

PIERCE GROUP BENEFITS

Enrollment System Client Service Contract

This Enrollment System Client Service Contract and any exhibits attached hereto (collectively, the "**Contract**") is entered into by and between **Accretive Global Insurance Services, LLC dba Pierce Group Benefits ("Pierce Group Benefits")**, having a place of business at: 4928 Linksland Drive, Holly Springs, NC 27540 , and City of Lincolnton **("Client")**, having a place of business at: 114 W. Sycamore St., Lincolnton, NC 28093.

Scope of Services

Pierce Group Benefits will provide and maintain an employee enrollment and communication platform ("The System") for the employee benefits that are arranged and brokered by Pierce Group Benefits. The System will provide an electronic database, which will be available to the Client via an Internet browser. This database and employee communications system also will be made available to each employee of the Client. This recurring service includes annual open enrollment sessions, employee self-service information, family event changes, new hire enrollments and human resource management tools. In order to access the System, Client's authorized users must accept the terms of the use agreement which will appear on the website.

1. CLIENT PROVIDED INFORMATION

1.1 Data.

All Data provided to Pierce Group Benefits by the Client or the Client's employees, payroll provider(s), insurance provider(s), auditor(s), legal counsel or other representative(s) shall be in one or more electronic/magnetic formats acceptable to Pierce Group Benefits. Pierce Group Benefits may deem all such information as true and correct. Pierce Group Benefits shall have no responsibility to inquire into the correctness or accuracy of any such data, and will not be responsible for any losses or expenses that arise due to the submission of incorrect or incomplete Data, or Data transmitted to Pierce Group Benefits in an improper format.

1.2 Instructions.

Pierce Group Benefits is authorized to rely and act upon instructions transmitted electronically through a Client's data entry system, or any other similar electronic instruction system approved by Pierce Group Benefits. Pierce Group Benefits is authorized to rely and act upon instructions received by Pierce Group Benefits via telephone, U.S. Mail or other similar carrier/delivery service, or a facsimile transmission device, which Pierce Group Benefits believes to be given by individuals authorized by the Client.

1.3 Accuracy of Data.
Pierce Group Benefits has no obligation to determine the accuracy or completeness of any Data submitted by either the Client or the Client's employees or authorized representatives. In the event of malicious destruction of data by Client or Client's employees or other authorized users, Pierce Group Benefits will be compensated by Client for the cost of data reconstruction.

1.4 Data Exchange.
The Client hereby authorizes Pierce Group Benefits to provide and exchange Data and other information with the Client's payroll provider(s), insurance provider(s), auditor(s), legal counsel or other representative(s) for any such purpose as contemplated by this Contract and as permitted by law.

1.5 Beneficiary Documents.
It is the sole responsibility of the Client to maintain legally binding beneficiary documents. The Client will also be responsible for maintaining certain documents regarding employee eligibility for insurance coverage. Pierce Group Benefits will at no time be held liable for discrepancies between the beneficiary data within the System and the information on file with either the Client or its insurance carrier.

2. USE AND OWNERSHIP

2.1 Grant of License(s).
Subject to the terms and conditions of this Contract, Pierce Group Benefits hereby grants to Client during the term of this Contract, one (1) or more nonexclusive, non-transferable, non-sub licensable license(s) to permit Authorized Users to access the Pierce Group Benefits portals (through Online Access) and to use Pierce Group Benefits to enter, modify, view, display, download, transmit, reproduce and otherwise process Client Data and the results thereof and to perform the other functions included within the System.

2.2 Restrictions.
The license(s) granted in Section 2.1 is limited to the commercially available version of the System offered by Pierce Group Benefits as updated from time to time, and Client agrees to continuously transition to the updated versions as requested by Pierce Group Benefits. Client shall not, and shall not permit any other party, to (a) copy or modify the System or any portion thereof, or (b) decompile, reverse engineer, disassemble, or otherwise determine or attempt to determine the source code (or the underlying ideas, algorithms, structure or organization) of the System, or (c) use the System for any purpose other than its intended business use.

2.3 Title.
Pierce Group Benefits shall retain all right, title and interest (including, without limitation, all copyrights and registrations, patents and applications, service marks, trademarks, trade secrets and other intellectual property rights) in and to System (including all modifications and enhancements thereto) and all confidential and proprietary support and training methods and materials provided by Pierce Group Benefits. Except for the license(s) granted pursuant to this Contract, Client shall not acquire any interest in or to any of the aforementioned items.

2.4 Client Ownership of Client Data.
Any Client Data obtained by Pierce Group Benefits hereunder, both in hard copy or electronic format, is and shall remain Client's property. Client hereby grants to Pierce Group Benefits a royalty-free license to use, copy, reproduce, display, and transmit Client Data only for the purposes of facilitating Client's use of the System and for the provision of Services. Client will

own the reports and output generated with Client Data through access to System in accordance with this Contract.

2.5 System/Usage Audit.
Client hereby grants permission for Pierce Group Benefits to conduct system audits and usage audits of, and conduct maintenance on, the System, during which time Pierce Group Benefits is entitled to access the Client's Data.

2.6 Availability/Throughput.
Pierce Group Benefits shall use reasonable efforts to provide a sufficient level of throughput to the Internet to ensure reasonable service/response times and to minimize down times to the System and Client Data.

3. FEES

3.1 Fees are $0.00 per benefit eligible employee per month for access, use, and service of the system and shall begin the first month the system is established and functional for use by the client and/or their employees on January 1, 2027, which constitutes the "Effective Date" of this Contract.

3.2 This Fee schedule is in conjunction with Pierce Group Benefits being the Broker of Record/Administrator of the employee benefits for the Client for the duration of the systems use.

3.3 The Client will be responsible for all fee payments associated with the system and shall make payment to Pierce Group Benefits, 4928 Linksland Drive, Holly Springs NC 27540. The parties agree that Pierce Group Benefits is entitled to the compensation it is receiving through the end of any Term where the contract is in full force and effect.

3.4 Pierce Group Benefits agrees to a three (3) year fee guarantee for the amount indicated in **3.1**.

3.5 Fee Changes.
Fees under this section may be modified by Pierce Group Benefits with thirty (30) days' notice to the Client at the end of the rate guarantee period and this Contract shall be amended to reflect the modified fee schedule. Fees for additional projects, requested services, or unusual revisions that falls outside the Scope of Services, shall be agreed upon between the Client and Pierce Group Benefits and will allow for an adjustment of the Fees even during the Fee Guarantee Period and will be reflected in a revised Contract.

4. CONFIDENTIALITY

4.1 Confidentiality.
Each party agrees that the Client Data (referred to herein as the "**Client Confidential Information**") is the confidential property of Client, and that all nonpublic information, documentation and material incorporated in, related or referring to System (including trade secrets) or the Services or the terms of this Contract (referred to herein as the "**Pierce Group Benefits Confidential Information**") whether created by Pierce Group Benefits, Client or any third party, is the confidential and proprietary property of Pierce Group Benefits. The party receiving the Confidential Information, including such party's employees, officers, directors and agents, (collectively, the "**Receiving Party**") shall hold in strict confidence all Confidential Information and shall not use or disclose the Confidential Information except to its professional service providers (e.g., lawyers and accountants) on a strict "need to know" basis for the purpose

of performance of this Contract or as required by valid legal process. Confidential Information under this Section 4.1 shall not include information that: (i) is or has become publicly available without restriction through no fault of the Receiving Party; (ii) has been received without restriction from a third party lawfully in possession of such information; (iii) does not identify Client or Client Data; or (iv) was in the possession of the Receiving Party before receiving it from the disclosing party.

5. TERM AND TERMINATION

5.1 Term.
The Term of this Contract shall remain in effect for three (3) years from the Effective Date outlined in **3.1** and shall continue thereafter until, (i) Pierce Group Benefits no longer maintains the System, (ii) Pierce Group Benefits no longer maintains an alternate system for the Client, and/or (iii) Pierce Group Benefits no longer provides Benefit Broker/Administration services for the Client. This Contract shall automatically renew for the above term without any notice on the part of either party. Automatic renewal periods shall continue until either party gives the other written notice of termination of this Contract. Such notice of termination is required ninety (90) days prior to the beginning of the next Term.

5.2 Termination for Breach.
In the event of the material default or failure by either party under this Contract, the non-performing party shall have thirty (30) days after receipt of written notice from the other party to cure such default or failure, and if not corrected within the said period, the notifying party shall have the right, at its option, to terminate this Contract.

5.3 Return of Confidential Information.
In the event of termination of this Contract, upon Pierce Group Benefits' request, Client agrees to promptly return all Pierce Group Benefits Confidential Information in its possession, custody or control to Pierce Group Benefits, and shall pay in full all Fees due and payable by Client to Pierce Group Benefits. To the extent Pierce Group Benefits has in its possession, custody or control any other Client Confidential Information, Pierce Group Benefits agrees to promptly return it to Client.

6. WARRANTY DISCLAIMER AND LIMITATION OF LIABILITY

6.1 Limitation of Liability.
In no event shall either party's aggregate liability arising out of or related to this Contract, whether in contract, tort or under any other theory of liability, exceed the amounts actually paid by or due from Client for the services during the one (1) year period immediately preceding the date the cause of action arose. Also, neither party shall be liable to the other party for any consequential damages, including, but not limited to punitive damages, damages arising from loss of data, loss of business or other loss arising out of or resulting from this Contract even if the other party has been advised of the possibility of such damages. The foregoing shall apply regardless of the negligence or other fault of the party and regardless of whether such liability arises from contract, negligence, tort, strict liability or any other theory of legal liability.

6.2 Client Acknowledgment.
Notwithstanding any obligations or commitments of Pierce Group Benefits hereunder, Client acknowledges and agrees that Pierce Group Benefits has no duty or liability in connection with the retention of Client Data for any reasons or purposes including, but not limited to, Client's compliance with federal, state, administrative or local laws or regulations that may apply to

retention of such records. Furthermore, Client agrees to accept full responsibility for immediately notifying Pierce Group Benefits when Client desires to discontinue access by an Authorized User and Client understands that, unless it provides such immediate notification, there is potential for unauthorized access to and use of the System.

7. GENERAL PROVISIONS

7.1 Assignment of Contract.
Except as otherwise provided for in this Section 7.1, neither party shall assign (whether by operation of law or otherwise) this Contract or any of its rights, duties or obligations under this Contract without the prior written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Pierce Group Benefits may assign this Contract without the written consent of Client to a successor entity or purchaser acquiring all or substantially all of its assets of Pierce Group Benefits, provided, however, that such successor entity or purchaser agrees to assume in writing all of the rights, duties and obligations of Pierce Group Benefits under this Contract for the term hereof. This Contract shall bind and inure to the benefit of the parties and their respective successors and permitted assigns.

7.2 Governing Law.
This Contract is governed by and shall be construed in accordance with the law of the State of North Carolina.

7.3 Force Majeure.
Neither party hereto shall be in breach or default of any provision of this Contract by reason of its delay or failure to meet any of its obligations hereunder due to any event, circumstance, or cause beyond its control such as, but not limited to, acts of God, strikes, lock-outs, general governmental orders or restrictions, war, threat of war, hostilities, revolution, riots, epidemics, fire, earthquake, failures of internet infrastructure, or flood. The performance of this Contract shall then be suspended for as long as any such event shall prevent the affected party from performing its obligations under this Contract.

7.4 Invalidity; Waivers.
If any provision or portion of this Contract is held invalid, illegal, void or unenforceable as it appears in this Contract by reason of any rule of law, administrative or judicial provision or public policy, then such provision shall be construed as being enforceable to the extent allowed thereunder. All other provisions of this Contract shall nevertheless remain in full force and effect. Neither of the parties shall be deemed to have waived any of its rights, powers or remedies hereunder unless the waiving party expresses such a waiver in writing.

7.5 This contract may be extended to any public agency or body in the State of North Carolina to permit those public agencies or bodies to purchase at contract prices, in accordance with the terms, conditions, and specifications of this Contract. Pierce Group Benefits shall deal directly with each public agency or body regarding order placement, delivery, invoicing, and payment.

7.6 The Client acknowledges that the majority of Pierce Group's duties as outlined in in this Contract are performed prior to and at the beginning of each plan year for open enrollment services, printing, building of online systems, websites, etc. Pierce Group Benefits has agreed to allow for the annual fee to be paid in monthly installments. The Client agrees that the total annual fee amount outlined in Article 3 is due in full by December 31, 2030 regardless of reason or date of termination of this contract.

This Enrollment System Contract is signed and considered executed as of the last date shown below.

This document must be executed by a person authorized to amend or obtain coverage under the Benefits Plan.

Pierce Group Benefits	City of Lincolnton
BY: _____	BY: _____
Print Name: Raquel Bootes	Print Name: _____
Title: Agency President	Title: _____
Date: _____	Date: _____