

Direct Deposit and ACH Services Agreement

EFFECTIVE DATE:		SERVICE START DATE:	
Client			
Street Address			
City	State	Zip	
Processor			

1. **Introduction and Parties.** This Agreement is between the client identified above ("Client") and Ceridian Corporation, a Delaware corporation, with an office at 3311 East Old Shakopee Road, Minneapolis, Minnesota 55425 ("Vendor"), each of which may be referred to in the singular as "Party" or in the plural as "Parties." Vendor has entered into a remarketer agreement with the third party payroll processor identified above ("Processor") for the delivery of the services described in this Agreement ("Services") to Processor's clients. Client has entered into a separate agreement with Processor to purchase the Services in conjunction with the payroll processing service provided to Client by Processor. Vendor agrees to provide and Client agrees to accept the Services in accordance with the terms and conditions of this Agreement.
2. **Term and Termination.** This Agreement will become effective when signed by Client and accepted by Vendor. It will remain in effect until terminated by either Party upon 30 days' prior written notice, provided that Vendor may terminate this Agreement immediately without notice in the event Processor has discontinued providing payroll processing services to Client.
3. **Fees.** Fees for the Services will be billed to Client by Processor. Client will be responsible for payment of such fees to Processor in accordance with its agreement with Processor.
4. **Services.** Vendor shall provide the Services described in this Section 4.
 - 4.1 **Direct Deposit Services.** Vendor agrees to provide Client with Direct Deposit services in connection with the payroll processing services that Processor provides to Client. Vendor shall retain the interest earned on Client funds held in a Vendor account while payment of such funds to others is pending. Vendor will submit to various funds transfer networks, such as the Automated Clearing House network or Federal Reserve System, data in the form required for the electronic crediting of payments to the designated bank accounts of Client's employees (the "Employee Accounts") and the debiting of those payments from the Client's authorized accounts (the "Client Accounts"). Client will arrange with Processor to transmit its payroll data to Vendor, including payroll amounts, payroll dates, employee bank account information, and any other information provided to Vendor in connection with the Services (collectively, the "Payroll Data"). Initial setup services will include processes to obtain, setup and test both Client and Client's employees' bank connectivity. Vendor will process stop payments and direct deposit reversals as Client may request. Initiation of Services shall be subject to Vendor's approval of Client's credit.
 - 4.2 **Fund Transfers.** Client authorizes Vendor to debit Client Accounts in the amount of the payments to be made to Client's employees and in accordance with the Funding Authorization. The funds transfer from Client to Vendor will be initiated by Vendor for settlement one day prior to the date that payroll deposits are to be made to Client's Employee Accounts (the "Check Date"). Holiday bank schedules will necessitate funds transfer one day earlier to accommodate timely settlement. Failure of Client to timely provide sufficient funds or accurate Payroll Data may result in delayed or inaccurate Services. Vendor may, from time to time, revise the credit requirements applicable to Client. If Vendor determines that Client's credit standing has declined, or if Client has failed to fund consistently and timely, Vendor may revise the Funding Authorization and timing of funds transfer, to require, among other things, a drawdown wire to be processed two days prior to the Check Date. However, Client will be notified in advance if this becomes necessary and if Client does not agree in writing to such revisions, Vendor may suspend all further performance of Services and terminate this Agreement. In the event of a returned item from one or more Client Accounts or any funding deficiency by Client, Vendor is authorized to send a reversal file to one or more of the Employee Accounts that were paid through direct deposit. Any payment made to one or more of Client's employees based on information supplied by Client shall be funded by Client.
 - 4.3 **Client Representations and Agreements; Indemnity.** Client represents and warrants to Vendor and agrees that (a) each of Client's employees has authorized the initiation of credit entries and the crediting of the Employee Account in the amount and on the date specified, and such authorization is operative at the time of transmittal and crediting of the Employee Account; (b) Client has authorized the initiation of debit entries and the debiting of the Client Accounts in the amount and on the date specified, and such authorization is operative at the time of transmittal and debiting of the Client Accounts; (c) Client shall fully fund the Client Accounts in a timely manner in accordance with this Agreement; and (d) Client shall perform its obligations under this Agreement in accordance with all applicable laws and regulations. Client shall indemnify Vendor against any loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any breach of the foregoing representations or agreements, or out of any action by Vendor in reliance on any information or authorization provided to Vendor by Client, or by Processor on behalf of Client.

4.4 Vendor Responsibilities; Limitation of Liability. In the performance of the Services, Vendor shall be entitled to rely solely on the information, authorizations, representations and warranties provided by Client, or by Processor on behalf of Client, pursuant to this Agreement, and shall not be responsible for the accuracy or completeness thereof. Vendor will not be responsible for any consequences, losses, damage or other harm that may arise from any inaccurate or delayed fund transfers or check deliveries that result from any incorrect Payroll Data transmitted to Vendor by Processor on behalf of Client, or insufficient or late funding by Client. Vendor shall use due care in providing the Services and accepts no responsibility other than for its errors and omissions subject to Limitation of Remedies set forth in Section 8 of this Agreement.

4.5 Suspension or Termination of Service. Vendor may immediately suspend its performance, and may terminate this Agreement upon written notice to Client in any of the following circumstances: (a) Client does not agree with Vendor on a revised Funding Authorization, as described in Section 4.3 above; (b) Client fails to timely, fully or properly make funds available for the Services; (c) Vendor determines, in its sole discretion, that Client does not meet Vendor's credit requirements; (d) the payroll service agreement between Processor and Client has expired; (e) the remarketer agreement between Processor and Vendor has expired; or (f) Processor has failed to remit fees due to Vendor with respect to Services provided by Vendor for Client, or otherwise has failed to perform its obligations in accordance with its remarketer agreement with Vendor.

4.6 Security for Payment by Client. Client agrees that Vendor may retain or liquidate any Client assets held by Vendor, as an offset against any amounts owed to Vendor by Client.

5. Changes. Vendor may make changes to this Agreement with 30 days prior written notice to Client. If, upon notification of the change, Client elects not to continue Services, Client may terminate this Agreement upon 30 days prior written notice to Vendor.

6. Confidentiality and Privacy. Neither Party shall disclose Confidential Information of the other Party. The receiving Party shall use the same degree of care as it uses to protect its own confidential information of like nature, but no less than a reasonable degree of care, to maintain in confidence the confidential information of the disclosing Party. The foregoing obligations shall not apply to any information that (a) is at the time of disclosure, or thereafter becomes, part of the public domain through a source other than the receiving Party, (b) is subsequently learned from a third party that does not impose an obligation of confidentiality on the receiving Party, (c) was known to the receiving Party at the time of disclosure, (d) was generated independently by the receiving Party, or (e) is required to be disclosed by law, subpoena or other process. Vendor may transfer Client's Confidential Information to a governmental agency or other third party to the extent necessary for Vendor to perform its obligations under this Agreement or if Client has given Vendor written authorization to do so. For purposes of this paragraph, Confidential Information shall mean any information identified by either Party as "Confidential" or "Proprietary", or which, under the circumstances, ought to be treated as confidential or proprietary, including non-public information related to the disclosing Party's business, employees, service methods, software, documentation, financial information, prices and product plans. Vendor reserves the right to independently use its experience and know-how, including processes, ideas, concepts and techniques developed in the course of performing Services under this Agreement. Vendor shall appropriately safeguard all Protected Health Care Information ("PHI") made available to Vendor while rendering Services. Vendor will comply with all applicable laws.

7. Retention of Records. Vendor will not be responsible for storing copies of Client's records when Vendor no longer requires such information in order to provide Services to Client.

8. Limitation of Remedies. THE MAXIMUM TOTAL LIABILITY OF CERIDIAN TO CLIENT SHALL BE LIMITED TO DIRECT MONEY DAMAGES IN AN AMOUNT NOT TO EXCEED THE GREATER OF (A) THE TOTAL AMOUNT PAID BY CLIENT TO PROCESSOR FOR THE DEFECTIVE SERVICE CAUSING THE DAMAGE DURING THE 12 MONTHS IMMEDIATELY PRECEDING THE LOSS, AND (B) \$10,000. THIS REMEDY IS CLIENT'S SOLE AND EXCLUSIVE REMEDY.

CERIDIAN SHALL NOT BE RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES EVEN IF CERIDIAN HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE. CERIDIAN WILL NOT BE RESPONSIBLE FOR FAILURE TO PROVIDE SERVICES IF DUE TO ANY CAUSE OR CONDITION BEYOND THE REASONABLE CONTROL OF CERIDIAN.

9. Warranty Disclaimer. THE EXPRESS WARRANTIES SPECIFIED IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CERIDIAN DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES.

10. Notices. All notices, requests and communications to the Parties shall be in writing and shall be given to the Parties at their respective address identified above or to such other address as either Party may hereafter specify by notice to the other Party. Each such notice, request or communication shall be effective upon receipt, provided that if the day of receipt is not a business day, then the notice shall be deemed to have been received on the next succeeding business day.

11. General Provisions. (a) This Agreement and the Parties rights and obligations shall be governed and construed pursuant to the laws of the state of Minnesota and Client consents to be subject to the jurisdiction of the state or federal courts located in Minnesota; (b) Client may not assign this Agreement except with Vendor's prior written approval; (c) Client's satisfaction is an objective for Vendor in performing its obligations under this Agreement. If Client is not satisfied with Vendor's performance, Client will provide Vendor with a written description of the problem, will make a good faith effort to amicably resolve the problem with Vendor, and will not bring any action against Vendor for at least 30 days following the written notice. No action under this Agreement may be brought by Client more than two years after the cause of action has accrued.

12. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements and understandings regarding the subject matter hereof, whether written or verbal. Any amendment to this Agreement must be in writing and signed by authorized representatives of both Parties.

**AGREED TO:
CERIDIAN CORPORATION**

**AGREED TO:
CLIENT**

Authorized Signature

Authorized Signature

Printed Name and Title

Printed Name and Title

Date

Date

072202

**ACH Debit Ceridian Funding Authorization (CFA)
Attachment 2a**

CTS

Select one: New Existing (If existing, check applicable box below)

Add-On PSID(s) (to an existing active FEIN/TIN) CTS ID#: _____

Bank Change Effective date of change: _____ CTS ID# _____

Federal Taxpayer ID (TIN): _____ Payroll District: _____

Company Name: _____ PSID(s): _____
(Legal Name as Registered with IRS)

DBA Name: _____

Legal Address: _____

(Legal Address as Registered with IRS)

Client Contact: _____ Title: _____ Contact Phone: _____ Fax: _____

Average amount of all liabilities to be debited each payroll date: \$ _____

Funding Transfer Days: Ceridian will initiate an ACH debit for settlement at the open of business:

1 Day(s) Before Payroll Check Date

Important Notes: 1) Funds must be deposited in client's bank account at least one day prior to settlement day in order for successful settlement of Ceridian's debit to occur. 2) Weekend or Holiday bank schedules will necessitate funds transfer one day earlier in order to accommodate timely settlement. Late funding fees will apply if funds are not available on contractual funding date.

Bank Account Information: For federal anti-money laundering compliance and other verification purposes, please attach an original voided check, or preprinted MICR specification sheet to the Funding Authorization. Please write "VOID" across the check and do not mutilate the encoding line. Copies of checks or handwritten MICR spec sheets will not be accepted.

Bank Account Name: _____
Bank Name: _____ Bank Contact Name: _____
Bank Address: _____ Bank Phone Number: _____
_____ Bank Fax Number: _____
Bank TRA#: _____ Bank Account Number: _____
(9 Digit ABA#)

Signatory agrees to the terms and conditions set forth in Attachments 1 and 2a of the Funding Authorization. If the entity is a sole proprietorship or partnership, Signatory further agrees to allow CTS to request a blended commercial/consumer credit report if a commercial report is not available.

Authorized Client Name: _____ Title: _____ Phone Number: _____

Authorized Client Signature: _____ Date: _____

(Must be an authorized signatory on account)

After Hours Contact Information: As stated on Attachment 1 of this agreement under section "Client's Default", CTS will not disburse funds for any obligations on Client's behalf if funds have not been collected by Ceridian on the contractually approved funding date.

Contact Name: _____ Title: _____
Phone Number: _____ Cell Phone: _____
Alternate Contact: _____ Title: _____
Phone Number: _____ Cell Phone: _____