

# PAYLOCITY HOLDING CORPORATION

## CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS

As adopted on January 16, 2014 and amended on April 20, 2018

### I. STATEMENT OF POLICY

This Charter specifies the scope of the responsibilities of the Nominating and Corporate Governance Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Paylocity Holding Corporation (the “*Company*”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements.

The primary responsibilities of the Committee are to (i) identify individuals qualified to become Board members; (ii) select, or recommend to the Board, director nominees for each election of directors; (iii) develop and recommend to the Board criteria for selecting qualified director candidates; (iv) consider committee member qualifications, appointment and removal; (v) recommend corporate governance principles and a code of conduct applicable to the Company; and (vi) provide oversight in the evaluation of the Board and each committee.

### II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be appointed by the Board and shall be comprised of at least three Board members, each of whom must be determined by the Board to be “independent” under the rules of the Nasdaq Stock Market (“*Nasdaq*”). Notwithstanding the foregoing, one director who does not meet the independence criteria of Nasdaq, but is not a current employee or officer, or an immediate family member of an employee or officer, may be appointed to the Committee, subject to the approval of the Board pursuant to, and subject to the limitations under, the “exceptional and limited circumstances” exceptions as provided under the rules of Nasdaq.

Each member of the Committee shall serve until his or her successor is duly elected and qualified or until such member’s earlier resignation, removal or death. Any member of the Committee may be removed or replaced by the Board. Unless a chairman is elected by the full Board, the members of the Committee may designate a chairman by majority vote of the full Committee membership. The Chair shall preside at all regular meetings of the Committee and set the agenda for each Committee meeting.

In fulfilling its responsibilities, the Committee shall, to the extent permitted by law, be entitled to delegate duties or responsibilities to one or more subcommittees of the Committee comprised of one or more members of the Committee.

The Committee shall have the authority to obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate to perform its duties hereunder, and to determine the terms, costs and fees for such engagements. Without limitation, the Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates and to determine and approve the terms, costs and fees for such engagements. The fees and costs of any consultant or advisor engaged by the Committee to assist the Committee in performing its duties hereunder shall be borne by the Company.

### **III. MEETINGS**

The Committee shall meet as often as it deems necessary or appropriate to fulfill its responsibilities hereunder and, at least once during each fiscal year. The Committee may meet with management or individual directors at such time as it deems appropriate to discuss any matters before the Committee. The Committee may request that any employee of the Company attend any of its meetings or meet with any Committee member or consultant. The Committee shall meet periodically in executive session without the presence of management.

A majority of the members shall represent a quorum of the Committee and, if a quorum is present, any action approved by at least a majority of the members present (in person or by telephone conference call) shall represent the valid action of the Committee. The Committee may also take action by unanimous written consent without a meeting. Any actions taken by the Committee during any period in which one or more of the members fail for any reason to meet the membership requirements set forth above shall still constitute duly authorized actions of the Committee for all corporate purposes.

The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

### **IV. COMMITTEE AUTHORITY AND RESPONSIBILITY**

To fulfill its responsibilities and duties hereunder, the Committee shall:

#### **A. *Nominating Functions***

1. Evaluate and select, or recommend to the Board, nominees for each election of directors, except that if the Company is at any time legally required by contract or otherwise to provide any third party with the ability to nominate a director, the Committee need not evaluate or propose such nomination, unless required by contract or requested by the Board.

2. Determine criteria for selecting new directors, including desired board skills, experience and attributes, and identify individuals qualified to become directors, as needed.

3. Consider any nominations of director candidates validly made by the Company's stockholders.

4. Review and make recommendations to the Board concerning qualifications, appointment and removal of committee members.

#### **B. *Corporate Governance Functions***

1. Develop, recommend for Board approval, and review on an ongoing basis the adequacy of, the corporate governance principles applicable to the Company. Such principles shall include director qualification standards, director responsibilities, committee responsibilities, director access to management and independent advisors, director compensation, director orientation and continuing education, management succession and annual performance evaluation of the Board and committees.

2. Consult with the Audit Committee regarding the Company's adoption of a Code of Business Conduct and Ethics applicable to all employees and directors, which meets the requirements of Item 406 of the SEC's Regulation S-K and the rules of Nasdaq, and provide for and review prompt disclosure to the public of any change in, or waiver of, such Code of Business Conduct and Ethics.

Review such Code of Business Conduct and Ethics periodically and recommend such changes to such Code of Business Conduct and Ethics as the Committee shall deem appropriate, and adopt procedures for monitoring and enforcing compliance with such Code of Business Conduct and Ethics.

3. Review, at least annually, the Company's compliance with the Nasdaq corporate governance listing requirements, and report to the Board regarding the same.

4. Assist the Board in developing criteria for the evaluation of Board and committee performance.

5. If requested by the Board, assist the Board in its evaluation of the performance of the Board and each committee of the Board.

6. Review and recommend to the Board changes to the Company's Bylaws as needed.

7. Develop corporate governance-related continuing education for Board members.

8. Make reports to the Board regarding the foregoing as appropriate.

9. Review and reassess the adequacy of this Charter as appropriate and recommend any proposed changes to the Board for approval.

10. Perform any other activities consistent with this Charter, the Company's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

C. *Annual Review*

The Committee shall review on at least an annual basis the scope of responsibilities of the Committee and the Committee's performance of its duties. Any proposed changes to this Charter or the scope of responsibilities of the Committee, where indicated, shall be referred to the Board for appropriate action.