

# Investment Summary



City Of Central Falls  
City Hall 580 Broad Street  
Central Falls, RI 02863

Today's Date: 11/5/2013  
Quote Number: 2013-474732

Executive Contact  
Robert MacDonald  
Finance Director  
rmacdonald@centralfallsri.us  
401-727-7470

ADP Sales Associate  
Scott Dill  
scott.dill@adp.com  
(401) 773-2271

Control # 1 : Quote based on an estimated 110 pays, paid Bi-Weekly  
Payroll: \$325.50 per processing

W2/1099s: \$720.50 per year (based on 110 W2/1099s)

Annual Total Investment:  
Discount:  
Annual Investment:

\$12,810.50

\$3,627.00

\$9,183.50

One Time Implementation Cost:  
Discount:  
Implementation Cost:

\$3,100.00

\$2,800.00

\$300.00

OK  
Lem W  
11/13/13

# SALES ORDER



City Of Central Falls  
 City Hall 580 Broad Street  
 Central Falls, RI 02863

Today's Date: 11/5/2013  
 Quote Number: 2013-474732

Control Start Date: 12/16/2013

Executive Contact  
**Robert MacDonald**  
 Finance Director  
 rmacdonald@centralfallsri.us  
 401-727-7470

ADP Sales Associate  
**Scott Dill**  
 scott.dill@adp.com  
 (401) 773-2271

Number of Employees for Payroll processing : 110 on control: City Of Central Falls

Processing Fees	Count	Min	Base	Rate	Bi-Weekly Fee	Annual Totals
WFN Solutions* - 30.0%	110		\$135.00	\$3.00	\$465.00	\$12,090.00
<b>Workforce Now Enhanced Payroll</b>						
Payroll Processing			General Ledger Interface			
Tax Filing			Wage Garnishment Processing Service			
Standard and Ad Hoc Online Reports			PR EE and Mgr Self Service Tools			
1 Local Delivery location			Mobile Solutions			
Customized content			Banking			

\*Discount <\$139.50> <\$3,627.00>

**Sub Total** \$325.50 \$8,463.00

**Invoice Details**

Additional Jurisdiction 2+ Unit Fees  
\$8.95 each

Annual Fees	Count	Min	Base	Rate	Annual Totals
Year-end W2s	110			\$6.55	\$720.50

**Sub Total** \$720.50

**Implementation Fees**

Implementation for WFN Solutions Count One Time Fee  
1 \$300.00

**Sub Total** \$300.00

**Summary**

Annual Total of Per Processing Fees	\$8,463.00
Total Annual Fees (Total of all annual fees)	\$720.50
Total One-Time Fees (Total of all one-time fees)	\$300.00

Contact Type	Contact	Phone
Payroll	Robert MacDonald	401-727-7470
Executive	Robert MacDonald	401-727-7470
Client Security Master	Robert MacDonald	401-727-7470

Client agrees to direct debit of fees for service: Yes

*OK  
 11/13/13*

THE ADP SERVICES LISTED ON THIS SALES ORDER ARE PROVIDED AT THE PRICES SET FORTH ON THE ABOVE PAGES AND IN ACCORDANCE WITH ADP'S STANDARD TERMS AND CONDITIONS OF SERVICE ATTACHED TO THIS SALES ORDER. BY SIGNING BELOW YOU ARE ACKNOWLEDGING RECEIPT OF AND AGREEMENT TO SUCH TERMS AND CONDITIONS AND TO THE LISTED PRICES.

ADP, INC.

By:

Name:

Title:

Date:

Scott Dill  
Scott Dill  
District Manager  
11/5/13

X Client:

By:

Name:

Title:

Date:

Robert Macdonald  
Robert Macdonald  
Finance Director  
11/13/13

Leonard Morganis 11/13/13

Leonard Morganis

Administration & Finance  
Officer





CLIENT ACCOUNT AGREEMENT AND AUTHORIZATION TO DEBIT/CREDIT - MAJORS

CLIENT NAME CITY OF CENTRAL FALLS BRANCH CO. CODE

ADDITIONAL APPLICABLE COMPANY CODES

CLIENT agrees to one of the debit methods listed below for collection of (1) payroll tax and/or sales and use tax obligations related to ADP's Tax Filing Services, (2) payroll obligations related to ADP's TotalPay/TotalPay Plus, FSDD, ADPCheck, TotalPay Card and/or Instant Pay Services, (3) wage garnishment deduction amounts related to ADP's WGPS Services, (4) business tax deposit obligations related to ADP's Electronic Business Tax Services (5) applicable deferrals of compensation, participant loan repayments, and employer matching or other contributions under any plan (if CLIENT receives ADP's 401(k) Services), and/or (6) the applicable fees for ADP's services, and the provisions of Exhibit A attached hereto and incorporated by reference herein (this "Agreement"). Such debits will be initiated by ADP, Inc. ("ADP") out of CLIENT's applicable account specified below (the "DDA Account") at the financial institution specified below ("BANK"). If the CLIENT executes (or has already executed) a valid debit/credit authorization specifically for ADP's 401(k) and/or sales and use tax services, then the terms of such authorization shall govern with respect to those specific ADP services and this authorization shall be of no force or effect.

DEBIT METHOD (Check Applicable Box): NOTE: (ACH method will be used to collect all service fees)
ACH or PRE-AUTHORIZED DRAFT
REVERSE WIRE
REVERSE WIRE (Over ACH Dollar Limit)

BANK INFORMATION: \*(FSDD & ADPCheck funds must be debited from the same account)

Table with 3 rows for bank information, including checkboxes for Payroll Taxes, Fees for Services, TotalPay, FSDD, ADPCheck, EBTS, WGPS, and Other, and fields for BANK Trans/ABA #, BANK Name, BANK Address, BANK Account #, BANK Contact, and BANK Phone.

COMPLETE THIS SECTION ONLY IF FSDD, ADPCHECK, OR TOTALPAY IS INDICATED ABOVE:

Table with 4 columns: Est Net Payroll, FSDD Start Date, ADPCheck Start Date, Federal ID#. Row 2: ADPCheck Partner Bank, State (Primary State In Which checks Will be Cashed)

In consideration of BANK's compliance with this authorization, CLIENT agrees that BANK's treatment of any charge, and BANK's rights with respect thereto, shall be the same as if the charge were initiated personally by CLIENT, and that if any charge is dishonored, whether with or without cause, BANK shall be under no liability whatsoever. In addition, CLIENT authorizes ADP to credit the DDA ACCOUNT when necessary, at ADP's sole discretion, for any refund or credit amount due CLIENT.

CLIENT acknowledges and agrees that (i) ADP Payroll Services Inc. ("ADPPSI"), a licensed money transmitter, is responsible for providing the money transmission services hereunder and is a party to this Agreement and (ii) ADP's provision of services hereunder shall be deemed acceptance of this Agreement by ADP and ADPPSI. Exhibit B, to the extent applicable, contains information related to how to file a complaint in connection with the money transmission services.

In the event of any conflict between the terms and conditions of this Agreement and the terms and conditions of any Price Quotation, Sales Order, National Account Agreement, or ADP Terms and Conditions attached to any proposal given to CLIENT, this Agreement shall control. CLIENT acknowledges and agrees that, notwithstanding anything to the contrary, CLIENT'S right to refund under any State law shall first be subject to any offset for funds due to ADP with respect to any previous transactions completed on Client's behalf by ADP, and subject to the terms and conditions of this Agreement and any other agreement between CLIENT and ADP.

This authorization shall remain in effect unless and until revoked in writing by an authorized representative of CLIENT and until BANK and ADP have each received such notice and have had reasonable time to act upon such notice.

CLIENT Signature [Signature] Date 11/5/2013

CLIENT Representative Name & Title Robert Macdonald Finance Director

(Must be an authorized signatory on the accounts listed above)



Reporting Agent Authorization (State Limited Power of Attorney & Tax Information Authorization)

Table with 3 columns: 1 Co/Code, 2 Branch, 3 Federal ID Number. Row 4: If you are a seasonal employer, check here.

Tax Filing Service

(In accordance with Internal Revenue Service Revenue Procedures)

5 TAXPAYER LEGAL NAME (Use all capital letters. Include spaces, ampersands, and hyphens. Do not enter any other punctuation.)

CITY OF CENTRAL FALLS

6 DBA NAME (Use all capital letters. Include spaces, ampersands, and hyphens. Do not enter any other punctuation.)

7 Address(number, street, and room or suite no.) City Hall580 Broad Street

City or town, state and ZIP Code Central Falls, RI, 02863

REPORTING AGENT: ADP Tax Services, 400 West Covina Boulevard, San Dimas, CA 91773 ID # 22-3006057, 800-235-7212

Authorization of Reporting Agent to Sign and File Returns

8 Use the entry lines below to indicate the tax return(s) to be filed by the Reporting Agent. Enter the beginning year for annual tax returns or beginning quarter for quarterly tax returns.

Table for reporting agent authorization with columns for Tax Year, Qu/Tr, and Tax Year for various return types (940, 941, 940-PR, 941-PR, 941-SS, 943, 943-PR, 944, 944-PR, 945).

Authorization of Reporting Agent to Make Deposits and Payments

9 Use the entry lines below to indicate the starting date (the first month and year) for any tax return(s) for which the Reporting Agent is authorized to make deposits or payments.

Table for reporting agent authorization with columns for Mo/Yr for various return types (940, 941, 943, 944, 945).

Disclosure of Information to Reporting Agent

10a Check here to authorize the Reporting Agent to receive or request duplicate copies of tax information, notices and other communications from the IRS, related to the authorization granted on Line 8 and/or Line 9.

X

10b Check here if the Reporting Agent also wants to receive copies of notices from the IRS.

X

Form W-2 Series or Form 1099 Series Disclosure Authorization

11 The Reporting Agent is authorized to exchange otherwise confidential taxpayer information with the IRS, including responding to certain IRS notices relating to the form W-2:1099 series information returns.

W-2 Tax Year 1099 Tax Year

State and Local Authorization

12 By checking the box to the right and signing in Box 13 below, the taxpayer identified above hereby appoints ADP as Reporting Agent and grants ADP a limited power attorney with the authority to sign and file employment and file tax returns and make deposits electronically, on magnetic media, or on paper for all state and local jurisdictions in which the taxpayer is required to file tax returns and make tax deposits.

X

This authorization shall include all applicable state and local forms and shall commence with the tax period indicated and shall remain in effect through all subsequent periods until either revoked by the taxpayer or terminated by the ADP.

On/Yr

Authorization Agreement and Signature of Taxpayer or Authorized Representative section. Includes signature of Robert Macdonald, Finance Director, dated 11/13/13.

For Privacy Act and Paperwork Reduction Act notice, see attached

TX-6931 Revised: 12/06/2007

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## MAJOR ACCOUNTS AGREEMENT

This Major Accounts Agreement ("Agreement") dated 11/5/2013 (the "Effective Date"), is by and between City Of Central Falls with offices at City Hall 580 Broad Street, Central Falls, RI, 02863 ("Client") and ADP, Inc. with its principal office at One ADP Boulevard, Roseland, New Jersey 07068 ("ADP") for the procurement of Services (defined in Section 1A) from ADP in accordance with this Agreement. All references herein 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.

### 1. GENERAL TERMS

**A. Services.** ADP shall provide payroll, tax filing, time and attendance, human resources ("HR"), self-service benefits administration, talent and other data processing services, including related web hosting services (the "Services"), equipment, computer programs, software (other than pre-packaged third-party software), and documentation (the "ADP Products") all as further detailed in the description of services found at [www.productdescription.majoraccounts.adp.com](http://www.productdescription.majoraccounts.adp.com) (which may be modified from time to time) and in accordance with sales order(s) between Client and ADP (the "Sales Order(s)"). A mandatory credit check will be performed prior to the provision of any Payment Services (as defined in Section 8.B). The ADP Products and Services are hosted in the United States and are for use in the United States only unless otherwise permitted under this Agreement or ADP otherwise consents in writing. Client acknowledges and agrees that ADP will not be deemed to be providing legal, financial, benefits, or tax advice to Client as a result of the ADP Products and Services provided herein.

**B. Accuracy of Client Information, Review of Data.** All Services provided hereunder will be based upon information provided to ADP by Client (including proof of federal, state, and local tax identification numbers). Upon receipt from ADP, whether electronically or otherwise, Client will promptly review all disbursement records and other reports prepared by ADP for validity and accuracy according to Client's records and Client agrees that it will promptly notify ADP of any discrepancies (in any case before distributing any paychecks or relying on any such disbursement records or reports). 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. Protection of Client Files.** ADP maintains appropriate security measures to protect the personal information of Client's employees and payees consistent with applicable state and federal laws including the Massachusetts Standards for The Protection of Personal Information of Residents of the Commonwealth (201 CMR 17.00). Additionally, ADP will employ commercially reasonable storage (including backup, archive and redundant data storage, on-site and off-site) and reasonable precautions to prevent loss of or alteration to Client's data files and/or Client Content (defined in Section 1H) in ADP's possession, but ADP does not undertake to guarantee against any such loss or alteration. ADP is not, and will not be, Client's official record keeper. Accordingly, Client will, to the extent it deems necessary, keep copies of all source documents containing the information delivered to ADP (including printouts or electronic copies of Client Content input into any ADP Internet Services (defined in Section 1H)).

**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 represents that it has verified the identity of each of its employees to whom it will make payments using ADP Products or Services through appropriate documentation provided by such employee (e.g., I-9 documentation). Client shall be responsible for ensuring that its employees, plan participants and any other persons authorized by Client to access or use the Services comply with all the terms of this Agreement.

**E. Compliance with Laws.** Client shall not use or access the ADP Products and Services in any way that violates any applicable international, federal, state or local laws and/or regulations. Client acknowledges that the ADP Products and Services are designed to assist Client in complying with applicable U.S. laws and U.S. governmental regulations, but that Client, and not ADP, shall be solely responsible for (i) compliance with all laws and governmental regulations affecting its business, and (ii) any use Client may make of the ADP Products and/or Services (including any reports and worksheets produced in connection therewith) to assist it in complying with such laws and governmental regulations. Further, Client is responsible for complying with all applicable data protection laws and represents that it has obtained any employee consents necessary (or otherwise have complied with applicable law) to transmit the information to ADP. Client will not rely solely on its use of the ADP Products and/or Services in complying with any laws and governmental regulations (including but not limited to any applicable Office of Foreign Assets Control ("OFAC") screening requirement). ADP will be responsible for complying with all applicable laws or governmental regulations affecting

its business generally. Each party will be responsible for complying with all requirements of applicable law or regulation regarding security breaches and suspected security breaches involving personal information stored on the computer systems of such party or its subcontractors. Payment Services are subject to the operating rules of the National Automated Clearing House Association ("NACHA"). ADP and Client each agree to comply with the NACHA rules applicable to it with respect to Payment Services.

**F. License Rights.** The right to use the ADP Products is granted to Client for the sole purpose of utilizing the Services as provided herein. Any license or right to access the ADP Products shall automatically terminate upon ADP ceasing to provide Client with related Services; provided, however, that Client shall be entitled to retain any time collection equipment that has been purchased and paid for in full by Client.

**G. Online Access.** 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"). In addition, Client acknowledges that security of transmissions over the Internet cannot be guaranteed. ADP is not responsible for (i) Client's access to the Internet, (ii) interception or interruptions of communications through the Internet, or (iii) changes or losses of data through the Internet, in each case other than to the extent caused solely by ADP. In order to protect Client's data, ADP may suspend Client's, Client's employees', or plan participants' use of the ADP Products or Services via the Internet immediately, without prior notice, pending an investigation, if any breach of security is suspected.

**H. Client Content.** "Client Content" shall mean (i) payroll, benefits, human resources and similar information provided by Client or its employees or plan participants, including transactional information, (ii) all Client information stored on ADP cloud storage service, as well as (iii) Client's trademarks, trade names, service marks, logos and designs provided by Client, (the "Authorized Marks"); which ADP includes, either directly as part of its setup services or through Client or any of its employees or plan participants, in any web-based ADP Product, including ADP Workforce Now™ (collectively "ADP Internet Services"). Client shall be solely responsible for obtaining all required rights and licenses to use and display the Client Content and for updating and maintaining the completeness and accuracy of all Client Content. Client grants ADP a right to use the Client Content for the sole purpose of performing the Services for Client. Notwithstanding, 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. In the event that ADP makes available branding of any materials, cards and/or websites associated with the ADP Products or Services and Client requests such branding, Client grants ADP, the card issuers and any third-party service providers designated by ADP the right to display Authorized Marks, subject to Client's right to review and approve the copy prior to the use of such Authorized Marks. This authorization shall cover the term of this Agreement and, if Client is receiving ALINE Card services, any period of ongoing use of the cards by employees after termination of this Agreement.

**I. ADP Content.** ADP Workforce Now is 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. Client understands that ADP may include informational content, forms and tools, as well as banner advertisements for ADP and/or third-party products and services, on the client self-administration portion of ADP Workforce Now as well as the employee self-service portion of ADP Workforce Now. Client may choose to suppress banner advertisements through such client self-administration portion, that ADP has posted to ADP Workforce Now, which represent offers or promotions from ADP or ADP partners. The availability and use of such content, forms and tools and banner advertisements shall be subject to the online terms (the "Online Terms"). Client's business dealings with any third-party advertiser found on ADP Workforce Now 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. ADP shall have no liability to Client for any third-party software that may be accessed by Client via the ADP Internet Services.

**J. Self-Service.** Client acknowledges that certain of the Services allow Client's employees or participants to input information into the self-service portions of the Services. ADP shall have no responsibility to verify, nor does ADP review the accuracy or completeness of the information provided by Client's employees or participants to ADP using any self-service portion of the Services. ADP shall be entitled to rely upon such information in the performance of the Services under the Agreement as if such information was provided to ADP by the Client directly. While the Services' self-service features permit employees or participants to elect to receive pay statements and tax forms electronically, it remains the responsibility of Client to ensure that employees or participants receive pay statements and tax forms as required by law.

**K. No Transfer, Modification, etc.** Client shall not assign, loan, sublicense, alter, modify, adapt (or cause to be altered, modified or adapted), reproduce, duplicate, copy, sell, trade, resell or exploit for any commercial purposes, all or any portion of the ADP Internet Services or any access or use thereof. Client will not write or modify interfaces or reports to any ADP Internet Service except as expressly authorized by ADP. CLIENT WILL NOT RECOMPILE, DISASSEMBLE, REVERSE ENGINEER, OR MAKE OR DISTRIBUTE ANY OTHER FORM OF, OR ANY DERIVATIVE WORK FROM ADP WORKFORCE NOW.

**L. Password Protection.** Client agrees to maintain the privacy of usernames and passwords associated with ADP Internet Services. Client is fully responsible for all activities that occur under Client's password or Internet account. Client agrees to (i) immediately notify ADP of any unauthorized use of Client's password or Internet account or any other breach of security, and (ii) ensure that Client exits from Client's Internet account at the end of each session. ADP shall not be liable for any damages incurred by Client or any third party arising from Client's failure to comply with this section.



**M. Links to Third-Party Sites.** The Site(s) may contain links to other Internet sites. Links to and from a 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.

**N. Transmission of Data.** In the event that Client 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.

## 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 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. 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.** 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. If Client is obtaining ezLaborManager® or ADP Workforce Now Essential Time and Attendance, HR, Benefits and/or Talent or Recruitment 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. 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.

**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.

**D. Important Tax Information (IRS Disclosure).** Notwithstanding Client's engagement of ADP to provide ADP Tax 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](http://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.

## 3. DISCLAIMER OF WARRANTIES

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. Ownership and Proprietary Rights.** All ADP Products licensed to Client hereunder are the licensed and/or owned property of and embody the proprietary trade secret technology of ADP and/or its licensor(s) and are protected by copyright laws, international copyright treaties, as well as other intellectual property laws, that among other things, prohibit the unauthorized use and copying of any ADP Products. Client receives no rights to any ADP Products or any intellectual property of ADP or its licensors, except as expressly stated herein.

**B. ADP Indemnity.** Subject to the remainder of this Section 4B, 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 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, ADP may retain information for regulatory purposes or in back-up files, provided that ADP's confidentiality obligations hereunder continue to apply. 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. LIMITATION OF LIABILITY

**A. Willful Acts, Errors and Omissions.** ADP shall reimburse Client for actual damages incurred by Client as a direct result of the criminal or fraudulent acts or willful misconduct of ADP or any of its employees. ADP shall correct any Client report, data or tax agency filings, as the case may be, produced incorrectly as a result of an ADP error, at no charge to Client. Additionally, if as a result of an error or omission made by ADP in performing Tax Filing Services (defined in Section 8A) hereunder, an applicable taxing authority imposes a penalty on or assesses interest against Client, ADP will (i) pay all penalties resulting from ADP's error or omission, (ii) pay any interest charges imposed on Client for the failure to pay funds to the extent and for the period that such funds were held by ADP. The preceding sentence will only apply if (x) Client permits ADP to act on Client's behalf in any communications and/or 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. Notwithstanding the foregoing, Client will be responsible for all taxes, penalties, and interest charges not resulting from ADP's error or omission.

**B. Limit on Monetary Damages.** Notwithstanding anything to the contrary contained in this Agreement (other than and subject to sections 4B and 6A above), 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.

**C. 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. TERM AND TERMINATION; DEFAULT BY CLIENT; REMEDIES UPON DEFAULT

**A. Termination/Suspension.** Subject to the terms of any Price Agreement, entered into by ADP and Client, ADP or Client may terminate this Agreement or any Service(s) provided hereunder without cause upon at least ninety (90) or thirty (30) days, respectively, prior written notice. 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 and/or terminate this Agreement immediately without prior notice in the event Client, its employee(s) or any other third party (i) includes in any ADP Internet Services 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. Additionally, Payment Services (defined in Section 8B) may be immediately suspended or terminated by ADP without prior notice if (i) ADP has not received timely funds from Client as required by Section 8B; (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; or (v) Client has any material adverse change in its financial condition. Without limiting the foregoing, the parties agree that Payment Services involve credit risk to ADP. As such, 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.

**B. Post-Termination.** If use of any ADP Products or Services is or may be terminated by ADP pursuant to Section 7A, 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 (including, for Tax Filing Services, all related penalties and interest) 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. ADP shall not be required to provide Client access to any Client data or records upon suspension or termination of the ADP Payment Services pursuant to Section 7A by ADP, or upon termination by Client.

## 8. PAYROLL PROCESSING

The terms of this Section 8 shall apply only to the extent Client is receiving Payroll Processing products and services hereunder.

**A. Payroll Processing and Tax Filing.** 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.

**B. Funding.** If Client is receiving Payment Services (defined herein), 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. "Payment Services" means any Services that require ADP, as part of such Services, to impound funds from Client's bank account to pay Client's third-party payment obligations (e.g., Tax Filing Services, Wage Garnishment Processing Services, ALINE Card, Full Service Direct Deposit Services and/or ADPCheck™ 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.

**C. 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 at the rate set forth in this Section 8C. 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.

**D. 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.

**E. 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.

## 9. TIME AND ATTENDANCE

The terms of this Section 9 shall apply only to the extent Client is receiving time and attendance products and services (including EZLABORMANAGER<sup>®</sup>, ENTERPRISE eTIME<sup>™</sup>, AND ETIME<sup>™</sup>) hereunder.

**A. 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 Enterprise eTIME product only, additional license terms are available at [www.adp.com/tlmlicense/terms](http://www.adp.com/tlmlicense/terms).

**B. 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.

**C. Use of Timeclock Equipment and Right to Inspect.** 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. 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.

**D. 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 9D shall not apply if prior to the time of such termination or cancellation Client already purchased and paid for the Timeclock Equipment in full.

**E. 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.

**F. Maintenance Fees.** Maintenance services for the Timeclock Equipment (set forth below in Section 9G) 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.

**G. 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.

**H. 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.



## 10. HR AND BENEFITS

The terms of this Section 10 shall apply only to the extent Client is receiving HR and/or Benefits products and services hereunder.

**A. 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.

**B. 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.

**C. Client Review.** Upon completion of any setup services or services referenced in Section 10A above, Client shall review the Client Content included in the HR and/or Benefits module by ADP. ADP shall have no liability to Client for any errors or inaccuracies in Client Content included in such module by ADP.

**D. HIPAA Business Associate Amendment.** Pursuant to the federal Health Insurance Portability and Accountability Act, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Care Act passed as part of the American Recovery and Reinvestment Act of 2009 ("ARRA"), the U.S. Department of Health and Human Services regulations entitled "Standards for Privacy of Individually Identifiable Health Information" ("Privacy Rule"), Security Standards for the Protection of Electronic Protected Health Information ("Security Rule") and the Breach Notification for Unsecured Protected Health Information ("Breach Notification Rule"), if services under the Benefits module are subject to HIPAA then such services are subject to additional terms and conditions located at <http://www.adp.com/BAA> which are incorporated herein and may be modified from time to time and as required by law.

**E. 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. The terms for setup services and subsequent setup services set forth in Sections 10A and 10B above will apply to setup for the Carrier Connection service. 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.

**F. Use of Services.** The ADP HR and Benefits products and services are hosted in the United States and are for use in the United States only except that the HR module of ADP WorkforceNow may be accessed and used by Client from the countries specified on the "Approved Country List" which may be viewed at [www.productdescription.majoraccounts.adp.com](http://www.productdescription.majoraccounts.adp.com) (which may be modified from time to time).

## 11. TALENT AND RECRUITMENT

The terms of this Section 11 shall apply only to the extent Client is receiving Talent and/or Recruitment products and services hereunder.

**A. Use of Services.** Client represents and warrants that it will use ADP WorkforceNow Talent and/or Recruitment for its own hiring 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. The ADP Talent and/or Recruitment products and services are hosted in the United States and are for use in the United States only except that the Talent module of ADP WorkforceNow may be accessed and used by Client from the countries specified on the "Approved Country List" which may be viewed at [www.productdescription.majoraccounts.adp.com](http://www.productdescription.majoraccounts.adp.com) (which may be modified from time to time).

**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 ADP WorkforceNow Talent and/or Recruitment, 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 ADP WorkforceNow Talent and/or Recruitment 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 and/or Recruitment products and 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.

## 12. UNEMPLOYMENT COMPENSATION MANAGEMENT

The terms of this Section 12 shall apply only to the extent Client is receiving unemployment compensation management services hereunder.

**A. UCM Services.** ADP will provide the unemployment compensation management services specified in the Sales Order (collectively, the "UCM Services") to Client in accordance with the terms of this Agreement. ADP will use commercially reasonable efforts to deliver the UCM Services within the time periods established by the relevant unemployment compensation agencies, however, ADP does not guarantee that it will meet all such time periods.

**B. Provision of Information; Contesting Claims.** Client will provide ADP with all information necessary for ADP to perform the UCM Services and will provide such information in accordance with the conditions, rules and regulations as may be established or specified by ADP from time to time, or as may be set forth in manuals, material, documents or instructions relating to the UCM Services furnished by ADP to Client hereunder. The information to be provided by Client to ADP hereunder includes all necessary and accurate information from which ADP is to administer the UCM Services (including, without limitation, the claimants' names, dates, wage information and separation information, as applicable). Client will provide such information as specified in Section 12C below. Client warrants that it shall not instruct ADP to contest claims for unemployment compensation which are valid pursuant to applicable laws, regulations, and rules.

**C. Transfer of Data.** Client may transfer data necessary for ADP to provide the UCM Services to ADP via: (i) on-line connection between ADP and Client's computer system, (ii) inbound data transmissions from Client to ADP and (iii) magnetic tape transfer of Client data to ADP. Client will provide the data necessary to provide the UCM Services to ADP at mutually acceptable times using mutually acceptable communications protocols. Client will promptly notify ADP of the proper method of communication with Client and will advise ADP of any changes in such method. The communication lines used by Client will comply with the standards for communication lines communicated by ADP to Client from time to time.

### 13. 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.** With respect to the ADP Products and Services, ADP suppliers, vendors and referral partners may enforce the same disclaimers and limitations against Client as ADP may under Sections 3 and 6 of this Agreement. Other than ADP suppliers, vendors, and referral partners who are intended third-party beneficiaries with respect to Sections 3 and 6 of this Agreement, nothing in this Agreement creates, or will be deemed to create, third-party beneficiaries of or under this Agreement. ADP has no obligation to any third party (including Client's employees and/or any taxing authority) by virtue of this Agreement.

**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. Limitation of Claims.** No action arising under or in connection with this Agreement, regardless of the form, may be brought by Client more than two (2) years after Client becomes aware of or should reasonably have become aware of the occurrence of events giving rise to the cause of action.

**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 executed in one or more counterpart copies. Each counterpart copy shall constitute an agreement and all of the counterpart copies shall constitute one fully executed agreement. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

**IN WITNESS WHEREOF**, this Agreement is hereby executed by an authorized representative of each party hereto and shall be effective on the Effective Date set forth above.

**ADP, Inc.**

ADP Sales  
Associate

*Scott Dill*

Name

Scott Dill  
(type or print)

Title

District Manager Date 11/5/13

**CLIENT**

Client  
Signature

*Robert Macdonald*

Name

Robert Macdonald  
(type or print)

Title

Finance Director Date 11/13/13

