Memorandum of Understanding ("MOU")
Between
Tyler Technologies, Inc.
and
City of Minot, North Dakota

1. **Purpose and Scope.** The purpose of this MOU is to document the options agreed to by Tyler and the City for the continuation of the implementation of the Tyler ExecuTime software (hereafter, "ExecuTime") licensed pursuant to the agreement between the parties executed August 19, 2019 (hereafter, the "Agreement").

2. **Background.** Tyler and the City have discussed several options for ensuring that the ExecuTime software is implemented with warranted functionality. After several exchanges, the City and Tyler have agreed to a commitment by Tyler to demonstrate the warranted ExecuTime functionality on December 17, 2021, with identified consequences related to the success or failure of such demonstration. Activities and scheduling related to the demonstration and potential following activities are described in the attached Attachment A.

3. **Understandings.**
   a. Tyler will conduct a software demonstration within the city software environment<sup>1</sup> on December 17, 2021.
      i. If Tyler cannot demonstrate the warranted software functionality in accordance with mutually agreed requirements (hereafter, the "Required Functionality"), the following actions shall occur:
         1. Tyler issues a credit of $229,063.49, comprised of the following amounts:
            a. $145,906.65 in license, hardware, and support fees paid for the Tyler software within the Payroll/Human Capital Management Phase
            b. $83,156.84 in services fees paid for the implementation of the software within the Payroll/Human Capital Management Phase
         2. Tyler and the City shall promptly amend the Agreement to remove the Payroll/Human Capital Management Phase and modify future Agreement expenses to reflect the credit described in Section 3(a)(i)(1) above.
   ii. In the event Tyler successfully demonstrates the Required Functionality, the following actions will occur:
      1. Tyler will provide, at no additional cost to the City, the two hundred seventy-two (272) hours of training services indicated in the mutually agreed project plan for go-live of the Payroll/Human Capital Management Phase, valued at $47,600.

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<sup>1</sup> City environment must meet minimum specifications communicated by Tyler.
3. Tyler will waive collection of maintenance charges for the already provided clocks through 2028, totaling $242,040.70.

4. Tyler and the City shall promptly amend the Agreement to incorporate the elements described in Sections 3(ii)(1)-(3) above.
   b. The City, through its City Manager, shall provide Tyler with City’s written determination as to whether Tyler was successful at the December 17, 2021 software demonstration on or before January 4, 2022. In the event Tyler and City disagree with respect to whether Tyler successfully demonstrated the “Required Functionality,” the parties shall refer the disagreement to the Dispute resolution process in accordance with the Agreement.
   c. For the avoidance of doubt, Tyler and Client agree that the Required Functionality will be documented in the form of the mutually agreed agenda for the demonstration to occur on December 17, 2021.

4. Terms. Except as expressly indicated herein, this MOU and all activities performed in connection therewith are subject to and will be performed in accordance with the terms and conditions of the Agreement.

Both parties affirm through the signatures of the authorized signatories below the accuracy of this MOU.

Tyler Technologies, Inc.

By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

City of Minot, North Dakota

By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________