

Sales Code	Date	Assoc. #	Client #	Billing ID	Combined Acct. #
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Payroll and Tax Processing Agreement

A. Client Information

Client Legal Name		Trade Name (DBA)			
Address, City, State, ZIP Code					
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Telephone Number	Fax Number	E-mail	Payroll Contact		

B. Miscellaneous

Number of Checks per payroll	First Check Date ___/___/___	Pay Cycle	<input type="checkbox"/> W <input type="checkbox"/> BW <input type="checkbox"/> SM <input type="checkbox"/> M <input type="checkbox"/> Q <input type="checkbox"/> A			
SIC Code	First Run Date ___/___/___	Sales Tax State				
Entity Change	<input type="checkbox"/> Y <input type="checkbox"/> N	Previous Assoc/Client	_____ - _____			
Please Check Input Type Below		Please Check Entity Type Below				
<input type="checkbox"/> Branch Input <input type="checkbox"/> IP Client		<input type="checkbox"/> S-Corporation <input type="checkbox"/> Non Profit Corporation	<input type="checkbox"/> Limited Liability Corporation (LLC) <input type="checkbox"/> C-Corporation	<input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Partnership <input type="checkbox"/> Trust	<input type="checkbox"/> Limited Liability Partnership (LLP)

Services

*Tax Option	<input type="checkbox"/> Full <input type="checkbox"/> Tracker B <input type="checkbox"/> Non <input type="checkbox"/> 1099 only (must choose tax option)	<input type="checkbox"/> Direct Deposits <input type="checkbox"/> Advantage Checks <input type="checkbox"/> Client Checks
<i>*By checking the above "Tax Option" I understand section "2. Tax Filing Options" on page 2 of this Agreement</i>		
		Initials _____

Employer Type

<input type="checkbox"/> 941 <input type="checkbox"/> 943 <input type="checkbox"/> Household Schedule H <input type="checkbox"/> 944 <input type="checkbox"/> 945

Federal Reporting Information: Please attach a copy of the IRS frequency notification.

Fed ID #	_____ - _____				
Federal Filing Status Current Year (Select One)	<input type="checkbox"/> Semiweekly <input type="checkbox"/> Monthly <input type="checkbox"/> Unknown <input type="checkbox"/> (Tax Dept. will default)				
Federal Unemployment Tax (FUTA)	<input type="checkbox"/> Exempt <input type="checkbox"/> Taxable				

State Income Tax Withholding Information: Please include a State Deposit Coupon.

State 1	State ID #	State 2	State ID #
Select One State Filing Frequency Below		Select One State Filing Frequency Below	
<input type="checkbox"/> Semimonthly <input type="checkbox"/> Qtr Monthly <input type="checkbox"/> Monthly	<input type="checkbox"/> Follows Fed <input type="checkbox"/> Weekly <input type="checkbox"/> Eighth Monthly	<input type="checkbox"/> Semimonthly <input type="checkbox"/> Qtr Monthly <input type="checkbox"/> Monthly	<input type="checkbox"/> Follows Fed <input type="checkbox"/> Weekly <input type="checkbox"/> Eighth Monthly <input type="checkbox"/> NY 3 Day or NY 5 Day

State Unemployment Information: Please attach a copy of rate notice. For additional states, attach another sheet in the same format.

State 1	State ID #	State 2	State ID #
Total Rate _____%	Exempt <input type="checkbox"/> Y <input type="checkbox"/> N	Total Rate _____%	Exempt <input type="checkbox"/> Y <input type="checkbox"/> N
Includes _____% SDI _____% Surchage _____% JDF		Includes _____% SDI _____% Surchage _____% JDF	

Other Tax Information: Please attach a sheet in the same format for additional localities.

Locality	APSI Code #
Locality	APSI Code #

1. Deposits for Federal Taxes will be made in which state? (Tax Tracker Clients Only) _____

 2. Are there wages to be converted Year to Date? Y N Wage to be converted Quarter to Date? Y N

Tax Deferred Plan Information:

Please select Deferral Plan(s) <input type="checkbox"/> 401-K CODA <input type="checkbox"/> 403-B TSA <input type="checkbox"/> 408-K SARSEP <input type="checkbox"/> 457 DFC <input type="checkbox"/> 501-C PENSION <input type="checkbox"/> 408-P SIMPLE <input type="checkbox"/> OTHER – Please attach complete information for this category
Do you have a Section 125 Cafeteria Pretax Plan? <input type="checkbox"/> Y <input type="checkbox"/> N

C. Agreements

This Agreement may be considered as an application for credit and authorizes Advantage Payroll Services, Inc. (APSI), to investigate the credit of the client or its principals including vendor references, bank account status and history.

 Y N

Corporate Officer/Responsible Person (please print name)	Non Profit	Position
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Address, City, State, ZIP Code

Social Security Number	Original start date current owner/entity
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Previous ABSHI Account Name(s) & Number(s)	Current ABSHI Account Name(s) & Number(s)
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Has there been a significant change in ownership or control in the current calendar year? Y N

Client hereby authorizes client's bank to pay and charge client's account for charges drawn on client's account and payable to the order of APSI, Auburn, Maine. Client agrees that client's bank's rights in respect to each charge shall be the same as if it were drawn on it, and signed personally by or on behalf of client. This authority is to remain in effect until revoked by client in writing, and until bank receives such notice, agrees that bank shall be fully protected in honoring these charges. Further agree that if any such charge is dishonored, whether with or without cause and whether intentionally or inadvertently, bank shall have no liability whatsoever.

Routing Number

Bank Account Number

Branch & Officer Name

Address, City, State, ZIP Code

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Telephone Number

Fax Number

E-mail

D. Additional Terms and Conditions

The additional terms and conditions on the reverse side of this Agreement (Rev. 6/15) are part of the Agreement and are incorporated herein by reference. This Agreement shall not become effective unless signed by an authorized representative of APSI and client.

For Value Received, the above Agreement and obligations of the client are guaranteed.

Authorized (Client Signature)

Print Name

Witnessed By (Advantage Signature)

Personal Signature

Print Name

White – APSI Yellow – Client Pink – Branch/Associate

ADDITIONAL TERMS AND CONDITIONS

- Services.** This Advantage Payroll Services, Inc., ("APSI") Payroll and Tax Processing Agreement ("Agreement") is entered into between APSI and the Company identified above ("Client"). The Agreement will continue until terminated in accordance with its provisions. Client employs APSI to provide the services set forth above ("Services"). The terms and conditions of this Agreement will also apply to any additional services which Client employs APSI to perform unless otherwise stated. APSI will not commence any of the Services until APSI receives all documents necessary to begin each of the Services and notifies Client of the date APSI will commence each of the Services ("Service Effective Date"). Client acknowledges that each of the Services may have separate Service Effective Dates. **Until the Service Effective Date, Client will continue to provide for itself the Services requested of APSI. APSI assumes no responsibility for Services prior to the Service Effective Date.**

Client agrees that APSI is not rendering legal, tax, accounting, or investment advice in connection with the Services, nor is APSI a fiduciary of Client, a fiduciary of any Client benefit plan offered for the benefit of Client's employees, or the employer or joint employer of Client's employees. APSI will not be responsible for Client's compliance with, nor will APSI provide legal or other financial advice to Client, with respect to federal, state, or local statutes, regulations, or ordinances, including, but not limited to, the Fair Labor Standards Act or any state equivalent. Client agrees to comply with any and all applicable federal, state, and local laws or ordinances.

Client understands that this Agreement (Rev. 1/14) may be considered an application for credit and hereby authorizes APSI to investigate the credit of the Client and/or its principals, including vendor references, bank account status, and history (collectively "Client's Credit"). APSI's performance of the Services under this Agreement is subject to approval of Client's Credit. Client warrants that it possesses full power and authority to enter into this Agreement, and has read and agrees to the terms and conditions set forth in sections 1-26 of this Agreement.

2. Tax Filing Options:

_____(Full) Client agrees APSI will act as the tax filing agent where required for IRS deposits, filings and correspondences on Client's behalf as it relates to payroll tax filings. *Client understands that APSI will not be responsible for penalties or interest due to missing, inaccurate, or incomplete information. Client further understands that APSI is not responsible for taxes with respect to wages paid prior to its service.*

_____(Tracker B) Basic Notices Only - APSI will provide Client Basic Tax Deposit Notices only.

The following applies to Tracker B: *All Deposit notices are generated based on the next anticipated processing date as indicated in Item B Pay Cycle. Should a Client process a payroll or additional check earlier than the stated processing frequency, APSI shall not be liable for the accuracy or timeliness of such notices - and shall not be liable for any special or consequential damages, or other damage, all as provided herein. Payroll tax returns are prepared based on the assumption that checks are made available to employees according to check date. Client assumes responsibility for making timely deposits, including but not limited to "next day deposits" without regard to delivery date and receipt of the payroll.*

_____(Non) APSI will not provide Tax Services, Deposit Notices.

_____(1099 only)

Client agrees to remain responsible for any obligation imposed on Client by law to maintain records regarding Client's business or employees. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THERE ARE NO WARRANTIES EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

- Client Contacts.** Client will designate payroll contacts that will provide APSI with information and directives necessary for APSI to perform the Services (collectively "Client Information"). Client is responsible for the accuracy of Client Information provided by payroll contacts and/or Client.
- Client Information.** Client will execute and/or provide all documentation that APSI requires to perform its responsibilities under the Agreement including, where necessary, taking all corporate action. Client acknowledges that APSI may be required to obtain documents necessary to verify the identity of Client pursuant to applicable federal and/or state statutes or regulations. Client will provide APSI with all necessary Client Information pertaining to Client's employees at least two banking days prior to a payroll check date.

Client acknowledges that Client is responsible for any delayed remittance of wages, taxes, garnishments, and additional processing fees incurred as a result of its failure to provide Client Information at least to (2) banking days prior to a payroll check date. APSI shall not be required to obtain authorization from Client to act on Client Information.
- Reliance on Client Information.** APSI will not be responsible for errors that result from APSI's reliance on Client Information.
- Review Reports.** Client will review all reports and documents provided or made available by APSI and inform APSI of any inaccuracies within three (3) business days of receipt or availability.
- Software Licenses.** Client has received, or may receive, certain computer software relating to Services (collectively "Software"). Client agrees that in the event that it does not accept all of the terms and conditions of any and all APSI Software, and/or third-party Software, and any and all applicable license agreements provided to Client now or in the future, APSI will not be obligated to perform Services dependent upon the Software.
- Client Confidential Information.** "Client Confidential Information" will mean all information disclosed or otherwise made available by the Client to APSI that is marked confidential or is of the nature that a reasonable person would identify it as being confidential, and the name, social security number, date of birth, address, bank, and/or wage information of Client and Client's employees provided to APSI by Client. APSI will use reasonable care to prevent the disclosure of such Client Confidential Information to any unauthorized person or entity. APSI may disclose Client Confidential Information to its employees, affiliates, subsidiaries, agents, and contractors to: (i) perform or offer Services; (ii) offer additional products or services; (iii) perform analysis to determine Client's qualification to receive future services; and (iv) collect Amounts Due and may disclose Client's payment experiences with APSI to credit reporting agencies and supply vendor references on behalf of Client. APSI may also disclose Client Confidential Information (i) to its attorneys, accountants, and auditors; and (ii) pursuant to federal, state, or local law, regulation, court order, legal process, or governmental investigation. The obligations set forth in this section will not apply to any Client Confidential Information that: (i) Client has agreed is free of any nondisclosure obligations; (ii) at the time of disclosure was free of any nondisclosure obligations; (iii) is independently developed by APSI or that APSI lawfully received, free of any nondisclosure obligations, from a third party having

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the right to furnish such Client Confidential Information; or (iv) is or becomes available to the public without any breach of this Agreement or unauthorized disclosure.

9. **Remit Reimbursement Amount.** Client agrees to remit funds to APSI representing the amount due to pay Client's employees, remit taxes, or pay garnishments ("Reimbursement Amounts") through an Electronic Funds Transfer (EFT), or such other payment method as required by APSI.
10. **Payment of Fees.** Client will pay all fees, including, but not limited to, fees for all APSI Services each pay period through an EFT or such other method as required by APSI when due (collectively "Fees"). Minimum monthly Fees are due in the event Client fails to process a payroll or whose payroll fails to meet the minimum monthly charge during the month. Fees include minimum monthly, insufficient funds, and premium processing fees. APSI's Fees are subject to change upon thirty (30) days written notification to Client. APSI may, in its sole discretion, require a security deposit from Client, and Client waives any right to interest that may accrue on any amounts, including, but not limited to, Reimbursement Amounts, Fees, and security deposits received by APSI.
11. Delivery and processing schedules will be as determined by the parties from time to time.
12. **Electronic Funds Transfer.** If APSI requires payment of Fees or Reimbursement Amounts (collectively "Amounts Due") through an EFT, Client (i) will execute all documentation needed by APSI to originate EFT transactions and to verify availability of funds in Client's bank account; (ii) agrees that the funds representing the Amounts Due will be on deposit in Client's bank account in collectible form and in sufficient amount on the day APSI's EFT is to be presented ("Funding Deadline"); and (iii) authorizes APSI to collect all Amounts Due from Client's bank account on the Funding Deadline. All EFTs are performed in compliance with the National Automated Clearing House Association operating rules ("NACHA"). Client agrees (i) to follow NACHA, as they are amended from time-to-time and assumes the responsibilities of an initiator of EFTs; (ii) that it will not initiate any EFT that violates any law; and (iii) that APSI may identify Client to banks involved in the EFT. Client further agrees that it will notify APSI, pursuant to applicable NACHA and federal regulations, if funding for Client's payroll is received from a foreign financial agency and of any employees with non-U.S. addresses.
13. **Payment by Wire Transfer or Other Method.** If APSI requires payment of Amounts Due by a wire transfer or other method, Client agrees to provide APSI with all information necessary to confirm receipt of the payment prior to the Funding Deadline.
14. **Insufficient or Nonconfirmed Funds.** If sufficient funds are not available on the Funding Deadline, APSI may take such action to collect Amounts Due, including, but not limited to, reissuance of the EFT. **Client acknowledges that Client is responsible for any delay in remittance of wages, garnishments, or taxes if APSI is unable to confirm receipt of funds prior to the Funding Deadline.**
15. **Client's Default.** In the event of a Client default, APSI may, at its sole option, terminate the Agreement or a portion thereof, without notice and declare all Amounts Due immediately due and payable. Client agrees to promptly reimburse APSI for all advances or overpayments made by APSI and to pay interest on the advances at the rate of one and one-half percent (1½%) per month, or the maximum allowable by applicable law, until paid. Client agrees that APSI may initiate an EFT to Client's bank account for any past due Amounts Due. Client will be responsible for the costs of collection of Amounts Due including, but not limited to, attorneys' fees and costs. APSI may, in its sole discretion, commence an action within the County of Monroe, State of New York, or in any other court of competent jurisdiction for any monies due and owing from Client to APSI.
16. **Third-Party Services.** At Client's option, Client can integrate certain third-party services into the Services. These third-party services are not provided by APSI. Client agrees to hold harmless and release APSI from any liability relating to Client's use of third-party services or integration of the Services with third-party services. Client's ability to use third-party services may be limited according to the third-party's terms and conditions. When Client integrates with a third-party service, Client authorizes APSI to share any Client data, including Client Confidential Information, as may be needed by the third-party to provide the third-party services. APSI is not liable for any disclosure of Client Confidential Information by any such third-party. If Client does not opt to integrate third-party services into the Services, the provisions of this Section shall not apply.
17. **Client Online Account.** In the event Client and/or Client's employees access Services online or through any mobile or other electronic devices ("Online Account"), Client is solely responsible for (i) designating who is authorized to have access to the Online Account ("Authorized User(s)"); (ii) safeguarding all passwords, usernames, logins or other security features used to access the Online Account ("Online Account Access"); (iii) use of Online Account under any usernames, logins or passwords; (iv) ensuring that use of the Online Account complies fully with the provisions of this Agreement; and (v) any unauthorized access, or use, of the Online Account caused by Authorized Users' actions or inactions, including, without limitation, its failure to safeguard Online Account or Online Account Access. Client agrees to immediately notify APSI of any actual or suspected unauthorized use of Online Account, and acknowledges that Client is solely responsible for damages resulting from Client's failure to timely notify APSI. APSI reserves the right to limit, suspend, or terminate Client's and/or Authorized User(s)' access to Online Account should APSI have reason to believe that the security or confidentiality of Online Account or Online Account Access has been compromised. Client acknowledges that it has determined that the security features, including the selection of any required security level or levels for its Authorized Users, are commercially reasonable for providing security against unauthorized access and meets Client's requirements given the size, type and frequency of the Services it will receive from APSI. Client is solely responsible for implementation of an information security program appropriate to safeguard the Online Account or Online Account Access and which is consistent with all applicable federal, state and/or local statutes or regulations; safeguarding Online Account and Online Account Access for any third-party services integrated into the Services; maintenance and routine review of computing and electronic system usage records (i.e. log files); and the security of its own data, data storage, computing device(s), other electronic systems, and network connectivity. Client acknowledges and agrees that APSI is not liable to Client, Client's employees or any other third-party for any consequences, losses, or damages resulting from unauthorized access or use of the Online Account as set forth in this section.
18. **Limit of Liability.** APSI shall be responsible only to the extent of correcting errors which are due to the breach of this Agreement. APSI's liability with respect to this Agreement is limited to the remittance to appropriate payees of funds held on behalf of the Client or reimbursement of Client or its employees for any interest or penalties assessed as a direct result of APSI's breach of the Agreement. APSI can only be held liable for breach of the Agreement and will not be held liable for: (i) any negligent act or omission by APSI; (ii) the negligence of any other person or entity, including, but not limited to, Client and its employees or agents, or any person or entity that provides services in connection with or as a result of APSI's performance of its obligations under the Agreement; (iii) any loss, claim, or expense arising from information provided or modified by Client; or (iv) Client's breach of NACHA. **APSI will, under no circumstances, be liable for any indirect, incidental, special, punitive, or consequential damages, including lost profits incurred by Client pursuant to this Agreement or by the transactions contemplated by it, however caused, on any theory of liability (including contract, tort, or warranty), or as a result of APSI's exercise of its rights under the Agreement, even if APSI has been advised of the possibility of such damages.**
19. **Copyright.** APSI or related third parties owns all rights, title, and interest, including, but not limited to, copyright, patent, trade secret, and all other intellectual property rights, in the Software and any changes, modifications, or corrections to the Software. If Client is ever held or deemed to be the owner of any copyright rights in the Software or any changes, modifications, or corrections to the Software, Client hereby irrevocably assigns to APSI all such rights, title, and interest. Client agrees to execute all documents necessary to implement and confirm the letter and intent of this section. Client warrants to APSI that it (i) has title or is authorized to use any symbol, logo, or mark uploaded by Client or Client's agents or printed on Client's checks (collectively "Client Material"); and (ii) has full right and authority to use Client Material, and such use does not violate any other party's rights.
20. **Confidentiality of Software.** Client acknowledges that the Software contains valuable trade secrets and confidential information owned by APSI or third parties (collectively "Confidential Information"). Client agrees that Client, its employees, and its agents will not, directly or indirectly: (i) sell, lease, assign, sublicense, or otherwise transfer; (ii) duplicate, reproduce, or copy; (iii) disclose, divulge, or otherwise make available to any third party; (iv) use, except as authorized by this Agreement; or (v) decompile, disassemble, or otherwise analyze for reverse engineering purposes the Software or Confidential Information. Client will take appropriate action with Client's employees and agents to satisfy its obligations under this Agreement with respect to the use, protection, and security of Confidential Information. Client will notify APSI immediately of any unauthorized use or disclosure of Confidential Information and will cooperate in remedying such unauthorized use or disclosure.
21. **Refund/Adjustment/Overpayment.** Client agrees that APSI may apply any balances it is holding for Client to Amounts Due owed to APSI or its affiliates. In the event APSI remits an overpayment of payroll taxes, APSI may, at its sole discretion, advance funds to Client. In the event APSI advances overpayment funds to Client, then Client agrees that it will reimburse APSI for the overpayment within the sooner of five (5) days of (i) receiving the overpayment amount from the taxing authority; or (ii) being notified that the overpayment amount would be applied to an outstanding tax liability of Client; or (iii) the Agreement being terminated by either party.
22. **Indemnification.** Client will indemnify, defend, and hold APSI and its respective officers, directors, and employees harmless from any and all claims, costs, attorneys' fees (including in-house counsel fees), and expenses resulting from or arising in connection with (i) a Client default; (ii) the use, misuse, reproduction, modification, or unauthorized distribution of Software; (iii) Client's breach of NACHA; or (iv) Client's breach of any warranty set forth in the Agreement.
23. **Governing Law and Arbitration.** This Agreement and all aspects of the relationship between APSI and Client shall be governed exclusively by the laws of the

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State of New York without regard to, or application of, its conflict of laws, rules, and principles, except for the arbitration agreement contained herein which shall be governed exclusively by the Federal Arbitration Act, 9 U.S.C. section 1 et. seq. (the "FAA"). **Except as provided herein, any dispute arising out of or in connection with the Agreement will be determined only by binding arbitration in Rochester, New York, in accordance with the commercial rules of the American Arbitration Association.** Arbitrable disputes include, without limitation, disputes about the formation, interpretation, applicability, or enforceability of this Agreement. A separate neutral arbitrator must be selected and appointed for each dispute. Any dispute arising under the Agreement will be brought within two (2) years of when the claim accrued. The arbitrator will not be authorized to award exemplary or punitive damages, or any damages excluded in the Limit of Liability provision. The parties agree that the prevailing party in arbitration, and any subsequent judicial proceeding to enforce an arbitration award, will be awarded costs and attorneys' fees (including in-house counsel fees) and that an arbitration award may be entered as a judgment in any court having jurisdiction over either party to the Agreement. The parties will not be permitted to bring, or participate in, and the arbitrator will not have any authority or jurisdiction to hear or decide, any claims brought as any type of purported class action, coordinated action, aggregated action, or similar action or proceeding. Each party must only bring claims against each other in their individual capacity.

24. Termination. Except as otherwise provided, either party may terminate the Agreement upon thirty (30) days prior written notice. APSI may immediately terminate the Agreement, or a portion thereof, if: (i) Client becomes subject to receivership, bankruptcy, or is insolvent; (ii) APSI, in its sole discretion, determines that a material adverse change has occurred in the financial condition of Client; (iii) Client fails to have sufficient funds on the Funding Deadline; or (iv) APSI determines, in its sole discretion, that any federal, state, or local legislation, regulatory action, or judicial decision adversely affects its interests under the Agreement. Termination of the Agreement will not relieve Client of any obligations set forth herein this Agreement, including, but not limited to, its payment obligations.

25. Assignability. The Agreement may not be assigned by Client to any third parties, other than successors, without the prior written consent of APSI. Any assignment made without such consent will be null and void.

26. Signature. The parties agree that Client's signature on this Agreement may be transmitted to APSI electronically or by facsimile. The parties further agree that such signature will have the same force and effect as if the original signature had been provided and received.

27. Miscellaneous. This Agreement, along with any exhibits, addendums, schedules, and amendments, contains the entire understanding of the parties and supersedes all previous understandings and agreements between the parties for the Services provided, whether oral or written. Client acknowledges that there have been no representations or warranties made by APSI or Client that are not set forth in this Agreement. APSI may modify any term of the Agreement upon thirty (30) days written notice to Client of such change and the effective date thereof. Client will be deemed to have accepted and agreed to such changes unless Client elects to terminate the Agreement by written notice to APSI prior to the effective date of the change and pursuant to the Termination provisions. If any provision of the Agreement or any portion thereof is held to be invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remainder of the Agreement will not in any way be affected or impaired. Sections 1 to 27 will survive termination of the Agreement.