



MAJOR ACCOUNTS SERVICES - MASTER SERVICES AGREEMENT

(Effective Date)

ADP, LLC: One ADP Boulevard
Roseland, New Jersey 07068

(referred to herein as "ADP")

CLIENT: City of Brentwood
2348 S. Brentwood Boulevard
Saint Louis, MO 63144

(referred to herein as "Client")

Attention: Karen Shaw

ADP and Client agree that ADP shall provide Client with the following services in accordance with the terms and subject to the conditions set forth in this Major Accounts Services Master Services Agreement (the "Agreement").

ANNEX A:	GENERAL TERMS AND CONDITIONS
ANNEX B:	PAYROLL PROCESSING, TAX FILING & PAYMENT SERVICES
ANNEX C:	TIME AND ATTENDANCE SERVICES
ANNEX D:	HR, BENEFITS AND TALENT MANAGEMENT SERVICES
ANNEX E:	ESSENTIAL ACA
ANNEX J:	ALINE CARD SERVICES

BY SIGNING BELOW, CLIENT ACKNOWLEDGES THAT THEY HAVE REVIEWED THE ENTIRE AGREEMENT INCLUDING THE TERMS AND CONDITIONS IN EACH ANNEX CORRESPONDING TO SERVICES PURCHASED PURSUANT TO THE SALES ORDER.

This Agreement includes the Annexes related to the services selected by Client. Each Annex listed above is attached hereto and is incorporated into this Agreement in full by this reference as if set forth in this Agreement in full.

ADP, LLC		CLIENT	
_____ (Signature of Authorized Representative)		_____ (Signature of Authorized Representative)	
_____ (Name - Please Print)		_____ (Name - Please Print)	
_____ (Title)	_____ (Date)	_____ (Title)	_____ (Date)

ANNEX A GENERAL TERMS AND CONDITIONS

All references in this Agreement to “Client” shall refer to Client and its affiliates receiving the Services and ADP Products (defined in section 1A) pursuant hereto. For purposes of this Agreement “affiliate” shall mean any individual, corporation or partnership or any other entity or organization (a “person”) that controls, is controlled by or is under common control with Client. For purposes of the preceding definition, “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through ownership of voting securities or by contract or otherwise. Unless otherwise specified, any reference in this Annex to a section or other subdivision is a reference to a section or subdivision of this Annex. Any terms defined in this Annex A shall have the same meaning in any other Annex to this Agreement unless otherwise noted.

I. GENERAL TERMS

- A. Services.** ADP shall provide the services described in each Annex elected by Client under this Agreement or amendment to this Agreement and any other services offered pursuant to this Agreement and that ADP provides to Client at Client's request (the “Services”) and such equipment, computer programs, software (other than pre-packaged third-party software), and documentation (the “ADP Products”) required for such Services in accordance with sales order(s) between Client and ADP (the “Sales Order(s)”). A general description of the Services, including ADP Workforce Now, ADP’s web-based portal which provides a single point of access to ADP online solutions and employee-facing websites and resources related to payroll, HR, benefits, talent, and time and attendance, is found at www.productdescription.majoraccounts.adp.com (which may be modified from time to time provided, however, that any such modifications will not have a material adverse impact on any of the Services Client is receiving). The ADP Products and Services are hosted in the United States and are for use in the United States only, except for the HR and/or Talent modules of ADP Workforce Now (but specifically excluding document cloud services and any other modules/tools that ADP, in its sole discretion, determines shall not be accessible to Client employees located outside the United States), approved for use and access by Client from the countries specified on the Approved Country List listed on www.productdescription.majoraccounts.adp.com or ADP otherwise consents in writing. ADP will provide the Services in a good, diligent and professional manner in accordance with industry standards, utilizing personnel with a level of skill commensurate with the Services to be performed.
- B. Errors; Review of Data.** All Services provided hereunder will be based upon information provided to ADP by Client or any person who is authorized by Client to use, access or receive the Services. Client will promptly review all documents and reports produced by ADP and provided or made available to Client in connection with the Services and promptly notify ADP of any error, omission, or discrepancy with Client’s records. ADP will promptly correct such error, omission or discrepancy and, if such error, omission or discrepancy was caused by ADP, then such correction will be done at no additional charge to Client. To help prevent employee fraud, ADP recommends that Client has someone other than its designated payroll contact, promptly and thoroughly review Client’s disbursement reports to enable Client to spot and correct errors and inconsistencies.
- C. Records.** ADP does not serve as Client’s record keeper and Client will be responsible for retaining copies of all documentation received from or provided to ADP in connection with the Services to the extent required by Client or applicable law.
- D. Use of ADP Products and Services.** ADP Products and Services include confidential and proprietary information. Client shall use the ADP Products and Services only for its internal business purposes. Client shall not provide, directly or indirectly, any of the ADP Products or Services or any portion thereof to any other party. Client shall not provide service bureau or other data processing services that make use of the ADP Products or Services or any part thereof without the express written consent of ADP. Client shall be responsible for the use of the Services by its affiliates, employees, plan participants and any other persons authorized by Client to access or use the Services in accordance with the terms of this Agreement. Client is responsible for the accuracy and completeness of all information and materials provided by Client, its agents or employees, regardless of form (“Client Content”).
- E. Compliance.**
- i. Applicable Laws.** Each party will comply with applicable laws and regulations that affect its business generally, including any applicable anti-bribery, export control and data protection laws and rules and regulations promulgated by the United States Department of Treasury, Office of Foreign Assets Control (“OFAC”) regarding export controls and trade with prohibited parties. For clarity, Client represents that Personal Information (as defined section 7C of this Annex A) transferred by Client or at Client’s direction to ADP has been collected in accordance with applicable privacy laws, and ADP agrees that it shall only process the Personal Information as needed to perform the Services, or as required or permitted by law.
 - ii. Design of the Services.** ADP will design the Services, including the functions and processes applicable to the performance of the Services, to assist the Client in complying with its legal and regulatory requirements applicable to the Services, and ADP will be responsible for the accuracy of such design. Client and not ADP will be responsible for (i) how it uses the Services to comply with its legal and regulatory requirements and (ii) the consequences of any instructions that it gives or fails to give to ADP, including as part of the implementation of the Services, provided ADP follows such instructions. Services do not include any legal, financial, regulatory, benefits, accounting or tax advice.
 - iii. Online Statements.** If Client instructs ADP to provide online pay statements, Forms W2, or Forms 1099 without physical copies thereof, Client will be exclusively responsible for determining if and to what extent Client’s use of online pay statements, Forms W2 or Forms 1099 satisfies Client’s obligations under applicable laws and the consequences resulting from such determinations.
- F. Links to Third-Party Sites.** Certain ADP Products or Services may be accessed by Client and its authorized employees and plan participants through the Internet at a website provided by ADP or on behalf of ADP, including those hosted by ADP on behalf of Client (a “Site”). Links to and from the Site to other third-party sites do not constitute an endorsement by ADP or any of its subsidiaries or affiliates of such third-party sites or the acceptance of responsibility for the content on such sites. Client’s business dealings with any third-party advertiser found on the Site(s) are solely between Client and such advertiser and ADP shall not be responsible or liable for any loss or damage of any sort incurred as the result of any such dealings or as the result of the presence of such advertisers on ADP Workforce Now.

G. Transmission of Data. In the event that Client elects to use an application programming interface (“API”) to provide, or requests that ADP provide any Client Content or employee or plan participant information to any third party or to any non-U.S. Client location, Client represents that it has acquired any consents or provided any notices required to transfer such content or information and that such transfer does not violate any applicable international, federal, state or local laws and/or regulations. Additionally, ADP shall not be responsible for any services or data provided by any such third party.

2. FEES, PAYMENTS, AND TAXES

- A. Fees.** Client shall pay ADP for the ADP Products and Services at the rates specified in the Sales Order (assuming no changes in requirements, specifications, volumes or quantities) for the first six (6) months after the Effective Date, or if there is a Price Agreement for certain ADP Products or Services, for the term set forth therein (the “**Initial Period**”). Client shall pay ADP for the ADP Products and Services added by Client after the Effective Date at ADP’s then prevailing prices for such ADP Products and Services. Subject to any Price Agreement, ADP may increase prices for the ADP Products and Services at any time after the Initial Period upon at least thirty (30) days prior written notice to Client if such change is part of a general price change by ADP to its clients for affected items.
- B. Billing.** Commencement of billing for Services shall be set forth in the respective Annexes governing the Services. Client will pay all invoices in full within thirty (30) days of the invoice date. Client shall reimburse ADP for any expenses incurred, including interest and reasonable attorney fees, in collecting amounts due ADP hereunder that are not under good faith dispute by Client. Fees for implementation services, if any, shall be billed upon go live of the respective Service(s); provided, however, in the event this Agreement or any Services(s) is terminated after the commencement but prior to the completion of such implementation, ADP will invoice, and Client will pay, for any implementation services and expenses incurred by ADP until such date of termination (a minimum of 30% of quoted implementation fees), not to exceed the implementation fees quoted on the Sales Order.
- C. Taxes.** Client shall be responsible for payment of all taxes (excluding those on ADP’s net income) relating to the provision of ADP Products and Services, except to the extent a valid tax exemption certificate or other written documentation acceptable to ADP to evidence Client’s tax exemption status is provided by Client to ADP prior to the delivery of Services.

3. WARRANTIES AND DISCLAIMER

- A. Warranties.** Each party warrants that (i) it has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and (ii) this Agreement has been duly and validly executed and delivered and constitutes the valid and binding agreement of the parties, enforceable in accordance with its terms.
- B. DISCLAIMER.** EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL EQUIPMENT PROVIDED BY ADP OR ITS SUPPLIERS IS PROVIDED “AS IS” AND ADP AND ITS LICENSORS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS, VIRUSES OR ANY OTHER MALICIOUS CODE WITH RESPECT TO THE SERVICES, THE ADP PRODUCTS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP. ADP AND ITS LICENSORS FURTHER DISCLAIM ANY WARRANTY THAT THE RESULTS OBTAINED THROUGH THE USE OF THE SERVICES, THE ADP PRODUCTS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP WILL MEET CLIENT’S NEEDS.

4. INTELLECTUAL PROPERTY

- A. Client IP Rights.** Except for the rights expressly granted to ADP in this Agreement, all rights, title and interests in and to Client Content, including all Intellectual Property Rights (as hereinafter defined) inherent therein and pertaining thereto, are owned exclusively by Client or its licensors. Client hereby grants to ADP for the term of this Agreement a non-exclusive, worldwide, non-transferable, royalty-free license to use, edit, modify, adapt, translate, exhibit, publish, reproduce, copy and display the Client Content for the sole purpose of performing the Services; provided Client has the right to pre-approve the use by ADP of any Client trademarks or service marks. For the purposes of this Agreement, “Intellectual Property Rights” means all rights, title and interest to or in patent, copyright, trademark, service mark, trade secret, business or trade name, know-how and rights of a similar or corresponding character.
- B. ADP IP Rights.** Except for the rights expressly granted to Client in this Agreement, all rights, title and interest in and to the Services, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by ADP or its licensors. ADP grants to Client for the term of this Agreement a personal, non-exclusive, non-transferable, royalty-free license to use and access the ADP Products or Services in accordance with the terms of this Agreement. The ADP Products or Services do not include any Client-specific customizations unless otherwise agreed in writing by the parties. Client will not obscure, alter or remove any copyright, trademark, service mark or proprietary rights notices on any materials provided by ADP in connection with the Services, and will not copy, decompile, recompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, such ADP materials.
- C. Ownership of Reports.** Client will retain ownership of the content of reports and other materials that include Client Content produced and delivered by ADP as a part of the Services, provided that ADP will be the owner of the format of such reports. To the extent any such reports or other materials incorporate any ADP proprietary information, ADP (i) retains sole ownership of such proprietary information and (ii) provides the Client a fully paid up, irrevocable, perpetual, royalty-free license to access and use same for its internal business purposes without the right to create derivative works (other than derivative works to be used solely for its internal business purposes) or to further distribute any of the foregoing rights except to its affiliates, employees, plan participants and any other persons authorized by Client to access or use the Services.
- D. ADP Indemnity.** Subject to the remainder of this Section 4D, ADP shall defend Client in any suit or cause of action, and indemnify and hold Client harmless against any damages payable to any third party in any such suit or cause of action, alleging that the ADP Products as used in accordance with this Agreement infringe any U.S. patent, copyright, trade secret or other proprietary right of any third party. The foregoing obligations of ADP are subject to the following requirements: Client shall take all reasonable steps to mitigate any potential damages which may result; Client shall promptly notify ADP of any and all such suits and causes of action; ADP controls any negotiations or defense of such suits and causes of action; and Client assists as reasonably required by ADP. The foregoing obligations of ADP do not apply to the extent that the infringing ADP Product or portions or components thereof or modifications thereto were not supplied

or directed by ADP, or were combined with other products, processes or materials not supplied or directed by ADP (where the alleged infringements relates to such combination).

5. NONDISCLOSURE

All Confidential Information (defined below) disclosed hereunder will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose the Confidential Information of the disclosing party and will use at least the same degree of care, discretion and diligence in protecting the Confidential Information of the disclosing party as it uses with respect to its own confidential information, but in no case less than reasonable care. The receiving party will limit access to Confidential Information to its affiliates, employees and authorized representatives with a need to know and will instruct them to keep such information confidential. Notwithstanding the foregoing, the receiving party may disclose Confidential Information of the disclosing party (a) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it, (b) as appropriate and with prior notice where practicable, to respond to any summons or subpoena or in connection with any litigation, (c) relating to a specific employee, to the extent such employee has consented to its release, and/or (d) in order to provide the Services under this Agreement. Upon the request of the disclosing party, the receiving party will return or destroy all Confidential Information of the disclosing party that is in its possession. Notwithstanding the foregoing, (x) ADP may retain information for regulatory purposes or in back-up files, provided that ADP's confidentiality obligations hereunder continue to apply; (y) ADP may use the Client's and its employees' and participants' information for purposes other than the performance of the Services but only in an aggregated, anonymized form, such that neither Client nor its employees or participants may be identified, and Client will have no ownership interest in such aggregated, anonymized data. For purposes of this Section, "**Confidential Information**" shall mean: all information of a confidential or proprietary nature, including pricing and pricing related information and all personally identifiable payroll and employee-level data, provided by the disclosing party to the receiving party for use in connection with ADP Products or Services, or both, but does not include (i) information that is already known by the receiving party, (ii) information that becomes generally available to the public other than as a result of disclosure by the receiving party in violation of this Agreement, and (iii) information that becomes known to the receiving party from a source other than the disclosing party on a non-confidential basis. The obligations of ADP set forth in this Section 5 shall not apply to any suggestions and feedback for product or service improvement, correction, or modification provided by Client in connection with any present or future ADP product or service, and, accordingly, neither ADP nor any of its clients or business partners shall have any obligation or liability to Client with respect to any use or disclosure of such information.

6. LIMIT ON LIABILITY

- A. Limit on Monetary Damages.** Notwithstanding anything to the contrary contained in this Agreement, ADP's aggregate liability under this Agreement during any calendar year for damages (monetary or otherwise) under any circumstances for claims of any type or character made by Client or any third party arising from or related to ADP Products or Services, will be limited to the lesser of (i) the amount of actual damages incurred by Client or (ii) the average monthly charges for three (3) months for the affected ADP Products or Services during such calendar year. ADP will issue Client a credit(s) equal to the applicable amount and any such credit(s) will be applied against subsequent fees owed by Client. The foregoing limit on liability shall not apply to (i) ADP's willful, criminal or fraudulent misconduct; (ii) the infringement indemnity set forth in Section 4D; (iii) loss or misdirection of Client funds in possession or control of ADP due to ADP's error or omission; and (iv) in connection with the Tax Filing Services as provided in Section 1 of Annex B, (a) interest charges imposed by an applicable tax authority on Client for the failure by ADP to pay funds to the extent and for the period that such funds were held by ADP and (b) all tax penalties, in each case resulting from ADP's error or omission in the performance of such Services. The provisions of Section 6A(iv) shall only apply if (x) Client permits ADP to act on Client's behalf in any communications and negotiations with the applicable taxing authority that is seeking to impose any such penalties or interest and (y) Client assists ADP as reasonably required by ADP.
- B. No Consequential Damages.** NEITHER ADP NOR CLIENT WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR OTHER SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY LOST PROFITS OR DAMAGES FOR BUSINESS INTERRUPTION OR, LOSS OF INFORMATION) THAT THE OTHER PARTY MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES OR ADP PRODUCTS, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. SECURITY AND CONTROLS

- A. Service Organization Control Reports.** Following completion of implementation of any applicable Services, ADP will, at Client's request and at no charge, provide Client with copies of any routine Service Organization Control 1 reports ("SOC 1 Reports") (or any successor reports thereto) directly related to the core ADP Products utilized to provide the Services provided hereunder for Client and already released to ADP by the public accounting firm producing the report. SOC 1 Reports are ADP Confidential Information and Client will not distribute or allow any third party (other than its independent auditors) to use any such report without the prior written consent of ADP. Client will instruct its independent auditors or other approved third parties to keep such report confidential and Client will remain liable for any unauthorized disclosure of such report by its independent auditors or other approved third parties.
- B. Business Continuity; Disaster Recovery.** ADP maintains a commercially reasonable business continuity and disaster recovery plan and will follow such plan.
- C. Data Security.** ADP has an established information security program containing appropriate administrative, technical and physical measures to protect Client data (including any Personal Information therein) against accidental or unlawful destruction, alteration, unauthorized disclosure or access consistent with applicable laws and data processing industry standards. For purposes of this Agreement, "**Personal Information**" means information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such person's physical, physiological, mental, economic, cultural or social identity. In the event ADP suspects any unauthorized access to, or use of, the Services, ADP may suspend access to the Services to the extent ADP deems necessary to preserve the security of the Client's data.
- D. Data Security Incident Notification.** If ADP becomes aware of a security breach (as defined in any applicable law) or any other event that compromises the security, confidentiality or integrity of Client's Personal Information (an "**Incident**"), ADP will take appropriate

actions to contain, investigate and mitigate the Incident. In the event that applicable law requires notification to individuals and others of such an Incident, ADP will take additional mitigation steps including providing assistance with the drafting and mailing of such notifications. ADP and Client shall mutually agree on the content and timing of any such notifications, in good faith and as needed to meet applicable legal requirements.

8. TERM AND TERMINATION; DEFAULT BY CLIENT; REMEDIES UPON DEFAULT

- A. Termination/Suspension.** Subject to the terms of any Price Agreement and except as set forth in any other Annex herein, entered into by ADP and Client, ADP may upon at least ninety (90) days prior written notice or Client may upon at least sixty (60) days prior written notice, terminate this Agreement or any Service(s) provided hereunder without cause. In the event Client does not provide ADP with the proper notice as set forth in the previous sentence (or as set forth in any Annex herein), Client shall pay ADP for any fees for Services that would have been incurred by Client during such notice period (calculated based on an average of the prior six months of invoices for such terminated Services, or shorter period of time if there has been less than six months of invoices). Either party may also suspend performance and/or terminate this Agreement immediately upon written notice at any time if: (i) the other party is in material breach of any material warranty, term, condition or covenant of this Agreement and fails to cure that breach within thirty (30) days after written notice thereof; (ii) the other party ceases business operations; or (iii) the other party becomes insolvent, generally stops paying its debts as they become due or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other (and not dismissed within ninety (90) days after commencement of one of the foregoing events). ADP may also suspend performance immediately without prior notice in the event Client, its employee(s) or any other third party (i) includes in any Site any Client Content which is obscene, offensive, inappropriate, threatening, or malicious; which violates any applicable law or regulation or any contract, privacy or other third party right; or which otherwise exposes ADP to civil or criminal liability or (ii) wrongfully uses or accesses the ADP Products or any other systems of ADP used in the performance of its obligations under this Agreement. ADP may also immediately terminate this Agreement or the Services if Client has violated or, if conducting business with Client, a payee of Client, or Client subsidiary is in violation of, any of the rules or regulations promulgated by OFAC.
- B. Termination/Suspension of Payment Services.** Without limiting the foregoing, the parties agree that any Services that involve electronic or check payments being made by ADP to third parties on Client's behalf and at its direction (collectively, "Payment Services") involve a credit risk to ADP. Payment Services may be immediately suspended or terminated by ADP without prior notice if (i) ADP has not received timely funds from Client; (ii) a bank notifies ADP that it is no longer willing to originate debits from Client's account(s) and/or credits for Client's behalf for any reason; (iii) the authorization to debit Client's account is terminated or ADP reasonably believes that there is or has been fraudulent activity on the account; (iv) ADP reasonably determines that Client no longer meets ADP's credit/financial eligibility requirements for such Services; (v) Client has any material adverse change in its financial condition; (vi) Client's violation of any applicable operating rules of the National Automated Clearing House Association ("NACHA") or (vii) with respect to the ADP Wage Payments Card Services, the Issuing Bank (as defined in Annex J) cancels the Cards issued on behalf of Client. ADP shall not be required to provide such Payment Services if ADP reasonably determines that Client presents an undue credit risk to ADP or in the event of any other termination right. If Payment Services are not terminated despite the occurrence of any of the events described above, ADP may require Client to pay its outstanding and all future third-party payment amounts covered by Payment Services and/or ADP's fees and charges for Payment Services to ADP (x) by bank or certified check, (y) by wire transfer of immediately available funds, and/or (z) in advance of the then current schedule, as a condition to receiving further Payment Services.
- C. Post-Termination.** If use of any ADP Products or Services is or may be terminated by ADP pursuant to Section 8A and 8B, ADP shall be entitled to allocate any funds remitted or otherwise made available by Client to ADP in such priorities as ADP (in its sole discretion) deems appropriate (including reimbursing ADP for payments made by ADP hereunder on Client's behalf to a third party). If any ADP Products or Services are terminated by either party hereto, Client will immediately (i) become solely responsible for all of its third-party payment obligations covered by such ADP Products or Services then or thereafter due; (ii) reimburse ADP for all payments made by ADP hereunder on Client's behalf to any third party; and (iii) pay any and all fees and charges invoiced by ADP to Client relating to the ADP Products or Services. Any license or right to access the ADP Products shall automatically terminate upon ADP ceasing to provide Client with the related Services. At any time prior to the actual termination date, Client may download Client's information or reports available to it in conjunction with all of the Services provided to Client by ADP. Upon termination of this Agreement, Client may order from ADP any data extraction offered by ADP, at the then prevailing hourly time and materials rate.

9. MISCELLANEOUS

- A. Inducement; Entire Agreement; Modification.** Client has not been induced to enter into this Agreement by any representation or warranty not set forth in this Agreement. This Agreement contains the entire agreement of the parties with respect to its subject matter and supersedes and overrides all prior agreements on the same subject matter, and shall govern all disclosures and exchanges of Confidential Information made by the parties previously hereto. This Agreement shall not be modified except by a writing signed by ADP and Client.
- B. Third-Party Beneficiaries.** Except as expressly provided herein or in an applicable exhibit, annex, appendix or schedule by express reference to this Section 9B, nothing in this Agreement creates, or will be deemed to create, third party beneficiaries of or under this Agreement. Client agrees that ADP's obligations in this Agreement are to Client only, and ADP has no obligation to any third party (including, without limitation, Client's personnel, directors, officers, employees, users and any administrative authorities).
- C. Force Majeure.** Any party hereto will be excused from performance under this Agreement for any period of time that the party is prevented from performing its obligations hereunder as a result of an act of God, war, utility or communication failures, or other cause beyond the party's reasonable control. Both parties will use reasonable efforts to mitigate the effect of a force majeure event.
- D. Non-Hire.** During the term of this Agreement and for the twelve (12) months thereafter, neither Client nor the ADP regions providing the Services, shall knowingly solicit or hire for employment or as a consultant, any employee or former employee of the other party who has been actively involved in the subject matter of this Agreement.
- E. Waiver.** The failure of either party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure by the other party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other party.

- F. Headings.** The headings used in this Agreement are for reference only and do not define, limit, or otherwise affect the meaning of any provisions hereof.
- G. Severability.** If any of the provisions of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of Client and ADP shall be construed and enforced accordingly.
- H. Relationship of the Parties.** The parties hereto expressly understand and agree that each party is an independent contractor in the performance of each and every part of this Agreement, is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith.
- I. Governing Law.** This Agreement is governed by the laws of the State of New York without giving effect to its conflict of law provisions.
- J. Additional Documentation.** In order for ADP to perform the Services, it may be necessary for Client to execute and deliver additional documents (such as reporting agent authorization, client account agreement, limited powers of attorney, etc.) and Client agrees to execute and deliver such additional documents.
- K. Regulatory Notice.** No state or federal agency monitors or assumes any responsibility for the financial solvency of third-party tax filers.
- L. Use of Agents.** ADP may designate any agent or subcontractor to perform such tasks and functions to complete any services covered under this Agreement. However, nothing in the preceding sentence shall relieve ADP from responsibility for performance of its duties under the terms of this Agreement.
- M. Conflicts Clause.** In the event of a conflict between the terms of this Agreement and any additional terms, the terms of this Agreement shall control, unless an Addendum to this Agreement is executed simultaneously herewith or subsequently hereto, in which case the terms of such Addendum shall control.
- N. Counterparts.** This Agreement may be signed in two or more counterparts by original, .pdf (or similar format for scanned copies of documents) or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- O. Assignment.** Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party. However, ADP may assign its rights and obligations under this Agreement to a commonly controlled affiliate of ADP without the prior written notice or consent of Client in order for such affiliate to perform any or all of the Services, provided that ADP will remain responsible for the performance of such Services.
- P. Notices.** All notices required to be sent or given under this Agreement, including any notices of termination in accordance with Section 8 herein, shall be in writing and shall be delivered or sent by recognized courier or registered or certified mail, return receipt requested, to Client at the address indicated on the face hereof and to ADP, General Counsel – Major Accounts, One ADP Boulevard, Roseland, NJ 07068, or to such other addresses as the parties shall specify by notice given pursuant hereto.
- Q. Survival.** Those provisions which by their content are intended to, or by their nature would, survive the performance, termination, or expiration of this Agreement, shall survive termination or expiration of this Agreement.

ANNEX B

PAYROLL PROCESSING, TAX FILING & PAYMENT SERVICES

- 1. Payroll Processing, Tax Filing & Payment Services.** ADP will process payroll for Client's employees and payees, deliver pay checks and related reports to Client, process direct deposits to those employees electing such service, remit payroll taxes on Client's behalf to those federal, state, and most local taxing jurisdictions designated by Client (not including the filing or depositing of excise, sales, use, corporate, or similar taxes), and file related tax returns (such as remitting of payroll taxes and filing of related tax returns, the "**Tax Filing Services**"). For an additional fee, ADP will also process calendar year-end Forms W-2 for Client's employees and Forms 1099-MISC for payments to individuals that provide services to Client as independent contractors. Client shall be liable for, and shall indemnify ADP against, any loss, liability, claim, damage or exposure arising from or in connection with any fraudulent or criminal acts of Client's employees or payees.
- 2. Billing.** Payroll processing services and any other ADP Products and/or Services bundled into the pricing for the payroll processing services are billed immediately following Client's first payroll processing. The billing count is based on the number of pays submitted during each payroll processing period, therefore total billing may fluctuate.
- 3. Funding.** If Client is receiving Payment Services (as defined in Section 8B of Annex A), Client shall have sufficient funds in Client's account within the deadline established by ADP to satisfy Client's third-party payment obligations in their entirety. A mandatory credit check will be performed prior to the provision of any Payment Services. ADP may commingle Client's impounded funds with other clients', ADP's or ADP-administered funds of a similar type. **ALL AMOUNTS EARNED ON SUCH FUNDS WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP.**
- 4. Debits.** Client shall be liable for debits properly initiated by ADP hereunder. Client unconditionally promises to pay to ADP the amount of any unfunded payroll file (including any debit returned to ADP because of insufficient or uncollected funds or for any other reason), plus any associated bank fees or penalties, upon demand and interest on the unfunded payroll amount at the rate of 1.5% per month (or the maximum allowed by law, if less). Also, if any debit to an employee's or other payee's account reversing or correcting a previously submitted credit(s) is returned for any reason, Client unconditionally promises to cooperate with ADP and pay the amount of such debit upon demand and interest thereon. Client agrees to cooperate with ADP and any other parties involved in processing any transactions hereunder to recover funds credited to any employee as a result of an error made by ADP or another party processing a transaction on behalf of ADP.
- 5. Full Service Direct Deposit (FSDD).** Prior to the first credit to the account of any employee or other individual under FSDD services, Client shall obtain and retain a signed authorization from such employee or individual authorizing the initiation of credits to such party's account and debits of such account to recover funds credited to such account in error.
- 6. ADPCheck™.** Client shall not distribute any ADPChecks to payees prior to the check date. If Client distributes any ADPChecks prior to the check date, ADP may impose an early cashing fee against Client. If Client desires to stop payment on any ADPCheck, Client shall provide ADP with a stop payment request in such form required by ADP. ADP shall then place a stop payment order with ADP's bank within twenty-four (24) hours of ADP's receipt of such stop payment request. Client shall not request ADP to stop payment on any ADPCheck that represents funds to which the applicable payee is rightfully entitled. Client agrees to indemnify, defend, and hold harmless ADP and its affiliates and their successors and assigns from and against any liability whatsoever for stopping payment on any ADPCheck requested by Client and from and against all actions, suits, losses, claims, damages, charges, and expenses of every nature and character, including attorney fees, in any claims or suits arising by reason of stopping payment on said check, including claims made by a "holder in due course" of such check.
- 7. Important Tax Information (IRS Disclosure).** Notwithstanding Client's engagement of ADP to provide ADP Tax Filing Services, Client is responsible for the timely filing of payroll tax returns and the timely payment of payroll taxes for its employees. The Internal Revenue Service recommends that employers enroll in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor their accounts and ensure that timely tax payments are being made for them. Online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477. State tax authorities generally offer similar means to verify tax payments. Client may contact appropriate state offices directly for details.
- 8. State Unemployment Insurance Management.** Subject to Section 9C of Annex A, Client's compliance with its obligations in Sections A and B herein, and any delays caused by third parties (e.g., postal service, agency system and broker delays) and events beyond ADP's reasonable control, ADP will deliver the State Unemployment Insurance Management Services ("SUI Management Services") within the time periods established by the relevant unemployment compensation agencies.
 - A. Provision of Information; Contesting Claims.** Client will on an ongoing basis provide ADP and not prevent ADP from furnishing all information necessary for ADP to perform the SUI Management Services within the timeframes established or specified by ADP. The foregoing information includes without limitation the claimants' names, relevant dates, wage and separation information, state-specific required information, and other documentation to support responses to unemployment compensation agencies.
 - B. Transfer of Data.** Client may transfer the information described in Section A to ADP via: (i) on-line connection between ADP and Client's computer system, or (ii) inbound data transmissions from Client to ADP. Client will provide the data using mutually acceptable communications protocols and delivery methods. Client will promptly notify ADP in writing if Client wishes to modify the communication protocol or delivery method.
 - C.** Client acknowledges that ADP is not providing storage or record keeping of Client records as part of the SUI Management Services, and that if the SUI Management Services are terminated, ADP may, in conformity with Section 5 of Annex A, dispose of all such records. If the SUI Management Services are terminated, any access Client has to ADP websites containing Client's data will expire and Client will be responsible for downloading and gathering all relevant data prior to expiration of any such access that may have been granted.

ANNEX C TIME AND ATTENDANCE SERVICES

- 1. Time and Attendance Products.** ADP agrees to provide Client with the data collection devices (e.g. Timeclock, HandPunch, etc.) (the “**Timeclock Equipment**”), time and attendance module or application, and related services (collectively, the “**Time Products**”) described in the Sales Order. For the hosted Enhanced Time (also known as Enterprise eTIME) product only, additional license terms are available at www.adp.com/tlmlicense/terms. ADP Enhanced and Essential Time products are available for use in a limited number of countries outside the United States, although certain restrictions and requirements may apply.
- 2. Billing for Services.** If Client is purchasing Essential Time Services and the pricing for such ADP Products and Services is not bundled with Client’s pricing for Payroll Processing services, if any, billing for such ADP Products and Services will begin on the earlier of (i) the date that ADP Products and Services are available for use by Client in a production environment OR (ii) ninety (90) days from the Effective Date. If Client is purchasing Enhanced Time (also known as Enterprise eTIME) services billing will begin on the earlier of (i) the date that ADP Products and Services are available for use by Client in a production environment OR (ii) one hundred forty (140) days from the Effective Date. If the Services Client is purchasing pursuant to this Annex C is bundled with payroll processing services, then billing for such services shall commence in accordance with the terms of Section 2 of Annex B.
- 3. Installation.** Client shall provide and install all power, wiring and cabling required for the installation of any Timeclock Equipment. Client shall also pay an installation and setup fee for each unit of Timeclock Equipment if such equipment is installed on Client’s premises by ADP.
- 4. Use of Timeclock Equipment and Right to Inspect.** Regarding Timeclock Equipment provided on a subscription basis only, Client shall not make any alterations or attach any device not provided by ADP to the Timeclock Equipment, nor shall Client remove the Timeclock Equipment from the place of original installation without ADP’s prior consent. Upon reasonable written notice to Client, ADP shall have the right to enter Client’s premises to inspect the Timeclock Equipment during normal business hours. Title to the Timeclock Equipment shall at all times remain in ADP unless Client has chosen the purchase option and has paid ADP in full the purchase price. Except if so purchased and paid for by Client, the Timeclock Equipment is and at all times shall remain, a separate item of personal property notwithstanding its attachment to other Timeclock Equipment or real property.
- 5. Return of Timeclock Equipment.** Upon termination or cancellation of this Agreement, Client shall, at its expense, return the Timeclock Equipment to ADP in accordance with ADP’s instructions. The Timeclock Equipment shall be returned in as good condition as received by Client, normal wear and tear excepted. In the event the Timeclock Equipment is not returned within ninety (90) days, Client agrees to purchase it at the prevailing manufacturer’s suggested retail price. If timely payment for the Timeclock Equipment is not made by Client, ADP shall have the right to take immediate possession of such equipment. The terms of this Section 5 shall not apply if prior to the time of such termination or cancellation Client already purchased and paid for the Timeclock Equipment in full.
- 6. Warranty.** ADP warrants to Client that the Timeclock Equipment shall be free from defects in material and workmanship at the date such Timeclock Equipment is shipped and for ninety (90) days thereafter. ADP’s sole obligation in case of any breach of any warranty contained herein shall be to repair or replace, at ADP’s option, any defective items. The foregoing is the extent of ADP’s liability with respect to all claims related to Timeclock Equipment, including without limitation, contract and negligence claims and shall constitute Client’s sole remedy.
- 7. Maintenance Fees.** Maintenance services for the Timeclock Equipment (set forth below in Section 8) apply automatically to Timeclock Equipment obtained under the subscription option (and any charges therefore are already included in the monthly time and attendance subscription fees). The costs for maintenance services for Timeclock Equipment under the purchase option are not included in the purchase price for such equipment; a separate annual maintenance fee applies. Client, under the purchase option, may terminate its receipt of maintenance services by providing written notice to ADP no less than thirty (30) days prior to the end of the then current annual coverage period. ADP is not required to rebate to Client any maintenance fees relating to a current or prior coverage period. (NOTE: If Client selects the purchase option but opts not to receive (or terminates) maintenance services hereunder by executing a waiver of maintenance services, any such services provided by ADP at Client’s request will be subject to ADP’s then current charges for such services.) No Timeclock Equipment maintenance is done at the Client site. Client shall bear all delivery/shipping costs and all risk of loss during shipment/delivery of Timeclock Equipment relating to maintenance services.
- 8. Maintenance Services.** ADP will maintain the Timeclock Equipment to be free from defects in material and workmanship as follows: Any parts found to be defective (except as specifically excluded below) shall be replaced or repaired, at ADP’s or its designee’s option, without charge for parts or labor, provided that the Timeclock Equipment has been properly installed and maintained by Client and provided that such equipment has been used in accordance with this Agreement and any online or shrink-wrap terms or license, or other accompanying documentation including, but not limited to, Client’s Sales Order provided by ADP or its designee and has not been subject to abuse or tampering. The foregoing repairs and replacements may be made only by ADP or its designee, and will be made only after ADP or its designee is notified of a problem, receives delivery from Client of the Timeclock Equipment at issue and determines that it results from defective materials or workmanship. Notwithstanding the foregoing, ADP may deliver a temporary replacement item for Client’s use while such determination is being made with respect to the Timeclock Equipment in question. Repairs and replacements required as a result of any of the following shall not be included in the foregoing maintenance services and shall be charged at ADP’s then current rates: (i) damage, defects, or malfunctions resulting from misuse, accident, neglect, tampering, unusual physical, or electrical stress, or causes other than normal or intended use; (ii) failure of Client to provide and maintain a suitable installation environment; (iii) any alterations made to or any devices not provided by ADP attached to the Timeclock Equipment; and (iv) malfunctions resulting from use of badges or supplies not approved by ADP.
- 9. Upgrades.** In order to keep the Time Products current, ADP may from time to time perform maintenance fixes and other upgrades to the Time Products Client is then receiving. ADP will perform these upgrades on Client’s behalf for all hosted products. For non-hosted products, Client will be required to install the upgrade provided by ADP in accordance with the written notice provided to Client.

ANNEX D HR, BENEFITS AND TALENT MANAGEMENT SERVICES

1. **Billing for Services.** If Client is purchasing HR, Benefits or Talent Management Services and the pricing for such Services is not bundled with Client's pricing for payroll processing services, billing for such Services will begin on the earlier of (i) the date that the services are available for use by Client in a production environment OR (ii) ninety (90) days after the Effective Date. The billing count for HR, Benefits or Talent Management Services when the pricing for such Services is not bundled with Client's pricing for payroll processing services is based on all unique lives in the database paid in the previous calendar month. If the Services Client is purchasing pursuant to this Annex D are bundled with payroll processing services, then billing for such Services shall commence in accordance with the terms of Section 2 of Annex B.
2. **Initial Setup Services.** Client shall promptly deliver to ADP the Client Content required by ADP to perform initial setup services. Such information and materials shall be in an electronic file format acceptable to ADP.
3. **Additional Configuration.** After completion of initial setup services, any subsequent changes Client requests to the configuration of the Client Content in the HR and/or Benefits module will be charged at ADP's then current benefits maintenance fees.
4. **ADP Carrier Connection®.** If Client is receiving the Benefits products and services and elects the ADP Carrier Connection service, ADP, or its authorized agent(s), will electronically transmit employee data, including employee benefits enrollment data, to Client's carriers or other third parties authorized by Client, and Client authorizes ADP and its authorized agent(s), to provide such transmission on Client's behalf. Additionally, commencement of the Carrier Connection service is subject to Client completing the configuration setup of Client Content and the format of such transmission to the designated carriers. ADP's ability to transmit Client's employee benefits enrollment data is subject to the provision by the designated carriers of a current functional interface between the benefits module and the designated carriers' systems. ADP will not be obligated to transmit Client's data to the designated carriers if at any time Client's designated carriers fail to provide the proper interface as described above. If Client requires the development of any special interfaces in order to transmit such data to the designated carriers, all work performed by ADP to create such interfaces will be at ADP's then current fees for such services. Client is responsible for promptly reviewing all records of carrier transmissions and other reports prepared by ADP for validity and accuracy according to Client's records, and Client will notify ADP of any discrepancies promptly after receipt thereof. In the event of an error or omission in the Carrier Connection services caused by ADP, ADP will correct such error or omission, provided that Client promptly advises ADP of such error or omission. Client shall remain responsible for transmission of all enrollment/disenrollment data to Client's carriers other third parties authorized by Client until ADP confirms that carrier connection implementation is complete. Additional setup fees will apply when Client elects to add new carrier connections. This includes reconfiguration of existing carrier connections and additional elections requested after connection set up (initial implementation) of the Services. Any changes in Client's benefit providers that require the establishment of a new carrier connection or the modification of an existing carrier connection shall be considered a new carrier connection.
5. **Talent Management Services.** Talent Management Services includes Performance, Recruitment and Compensation Management products and services. If Talent Management Services are purchased, the following additional provisions will apply.
 - A. **Hiring Practices.** Client represents and warrants that it will use Talent Management Services for its own hiring and/or HR management purposes only. Client acknowledges and agrees that ADP will not be deemed to be involved in any hiring decisions or evaluation of candidates in connection with the recruitment services, or with any compensation decisions in connection with the compensation management services.
 - B. **Customized Content.** Client understands and agrees that to the extent it chooses to customize any content or documents made available to job candidates through Talent Management Services, including but not limited to job descriptions, online application instructions and questions, Client is responsible for the content of any such customization. Client acknowledges that any content provided by the Talent Management Services may not be suitable for all situations or in all locations. Client should review applicable laws in the jurisdictions in which Client operates and should consult with its own legal counsel prior to utilizing the services.
 - C. **Sensitive Data.** If Client implements the Talent Management Services to collect any sensitive data elements (or special categories of data), Client shall comply with any additional requirements for the processing of these data elements, and it shall be responsible for respecting all individual rights of access, correction or deletion and for responding to any individual or regulatory inquiries.

ANNEX E Essential ACA

1. **Description.** ADP will provide the Essential ACA solution specified in the Sales Order (and any applicable service specification) (collectively, the “**Essential ACA**”) to Client in accordance with the terms of this Agreement. Essential ACA is a technology and software solution to assist Client in managing compliance needs related to the Affordable Care Act (ACA), including eligibility calculations and affordability determinations, preparation and electronic filing of Forms 1094-C and 1095-C forms, access to evidence of benefit offering information and benefit offering audit reports. Client must use ADP Workforce Now payroll, HR and benefits services in order to purchase and implement Essential ACA. Essential ACA will commence in calendar year 2017 for the 2017 filing period (and will not include any filings for the 2016 filing period). For the avoidance of doubt, all Forms filed by ADP with the IRS on behalf of Client will be filed electronically; any Forms sent to Client for its employees by ADP shall be sent in paper form, and, if Client has ADP’s iPay functionality, ADP will also make Forms accessible to Client employees electronically. It will then be Client’s responsibility to distribute the Forms directly to its employees.
2. **Billing for Services.** If Client is purchasing Essential ACA Services and the pricing for such Services is not bundled with Client’s pricing for payroll processing services, billing for such Services will begin on the earlier of (i) the date that the services are available for use by Client in a production environment OR (ii) ninety (90) days from the Effective Date. If the Services Client is purchasing pursuant to this Annex E are bundled with payroll processing services, then billing for such Services shall commence in accordance with the terms of Section 2 of Annex B.
3. **Delivery of Client Content.** Client shall promptly deliver to ADP the Client Content as required by ADP in an electronic file format specified by and accessible to ADP and will include any materials relating to Client and necessary for incorporation in the Essential ACA solution, including, but not limited to, any Human Resources, Payroll, Time and Labor, Benefits, Form I-9, and/or financial data.
4. **Client ACA Liaison.** Prior to the commencement of ADP’s provision of the Essential ACA solution, Client shall designate in writing to ADP the name of one person who shall serve as ADP’s principal designated contact for the Essential ACA solution (the “Client ACA Liaison”). Client hereby represents and warrants to ADP that the Client ACA Liaison has, and shall at all times have, the requisite authority to transmit information, directions and instructions on behalf of Client. The Client ACA Liaison also shall be deemed to have authority to issue, execute, grant, or provide any approvals (other than amendments to this Agreement), requests, notices, or other communications required or permitted under this Agreement or requested by ADP in connection with the Essential ACA solution. Client shall designate an alternate Client ACA Liaison in the event the principal Client ACA Liaison is not available.
5. **Client Instructions.** In the event ADP shall have any questions relating to a particular set of facts or Client directions, then ADP shall request clarification from the Client ACA Liaison. The Client ACA Liaison shall have the responsibility to obtain answers to any such questions or objections and ADP shall be entitled to rely upon such answers and to follow any directions communicated by the Client ACA Liaison. Client authorizes ADP to release employee-related data to third party vendors of Client as are designated by Client from time to time. ADP shall be under no duty to question the measures taken or directions provided by Client pursuant to any section of this Annex E.
6. **Disclaimer.** **NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE SCOPE OF SERVICES, CLIENT EXPRESSLY ACKNOWLEDGES THAT ADP IS NOT THE “ADMINISTRATOR” OR “PLAN ADMINISTRATOR” AS DEFINED IN SECTION 3(16)(A) OF ERISA AND SECTION 414(g) OF THE INTERNAL REVENUE CODE, RESPECTIVELY, NOR IS ADP A “FIDUCIARY” WITHIN THE MEANING OF ERISA SECTION 3(21). ADP SHALL NOT EXERCISE ANY DISCRETIONARY AUTHORITY OR DISCRETIONARY CONTROL RESPECTING MANAGEMENT OF ANY BENEFIT PLANS SPONSORED OR OFFERED BY CLIENT. ADP HAS NO DISCRETIONARY AUTHORITY OR DISCRETIONARY RESPONSIBILITY IN THE ADMINISTRATION OF THE CLIENT’S BENEFIT PLAN(S).**
7. **Implementation Services.** ADP will assist Client in implementing the Essential ACA solution for the benefit of and in conjunction with Client in accordance with the provisions of Sections 7 and 8 below. ADP will use commercially reasonable efforts to complete the implementation services in a timely manner.
8. **Conversion of Data; Required Timeline.** Client shall provide to ADP, such applicable Client files, databases and other information (the “Client Files”) as is necessary to permit the Essential ACA solution to be performed. Client must provide the Client Files to ADP by November 1st of the year preceding the year in which the preparation and electronic filing of the Forms will be provided. For purposes of clarification and example, in order for ADP to perform the preparation and electronic filing of the Forms in January of the current filing year, Client must provide the Client Files in accordance with the terms and conditions of this Annex, and such Client Files must be accepted and converted by ADP by December 9 of the previous year. Client assumes the responsibility for the Client Files to be transmitted to ADP, including, but not limited to, their condition, content, format, usability or correctness. Client shall perform all Client Files refinement, purification and reformatting in order for the Essential ACA solution to be performed by ADP. With Client’s pre-approval, ADP shall be compensated on a time and expense basis at ADP’s standard rates in effect at such time in the event ADP is required to perform any such refinement, purification or reformatting. Client will cooperate with ADP and provide ADP with all necessary information and assistance required in order for ADP to successfully convert the Client Files. Client understands and agrees that if Client fails to provide the Client Files in order for such Client Files to be accepted and successfully converted by November 1st in any given year, ADP will not provide the preparation and electronic filing of the Forms for that year and Client will not be eligible for credit of any fees paid for the Essential ACA solution for that year. Client is responsible for the accuracy of all Client Files and will review for accuracy the preview of the Forms prior to filing. In the event that a Form 1094-C or 1095-C needs to be refiled due to an inaccuracy in the Client Files, Client will be billed for such refiled. The obligations described in this Section 7 shall apply to ongoing provision of Client Files to ADP by Client.
9. **Project Lead.** Client will designate a project lead for the implementation of the Essential ACA solution and will promptly notify ADP of the name, telephone number and email address of such person. The Client project lead will be deemed to have authority to issue,

execute, grant, or provide any approvals, requests, notices, or other communications required under this Annex E or requested by the other party in connection with the implementation of the Essential ACA solution. The project lead will bring appropriate personnel/skillsets to the project as needed.

10. **Licensed Entity.** Notwithstanding the use in this Annex E of the word "ADP", in the event that ADP determines that all or a portion of the Essential ACA solution may be subject to licensing or other regulatory requirements, such services shall be performed solely by such wholly owned subsidiary of Automatic Data Processing, Inc. as shall be designated by ADP or such licensed third party as determined by ADP.

ANNEX J

ADP WAGE PAYMENTS; ALINE CARD SERVICES

- 1. Cardholder Services.** ADP will make cardholder services (“Wage Payment Card Services”) available to certain of Client’s payees (each a “Payee”) for payments of wages, commissions, consulting fees or similar compensation or work-related expenses owed to such Payees through an ALINE Card (“ALINE Card”). The ALINE Cards issued to Payees of Client may be referred to herein collectively as the “Cards” or each a “Card” and Payees of Client who receive a Card may be referred to herein collectively as “Cardholders” or each a “Cardholder”. Client agrees that it will only direct legal payments to the Cards for wages, benefits, commissions, consulting fees, similar compensation or work-related expenses. In addition, unless approved by ADP in writing, Client agrees that it may not make Cards available to individuals residing in any country other than the United States. Client shall not mail, distribute, transport or otherwise provide Cards to any individual outside the United States without the express written consent of ADP. Client agrees that it shall not unduly influence a Payee’s decision with respect to the choice of using an ALINE Card for wage payments. ADP shall not be obligated to provide the Wage Payment Card Services unless Client has met and continues to meet its obligations hereunder, including, without limitation, adherence to ADP’s instructions and procedures delivered to Client in connection with the Wage Payment Card Services and Client has executed and delivered to ADP the applicable documents, forms or instruments necessary for ADP to render to Client the Wage Payment Card Services. Such documents, forms or instruments shall remain in full force and effect until terminated by Client and until ADP and Client’s bank shall have had a reasonable opportunity to act thereon. If Client desires to change the account from which ADP obtains funds for the Wage Payment Card Services, Client shall provide new required documents for any new account to ADP at least twenty (20) days prior to the effective date of such change. Client understands and acknowledges that access to the Wage Payment Card Services shall be conditioned upon Client passing ADP’s credentialing process prior to implementation and passing any additional credentialing that ADP may deem necessary from time to time in connection with the Wage Payment Card Services. Client further understands that the Wage Payment Card Services may be modified as ADP may deem appropriate to assist ADP or the Issuing Bank in complying with its obligations.
- 2. Cardholder Set-Up.** Client will set-up (or cause ADP to set-up) each Payee as a Cardholder using data and/or procedures required by Issuing Bank (as defined below). Client represents and warrants that it has all necessary consents and authorizations of each Payee included in submitted set-up data that is required under applicable law and rules, including the operating rules of the National Automated Clearing House Association (“NACHA”), for Payee to (a) receive payments from Client on its Card and (b) participate in the Wage Payment Card Services. Client agrees to promptly provide documentation or records related to the set-up of Cardholders and participation of Cardholders in the Wage Payment Card Services to ADP and/or Issuing Bank upon request and agrees that such information may be provided to any regulatory authority having jurisdiction over the Issuing Bank or ADP. Client is responsible for reviewing and confirming that all enrollment information supplied to ADP is accurate and complete. Prior to set-up of any Payee on the Cardholder database and distribution of a Card to such Payee, Client will: (i) inspect identification documents that will verify such Payee’s identity and eligibility to work in the U.S. (“Identity Verification Documents”) (e.g. a (1) passport or (2) a U.S. issued driver’s license or picture identification card issued by a state or U.S. federal agency and social security card or (3) U.S. issued driver’s license and birth certificate); and (ii) obtain from such Payee and provide to ADP the following information, which information provided shall be accurate and verified by Client: (a) name; (b) residential street address (a Post Office Box is unacceptable); (c) date of birth; (d) social security number for U.S. citizens and permanent residents (or other government issued ID number acceptable to ADP and Issuing Bank for individuals who are not U.S. citizens or permanent residents); and (e) personal telephone number. Client agrees to provide such additional information as may be required by ADP or the Issuing Bank in issuing a Card. Client further agrees that ADP or Issuing Bank (directly or through a subcontractor) may request and obtain identity information and legal documentation directly from the Payee to verify the identity of any Payee setup on the Cardholder database or participating in the Wage Payment Card Services and that a Payee may be denied Wage Payment Card Services for several reasons, including the Client or Payee’s failure to provide accurate information or the inability by ADP or Issuing Bank (directly or through a subcontractor) to validate the personal information of the Payee. Client also covenants to ADP and Issuing Bank that, with respect to each Cardholder, it will make and preserve (during the period required by law or requested by ADP or Issuing Bank) either of the following: (i) at least one (1) copy of all Identity Verification Documents; or (ii) a description of the Identity Verification Documents that were relied on by the Client noting the date the Verification Documents were reviewed, type of document (e.g., driver’s license, government issued identification, passport, alien registration card), any identification number contained in the document, the place of issuance (e.g., state or country) and, if any, the date of issuance and expiration date, provided that if Client utilizes the ALINE Card to pay independent contractors who use Form 1099, Client will collect and preserve a copy of all Identity Verification Documents as required by (i) above for those Payees. Client agrees to retain such documentation during the time that such Payee is a Cardholder until the earlier of (a) five (5) years from termination of Client’s obligation to make payments to such Payee or (b) five (5) years from termination of such Payee’s Card account; provided, however, that in the event a longer retention period is required for the Issuing Bank to meet its legal obligations, as a result of a change in applicable law or official interpretations thereof, ADP shall provide notice of such longer retention period and Client shall retain such documentation for such longer retention period.
- 3. Issuance of ALINE Cards; Cardholder Fees.** Client will be issued an inventory of instant issue Cards. Client is responsible for distributing Cards to its Payees from its inventory of Cards. Prior to providing Payee’s information to ADP to issue a permanent Card or value load an instant issue Card, Client shall provide each Payee with the notice required under the USA Patriot Act as provided by either ADP or the Issuing Bank. Prior to or in conjunction with distributing a Card to any Payee, Client shall (i)

remove the account routing information from the card kit and (ii) provide each Payee with a copy of the Issuing Bank's Terms and Conditions and other enrollment-related materials. Client will provide Cardholders with any other information and materials regarding the Wage Payment Card Services provided by Issuing Bank from time to time that is necessary for Issuing Bank or ADP to comply with applicable laws or regulations. Client will be responsible for the safekeeping of the inventory of Cards received by Client and for any theft or misappropriation of any such Cards prior to a valid and authorized issuance and distribution of such Card to a Payee of Client. Client shall not, under any circumstance, disclose or make available the account routing (ABA/DDA) number to any Payee. Client shall direct Payees to the Cardholder services telephone number to obtain account routing (ABA/DDA) number as there are additional requirements that must be met before Payees are provided their account routing (ABA/DDA) number. The amounts to be loaded to each Cardholder's ALINE Card will be provided to ADP by Client through one of ADP's standard payroll transmission methods available to Client or another means agreed to by ADP and Client. Client acknowledges that Payees must accept the Cardholder Terms and Conditions and that the Card may be cancelled by ADP or the Issuing Bank at any time in accordance with the Terms and Conditions. Client further acknowledges that separate fees and charges will be applied to Cardholders' Cards as set forth on the fee schedule provided to each Payee with the card kit prior to activation of the Card and are the responsibility of the Cardholder. Such Cardholder fees and charges are subject to change in accordance with the Cardholder Terms and Conditions applicable to the Cards. Current Card fees and charges are available upon request by Client.

- 4. Card Status; Card Service; Cardholder Communications.** Client is responsible for ensuring that Cardholders are paid via an alternate pay method in such instances where a Cardholder's Card has not been activated, or has been terminated, cancelled or is in inactive status. Client understands that ADP may contact its employees directly to notify them of the availability and benefits of the Cards and that Cardholders may receive additional notices, mailings and other communications directly from ADP or the Issuing Bank. In addition, ADP may make additional Card features available to Cardholders (e.g., secondary cards, card portability, reward programs, etc.). Client will direct Cardholders to resolve all disputes regarding Card fees and charges and disputed charges on a Card with, and to report any lost or stolen Cards to, cardholder services. Contact information for cardholder services is located in the terms and conditions of use provided with each Card. Notwithstanding the foregoing, Client will be responsible for resolving all disputes by Cardholders regarding payroll and payroll-related amounts credited to or debited from the Cards. Additionally, Client agrees to treat all Cardholder personal and transaction information as confidential in accordance with the terms of Section 5 of Annex A of this Agreement. Notwithstanding the provisions of Section 5 of Annex A, Client agrees that ADP and its subcontractors providing Wage Payment Card Services may disclose information to a Cardholder related to Client loads to Cardholder's Card and Card enrollment information provided by Client regarding Cardholder and may otherwise use or disclose information regarding a particular Cardholder with the consent of that Cardholder or consistent with the privacy policy applicable to that Cardholder.
- 5. Issuing Bank; Cardholder Information.** All Cards issued to Cardholders are the property of the issuing bank (the "Issuing Bank") and are subject to cancellation by the Issuing Bank at any time in accordance with Issuing Bank's Cardholder Terms and Conditions. Client agrees that it will not use the name or marks of the Issuing Bank in any materials it distributes or makes available to its Payees without the Issuing Bank's prior written consent. In the event of cancellation of a Card, such Payee will be required to resume another means of payment made available by Client. Subject to applicable law, Client will provide Issuing Bank or ADP with all information and documents related to the Wage Payment Card Services in its control or possession requested by or on behalf of Issuing Bank or ADP that are necessary or proper in the reasonable discretion of the Issuing Bank or ADP for the Issuing Bank or ADP to comply with applicable law, regulatory requirements network rules or in connection with inquiries or requests made by regulators or other enforcement agencies or authorities. Client agrees that upon prior notice from ADP or Issuing Bank, ADP, Issuing Bank and any regulatory authorities which have jurisdiction over the Issuing Bank or ADP shall have the right to audit and inspect Client's books and records related to the Wage Payment Card Services and Client's performance of its obligations with respect thereto, including, without limitation, the following: (i) Client's records pertaining to the set-up of Payees on the Cardholder database and participation of Cardholders in the Wage Payment Card Services; and (ii) the Identity Verification Documents. Client understands that it is not entitled to access or review any Cardholder transaction information. Notwithstanding the foregoing, in limited circumstances (e.g., where necessary to investigate or prevent fraud) and consistent with the applicable Cardholder privacy policy, ADP may provide certain Cardholder transaction information to Client. Client agrees to treat all Cardholder account information, including Card transaction records, and all other information related to the Issuing Bank or ADP's provision of Wage Payment Card Services to Cardholders, whether provided or made available to it by ADP or Issuing Bank (or their respective agents and subcontractors), as Confidential Information in accordance with the terms of Section 5 of Annex A.
- 6. Client Responsible for Compliance with Laws.** Regarding the Wage Payment Card Services, the following provision shall apply in place of Section 1E of Annex A with respect to laws and governmental regulations affecting the Wage Payment Card Services. Subject to Client's fulfillment of Client's compliance responsibilities of the Federal Reserve Board, Regulation E (12 CFR 1005, "Regulation E") as set forth below, ADP shall be responsible for compliance with the other requirements of Regulation E applicable to financial institutions with respect to payroll card accounts. Except as stated in the previous sentence, Client (and not ADP, the Issuing Bank, or their agents and subcontractors) is solely responsible for (i) compliance with all laws and governmental regulations affecting Client's business, including state labor and payroll laws and the permissibility of the Wage Payment Card Services under such laws and federal employment eligibility laws, and (ii) any use Client may make of the Wage Payment Card Services to assist it in complying with such laws and governmental regulations. In addition, Client shall be responsible for compliance with those requirements of Regulation E controlled by Client. Without limitation of the foregoing, Client will fulfill the following responsibilities: (i) Client will distribute to its Payees all documentation (including, without limitation, Card fees and charges disclosure schedule and Cardholder Terms and Conditions) that ADP makes available to Client for distribution purposes, and (ii) Client will not mandate that any Payee receive wages only on the ALINE Card; in lieu of such

mandate, Client will provide to Payees other legally permissible options for payment of wages. Client also represents and warrants that any payments that it requests ADP to make hereunder will not violate any laws of the United States and are for services rendered in the employment context for Payees who are legally eligible to work in the U.S. Client will not rely solely on its use of the Wage Payment Card Services in complying with any laws and governmental regulations. In addition, Client also agrees to comply with the financial industry rules and compliance standards imposed by various card/payment networks or associations (collectively, the “Network Rules”) designated by the Issuing Bank from time-to-time related to such things as Card security and fraudulent or impermissible use of Cards.

7. **Indemnification.** In addition to Client’s obligations set forth in the Agreement, Client shall be liable for, and shall defend, indemnify and hold harmless, ADP, its agents and subcontractors and the Issuing Bank, from and against any and all loss, liability, claim, damage or exposure arising from, or in connection with, any breach of Client’s ALINE Card compliance obligations hereunder, any fraudulent or criminal acts of Client’s employees, including as a result of the theft or misappropriation of any Cards (or any negotiable instrument that may be issued with Cards) by Client’s employees (e.g., the issuance of unauthorized Cards or fraudulent use of negotiable instruments) or the loading of unauthorized value onto Cards. Client also agrees to defend, indemnify and hold harmless the Issuing Bank from and against any and all loss, liability, claim, damage or exposure arising from, or in connection with Client’s negligence in connection with its use and/or provision of the Wage Payment Card Services or otherwise in connection with its performance or obligations under this Agreement.
8. **Third Party Beneficiary.** Client acknowledges and agrees that Issuing Bank (and its respective successors and assigns) is a third party beneficiary of this Agreement (only as it relates to Wage Payment Card Services) entitled to enforce each of the provisions of this Schedule against Client as well as the provisions included in Sections 3 and 6 of Annex A, including in equity and in law, as if it or they were a party hereto.
9. **No Consequential Damages.** IN NO EVENT WILL THE ORIGINATING BANK, THE ISSUING BANK, ADP OR ANY OF ADP’S AGENTS OR SUBCONTRACTORS BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHICH CLIENT MAY INCUR OR EXPERIENCE ON ACCOUNT OF ENTERING INTO OR RELYING ON THIS AGREEMENT OR USING THE WAGE PAYMENT CARD SERVICES, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.