminated against for exercising certain rights under California law.

To exercise these rights, please submit a request at [Data Protection](#) or you may also call +1 (888) 286-6726. Please be as specific as possible in relation to the personal information for which you are requesting action. Once Arctic Wolf receives your request, Arctic Wolf will review it, determine whether Arctic Wolf can verify your identity, and process the request accordingly. If Arctic Wolf needs additional information to verify your identity, Arctic Wolf will let you know. Arctic Wolf will respond to your request within 45 days of receipt or notify you if Arctic Wolf requires additional time.

If you would prefer, you may designate an authorized agent to make a request on your behalf.

Colorado, Connecticut, Utah, and Virginia

For Users residing in Colorado, Connecticut, Utah and Virginia, you also have rights with respect to the personal data that we collect about you. In addition to the rights that are available to residents of California, if you are a resident of one of these states, you may also have the right to:

- Opt out of the Processing of your personal data for the purposes of targeted advertising and for profiling in furtherance of decisions, including, for residents of Connecticut, solely automated decisions, that produce legal or similarly significant effects, and
- Appeal any decision or indecision related to the exercise of any right the consumer is granted under the applicable state law.

If you would like to exercise any of your rights under applicable law (including the right to appeal), please submit a request at [Data Protection](#) or you may also call +1 (888) 286-6726.

Nevada

Nevada law gives residents of Nevada the right to request that a company not sell their personal data for monetary consideration to certain other parties. This right applies even if your personal data is not currently being sold. If you are a resident of Nevada and wish to exercise this right, please submit a request at [Data Protection](#) or you may also call +1 (888) 286-6726.

European Privacy Supplement

Arctic Wolf acts as a data processor in the delivery of the Solutions, and in limited circumstances as a data controller as it relates to Contract Account Data. Accordingly, Arctic Wolf provides these additional and different disclosures about its data processing practices to data subjects in the EEA, Switzerland, and the UK (EEA+). If you are accessing the Solutions from within the EEA+, this European Privacy Supplement applies to you in addition to the Privacy Notice.

Legal Bases for the Processing:

We process your personal data on several different legal bases, as follows:

- Based on necessity to perform contracts with you (see Article 6(1)(b) of the GDPR). When you access, use or register for our Solutions, you form a contract with Arctic Wolf based on the applicable Agreement. We need to process your personal data to discharge our obligations in any such contract, fulfill your requests and orders, answer questions and requests from you, and provide tailored customer support and search results to you.
- Based on compliance with legal obligations (see Article 6(1)(c) of the GDPR). We may need to process your personal data to comply with relevant laws, regulatory requirements and to respond to lawful requests, court orders, and legal process.

Personal data we collect, as defined in the EU General Data Protection Regulation, may be stored and processed in the United States or any other country in which we or our service providers operate in, including without limitation, Canada, and Australia. To the extent we transfer personal data out of the EEA+ to countries that do not benefit from an adequacy decision based on mechanisms such as approved Standard Contractual Clauses, we will implement other contractual measures to ensure that adequate safeguards are in place with respect to the personal data.

South Africa Privacy Supplement

Accessing Customer Information and requesting corrections:

If at any time you want to (i) know exactly what Customer Information or other personal information we hold about you, (ii) request deletion of any Customer Information or other personal information we hold about you, or (iii) opt-out or object to our use or collection of your Customer Information, please contact us at [Data Protection](#) or you may also call +1 (888) 286-6726.

If at any time you wish to change any Customer Information or other personal information we hold about you because it is inaccurate or out of date, please contact us at [Data Protection](#) or you may also call +1 (888) 286-6726 and we will amend this record.

Complaints:

Should you have any concerns or complaints about how we handle your Customer Information, please contact us at [Data Protection](#) or you may also call +1 (888) 286-6726 and we will amend this record.

We will investigate your complaint and will use reasonable endeavors to respond to you in writing within a reasonable time of receiving your complaint. If we fail to respond to your complaint within a reasonable time of receiving it in writing or if you are dissatisfied with the response that you receive from us, you may have the right to make a complaint to the Information Regulator. Details of how to contact the Information Regulator are located at <https://inforegulator.org.za/complaints/>

Australian and New Zealand Privacy Supplement

Accessing Customer Information and requesting corrections.

If at any time you want to know exactly what Customer Information or other personal information we hold about you, please contact us at Data Protection or you may also call +1 (888) 286-6726. Our file of your Customer Information and any other personal information (if applicable) will usually be made available to you within forty-five (45) days of receiving your request and in any event within a reasonable time.

If at any time you wish to change any Customer Information or other personal information we hold about you because it is inaccurate or out of date, please contact us at Data Protection or you may also call +1 (888) 286-6726 and we will amend this record.

Complaints

Should you have any concerns or complaints about how we handle your Customer Information, please contact our Data Protection Officer:

Adam Marre
Chief Information Security Officer
P O Box 46390
Eden Prairie, MN 55344 USA

We will investigate your complaint and will use reasonable endeavors to respond to you in writing within a reasonable time of receiving your complaint. If we fail to respond to your complaint within a reasonable time of receiving it in writing or if you are dissatisfied with the response that you receive from us, you may have the right to make a complaint to the Office of the Australian Information Commissioner (OAIC) or the New Zealand Privacy Commissioner. Details of how to contact the OAIC are located at <https://www.oaic.gov.au/about-us/contact-us> or the New Zealand Privacy Commissioner at <https://www.privacy.org.nz/about-us/contact-us/#~:text=If%20you%20have%20a%20preferred,we%20can%20do%20to%20help>

Changes to this Privacy Notice

We reserve the right to modify this Privacy Notice at any time in accordance with the terms of the Solutions Agreement or Partner Agreement, if applicable, we have in place with you. Updates to the Privacy Notice will be posted on the [Privacy Notice](#) with an indication of when it has been updated. We encourage you to periodically review this Privacy Notice for any changes.

Additional Information

Questions regarding this Privacy Notice or about the way we or our service providers treat your Customer Information can be directed to us by submitting a request at Data Protection or by regular mail or email addressed to

Arctic Wolf Networks, Inc.
Attn. Legal Department
P O Box 46390
Eden Prairie, MN 55344 USA
legal@arcticwolf.com

Pursuant to Article 27 of the UK GDPR, Arctic Wolf Networks, Inc. has appointed EDPO UK Ltd as its GDPR representative in the UK. You can contact EDPO UK regarding matters pertaining to the UK GDPR.

- by using EDPO's online request form <https://edpo.com/uk-gdpr-data-request/>
- by writing to EDPO UK Ltd, Unit 33, Waterside, Schooner Court, 44-48 Wharf Road, London, N1 7UX, United Kingdom

Pursuant to Article 27 of the EEA GDPR, Arctic Wolf Networks, Inc. has appointed ITR Cert GmbH as its GDPR representative in the EEA. You can contact ITR Cert GmbH regarding matters pertaining to the EEA GDPR.

- by writing to ITR Cert GmbH, Dr. Sebastian Kraska, Data Protection Representative, Eschenfelder Str. 62c, 82194 Groebenitz, Germany
- by email to email@itr.de

BUSINESS ASSOCIATE ADDENDUM

This **BUSINESS ASSOCIATE ADDENDUM** (“BAA”) is entered into between **Arctic Wolf Networks, Inc.** (“Arctic Wolf” or “Business Associate”) and the customer agreeing to the terms below (the “Customer” or “Covered Entity”), and supplements, amends and is incorporated into the Agreement (as defined below). This BAA applies to the extent Customer is acting as a Covered Entity or a Business Associate to create, receive, maintain, or transmit PHI (as defined below) via the Products described within any Agreement, and to the extent Arctic Wolf, as a result, is deemed under HIPAA to be acting as a Business Associate or Subcontractor of Customer.

“Agreement” means the General Terms (or such other similarly executed Agreement, including a previously executed Solutions Agreement, Solutions License Agreement, and Services Agreement or Professional Services with an associated Statement of Work (“SOW”) and accompanying Order Form(s) entered into between Business Associate and Customer for the provision of Services or delivery of Products, which Agreement(s) may be in the form of online terms of service (such applicable underlying agreement, the “Agreement”).

This BAA will be effective as of the date Customer accepts the Agreement. Customer must have an existing Agreement in place for this BAA to be valid and effective. Together with the Agreement, this BAA will govern each party’s respective obligations relating to PHI.

The purpose of this BAA is to ensure the Parties satisfy the requirements of the final regulations issued by the U.S. Department of Health and Human Services (“DHHS”) pursuant to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”) and the Health Information Technology for Economic and Clinical Health Act, enacted as Title XIII, Subtitle D of the American Recovery and Reinvestment Act of 2009, and implementing Regulations and Guidance (“HITECH”), governing the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E, as amended by HITECH (the “Privacy Rules”), and the security of electronic Protected Health Information collected, maintained, used, or transmitted by certain entities, including health care providers (the “Security Standards”). Business Associate and Covered Entity may be referred to individually herein as a “Party” and, collectively, the “Parties”.

RECITALS

WHEREAS, Business Associate and Covered Entity are Parties to the Agreement pursuant to which Business Associate provides Products to Covered Entity; and

WHEREAS, Covered Entity’s data, including Protected Health Information (“PHI”), may be used or disclosed to the Business Associate during Business Associate’s performance of the Products under the terms of the Agreement; and

WHEREAS, the purpose of this BAA is to satisfy the requirements of HIPAA, as may be amended from time to time;

NOW, THEREFORE, if Business Associate receives PHI from Covered Entity and is considered a “business associate” as that term is defined in HIPAA and regulations promulgated by DHHS to implement certain provisions of HIPAA, the Parties do hereby agree to the terms as set forth below as to such PHI.

AGREEMENTS

1. Definitions

All capitalized terms not otherwise defined herein have the meanings ascribed to them under HIPAA, the Privacy Rules and Security Standards, as amended by HITECH.

2. Obligations and Activities of Business Associate

(a) Business Associate agrees to not use or further disclose PHI other than as required by law, the Agreement, or as permitted or required by this BAA.

(b) Business Associate agrees to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI, to prevent use or disclosure of the PHI other than as provided for by this BAA.

(c) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this BAA of which it becomes aware, including Breaches of Unsecured PHI as required at 45 C.F.R § 164.410, and any Security Incident of which it becomes aware. The Parties agree this section constitutes notice by Business Associate to Covered Entity of the ongoing existence and occurrence of attempted but Unsuccessful Security Incidents (as defined below) for which no additional notice to Covered Entity shall be required. “Unsuccessful Security Incidents” shall include, but not be limited to, pings and other broadcast attacks on Business Associate’s firewall, port scans, unsuccessful log-on attempts,

denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI.

(d) In the event of a Breach of any Unsecured PHI that Business Associate accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds or uses on behalf of Covered Entity, Business Associate shall provide notice of such Breach to Covered Entity immediately, but in any event not more than 7 business days after discovering the Breach or, by exercising reasonable diligence would have discovered the Breach.

Notice of a Breach shall include, to the extent known to Business Associate: (i) the identification of each individual whose PHI has been, or is reasonably believed to have been, accessed, acquired, or disclosed during the Breach, (ii) the date of the Breach, if known, (iii) a description of the types of unsecured PHI that were involved in the Breach, (iv) the scope of the Breach, (v) a description of the Business Associate's response to the Breach, and (vi) and steps Business Associate is taking to protect against any further breaches.

In the event of a Breach, Business Associate shall, in consultation with Covered Entity, mitigate, to the extent practicable, any harmful effect of such Breach that is known to Business Associate.

(e) Business Associate agrees to ensure that any agents and subcontractors that create, receive, maintain, or transmit PHI on behalf of Business Associate agree to substantially similar restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

(f) Business Associate agrees to make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Regulations.

(g) Business Associate agrees to maintain and make available to Covered Entity, within ten (10) business days following a written request, information necessary to permit Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

(h) If Business Associate maintains information in a Designated Record Set, it agrees to make available to Covered Entity, within ten (10) business days following a written request, PHI in such Designated Record Set, in order for Covered Entity to respond to individuals' requests for access to information about them in accordance with 45 C.F.R. § 164.524. If Business Associate maintains, on behalf of Covered Entity, information in an electronic Designated Record Set, Business Associate shall provide such information in the electronic format to Covered Entity upon request, or, if directed by the Covered Entity, directly to a requesting individual.

(i) If Business Associate maintains information in a Designated Record Set, it agrees to make any amendments or corrections to PHI in such Designated Record Set within ten (10) business days following a written request by the Covered Entity in accordance with 45 C.F.R. § 164.526.

3. Permitted Uses and Disclosures by Business Associate

(a) Business Associate may use and disclose PHI as necessary to perform and/or deliver the Products set forth in the Agreement only if such use or disclosure is in compliance with each applicable requirement of Section 164.504(e) of the Privacy Rules, relating to business associate contracts.

(b) Business Associate may use or disclose PHI as required by law.

(c) Business Associate agrees to make uses and disclosures and requests for PHI consistent with Covered Entity's minimum necessary policies and procedures.

(d) Business Associate may not use or disclose PHI in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity.

(e) Except as otherwise limited in this BAA, Business Associate may use or disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

4. Obligations of Covered Entity

(a) Covered Entity shall provide Business Associate notice of any limitation(s) in the notice of privacy practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI.

(b) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's uses and disclosures of PHI.

(c) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(d) Covered Entity shall use appropriate administrative, technical and physical safeguards to prevent use or disclosure of PHI other than as provided for by this BAA.

5. Term and Termination

(a) *Term.* The Term of this BAA shall be effective as of the Effective Date and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

(b) *Termination for Cause.* Business Associate authorizes termination of the Agreement by Covered Entity, if Covered Entity determines Business Associate has violated a material term of this BAA and Business Associate has not cured the breach or ended the violation within the time specified by Covered Entity. In the event that Business Associate becomes aware of a pattern of activity or a practice of Covered Entity that constitutes a material violation of the obligations of Covered Entity under this BAA, Business Associate will have the same termination rights and obligations specified as to Covered Entity in this Section 5.

(c) *Effect of Termination.* Upon termination of this BAA for any reason, Business Associate, with respect to PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, in unencrypted form, shall:

(i) Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities or which it is not reasonably feasible for Business Associate to return or destroy.

(ii) Return to Covered Entity or destroy the remaining PHI that Business Associate still maintains in any form.

(iii) Continue to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains the PHI.

(iv) Not use or disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out at Section 2 of this BAA, which applied prior to termination.

(v) Return to Covered Entity or destroy the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities or when such return or destruction is reasonably feasible.

6. Miscellaneous

(a) *Regulatory References.* A reference in this BAA to a section in the HIPAA Regulations means the section as in effect or as amended, and for which compliance is required.

(b) *Amendment.* The Parties agree to take such action as is necessary to amend this BAA from time to time as is necessary for Business Associate and Covered Entity to comply with the requirements of the HIPAA Regulations and any other applicable law.

(c) *Survival.* The obligations of the Parties shall survive the termination of this BAA.

(d) *Interpretation.* Any ambiguity in this BAA shall be interpreted to permit compliance with the HIPAA Regulations and any other applicable law.

(e) *Order of Precedence.* In the event of possible conflict or inconsistency between documents, the conflict or inconsistency shall be resolved by giving precedence in the following order: 1) this BAA and 2) the Agreement.

(f) *Governing Law.* This BAA is subject to the "Governing Law" section in the Agreement. Except as expressly modified or amended under this BAA, the terms of the Agreement remain in full force and effect.



Arctic Wolf® Security Operations Warranty

Financial Coverage for Cyber Attacks

Arctic Wolf's mission is to provide organizations with the technology, security expertise, and risk transfer solutions that they need to end cyber risk.

Arctic Wolf Security Operations Bundles, as well as Aurora Managed Endpoint Defense, were designed to provide organizations with end-to-end proactive and reactive protection, but no cybersecurity solution can eliminate 100% of all cyber attacks.

Based on this reality, we created the Arctic Wolf Security Operations Warranty to allow cybersecurity, IT, and risk management leaders to financially transfer risk.

Security Operations Warranty

The Security Operations Warranty provides a no-cost financial benefit of up to \$3 million (USD) to Arctic Wolf customers that experience a covered security event.

In the event of a cyber attack, the Security Operations Warranty provides financial support for the recovery and repair of systems to return an organization's environment to a pre-incident state.

Minimize Out-of-Pocket Expenses

Access your cyber insurance coverage without paying out-of-pocket by funding your deductible with the Security Operations Warranty.



Security
Operations
Warranty

+



Cyber
Insurance
Coverage

=



Robust Financial
Coverage for a
Major Incident

Industry-Leading Financial Benefit

The Arctic Wolf Security Operations Warranty provides **up to \$3 million (USD)** of financial coverage at no cost to qualifying customers.

Risk Transfer

Leverage the Security Operations Warranty to fund the deductible of your cyber insurance policy to minimize out-of-pocket expenses and to unlock insurance benefits like lower premiums or more favorable terms.

Coverage

The Security Operations Warranty offers financial support for:

- Ransomware
- Business email compromise
- Cyber legal liabilities
- Compliance events
- Business income loss



Warranty Coverage

The Security Operations Warranty provides escalating financial benefits for covered security incidents based on the Arctic Wolf Security Operations Bundle and Aurora Endpoint Security offering that you purchase.

The Security Operations Bundles, as well as Aurora Managed Endpoint Defense, offer robust cybersecurity capabilities designed to reduce the frequency and severity of successful cyber attacks.

An organization's security posture may also improve upon completing regular security reviews with the Arctic Wolf Concierge Security® Team. Based on such continuous improvement, the financial benefit of our Security Operations Warranty increases with contract length.

Arctic Wolf Security Operations Bundles

	CORE 3-YEAR	PLUS 1-YEAR	TOTAL 1-YEAR	PLUS 3-YEAR	TOTAL 3-YEAR
Ransomware and BEC	\$50,000	\$100,000	\$150,000	\$200,000	\$300,000
Compliance	\$50,000	\$100,000	\$150,000	\$200,000	\$300,000
Cyber Legal Liability		\$250,000	\$375,000	\$500,000	\$750,000
Business Income Loss		\$50,000	\$75,000	\$100,000	\$150,000
Total Coverage	\$100k	\$500k	\$750k	\$1M	\$1.5M

Arctic Wolf Security Operations Bundles + Aurora Managed Endpoint Defense

	CORE 3-YEAR	PLUS 1-YEAR	TOTAL 1-YEAR	PLUS 3-YEAR	TOTAL 3-YEAR
Ransomware and BEC	\$100,000	\$200,000	\$300,000	\$400,000	\$600,000
Compliance	\$100,000	\$200,000	\$300,000	\$400,000	\$600,000
Cyber Legal Liability		\$500,000	\$750,000	\$1,000,000	\$1,500,000
Business Income Loss		\$100,000	\$150,000	\$200,000	\$300,000
Total Coverage	\$200k	\$1M	\$1.5M	\$2M	\$3M



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

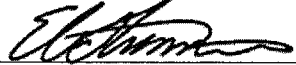
The aforesaid terms and provisions shall control over any conflicting term or provision of any CONTRACTOR proposal, Attachment, Exhibit, and standard terms and provisions annexed hereto.

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 ☒ PROJECT ☐ 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 ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ 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 ☐ CLAIMS-MADE	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.

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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.

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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.

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Lippert Flooring and Tile

City of Franklin

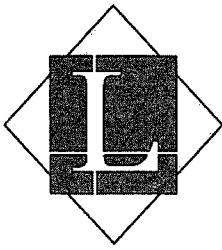
By: _____
Elias Shanine

By: _____
Joe Chitko

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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			

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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 Categorized ILL Transactions
(Only Total will display when Total ILL Transactions is listed as the Method for Counting 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	f. Total E-materials
		4,712	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			7. Library Visits
a. Method	b. Annual Count	a. Method	b. Annual Count
Actual Count	15,388	Actual Count	169,571
8. Uses of Public Internet Computers			9. Uses of Public Wireless Internet
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
		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
	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		
F: Claims Per Contract (PEPM)	E / A / 12	\$68.49		
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.

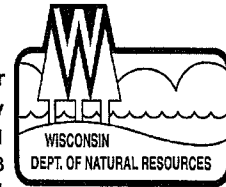
Annexed hereto is correspondence from the Wisconsin Department of Natural Resources with its Findings of Fact, Conclusions of Law, Denial Order and Notice of Appeal Rights.

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,

A handwritten signature in cursive script that reads 'Michelle Soderling'.

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 (*Eubrachipus 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 horizontal stroke extending from the end of the name.

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