

PAYWERX PAYROLL AND TAX SERVICES AGREEMENT

CLIENT NAME:
CLIENT ADDRESS:

This Payroll Services Agreement (this "Agreement") is made as of the ____ day of _____, 20__ (the "Effective Date"), between Client identified above ("Client") and Paywerx LLC., with offices at 8000 Avalon Boulevard, Alpharetta Georgia.

In consideration of the mutual covenants herein, the parties hereto hereby agree as follows:

1 Provision of Access.

(a) Subject to Client's payment of fees ("Fees") set forth in the signed estimate payroll processing service and fee proposal (the "Sales Quotation") and compliance with the terms and conditions of this Agreement, Paywerx hereby grants Client a non-exclusive, non-transferable right to access the Services (as hereinafter defined) during the Term (as hereinafter defined). Such use is limited to Client's internal use solely in accordance with the terms and scope of this Agreement. Paywerx reserves all rights not expressly granted to Client under this Agreement. Except for the limited rights expressly granted hereunder, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Client or any third party any intellectual property rights or other right, title or interest in or to the Paywerx IP (as hereinafter defined).

(b) Client shall not use the Services for any purposes beyond the scope of the access granted in this Agreement. Client shall not at any time, directly or indirectly, and shall not permit any authorized users to: (i) copy, modify, or create derivative works of the Services, in whole or in part; (ii) rent, lease, lend, sell, license, sublicense, assign, distribute, publish, transfer, or otherwise make available the Services; or (ii) use the Services in any manner or for any purpose that infringes, misappropriates, or otherwise violates any intellectual property right or other right of any person, or that violates any applicable law.

2 Scope of Services. Subject to Client's payment of Fees and compliance with the terms and conditions of this Agreement, Paywerx shall provide business information processing and related services offered through a software-as-a-service platform more particularly described in Sections 2 and 3 of this Agreement ("Services"). Payroll services include the calculation of net pay, production of paychecks and advices of deposit, production and transmission of Automated Clearing House files, production of payroll reports and files, and production of annual reports and W-2 statements. Tax services include the deposit of employee-withheld and employer taxes to federal, state, and local taxing authorities, the filing of related returns, response to agency notifications, filing of amended returns as required, and the filing of annual reports and W-2 statements with agencies. Toll free telephone support will be available Monday to Friday (except holidays) from 8:00 AM to 8:00 PM Eastern Time. The Services shall not include the services of legal counsel, investment advisors, actuaries, or certified public accountants.

3 Tax Filing. Paywerx will provide Client with a record of payments made on behalf of Client. Paywerx will prepare and file required payments/returns if Paywerx has provided tax filing services for the entire applicable month, quarter, or year. If Paywerx has not furnished tax filing services for the entire time period, monthly, quarterly, and/or annual payments/returns will be prepared and filed by Paywerx on an exception basis, if Paywerx and Client agree to this service in writing. Prior to the first date for paychecks issued pursuant to the Services ("First Check Date", Client will provide Paywerx with the coupon books for all applicable jurisdictions, executed Power of Attorney forms, completed Tax Funding Authorization, and sufficient information including logins and passwords to jurisdiction systems to enable Paywerx to determine paid and accrued taxes and all tax liabilities. Client is solely responsible for the accuracy of all tax records and for all information furnished to Paywerx. Paywerx is not responsible for any matters existing prior to the First Check Date or errors that may occur. Paywerx is not obligated to commence providing Services until receiving information sufficient to determine Client's paid and accrued taxes and all tax liabilities. If Paywerx corrects any matters existing prior to the First Check Date or performs any other service not expressly identified in this Agreement, Client will be obligated to pay additional fees and charges which will be computed on the basis of work expended by Paywerx. Upon receipt of any and all records of tax disbursements prepared by Paywerx pursuant to this Agreement, Client will examine them for validity and accuracy according to Client's records. Client will promptly notify Paywerx of any inaccuracies. Paywerx will not be liable for any invalidity or inaccuracy which would have been revealed as a result of such examination by Client unless Client so notified Paywerx within ten (10) days of Client's receipt of such records from Paywerx. The record retention schedules established by taxing authorities for Client are not affected by this Agreement. Paywerx has no responsibility or liability for maintaining or retaining records for Client. Any changes in services or changes that affect the information provided by Client to Paywerx subsequent to the First Check Date must be communicated in writing to the Paywerx Implementation Team within ten (10) days from such change. Any penalty or other charges that result from incorrect, incomplete, or changed tax information is Client's sole and exclusive liability and responsibility.

4 Payroll and tax funding. Clients are required to fund their designated payroll account at the time payroll is processed. The debit for each payroll -- direct deposits and fees -- will be initiated two days prior to check date. Failure to fund the payroll on a timely basis will result in Client having to wire the funds and incur a \$150 service charge. In the event Client fails to fund the payroll three times within a

twelve month period Paywerx will then require Client to process payroll four days before check date. If Client fails to comply with these standards Paywerx reserves the right to discontinue service. Client shall make funds available in this bank account by 2:00 p.m. Eastern Time three (3) business days prior to each related payroll Check Date. Paywerx will initiate payment of all taxes direct from client account to taxing jurisdiction(s) for settlement date on tax deposit due date. Failure of Client to fund payroll tax liabilities on an accurate and timely basis, including the cancellation of a scheduled payment, relieves Paywerx of responsibility for the applicable Client tax deposits and filings until corrected and, if not remedied by Client within five (5) business days of notice from Paywerx, provides Paywerx the right to immediately terminate this Agreement or at any time during this process.

5. Customer Responsibilities.

(a) Client is responsible and liable for all uses of the Services resulting from access provided by Client, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Client is responsible for all acts and omissions of its employees, consultants, contractors, and agents (i) who are authorized by Client to access and use the Services under the rights granted to Client pursuant to this Agreement and (ii) for whom access to the Services has been purchased hereunder ("Authorized Users"), and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Client will be deemed a breach of this Agreement by Client. Client shall use reasonable efforts to make all Authorized Users aware of this Agreement's provisions as applicable to such Authorized User's use of the Services and shall cause Authorized Users to comply with such provisions.

(b) Paywerx may from time to time make third party products described in the attached Exhibits provided with or incorporated into the Services ("Third-Party Products") available to Client. For purposes of this Agreement, such Third-Party Products are subject to their own terms and conditions and applicable flow-through provisions, including those referred to in attached. The Exhibit may be modified by Paywerx from time to time to reflect new Third-Party Products incorporated into the Services or updated terms and conditions of current Third-Party Products. If Client does not agree to abide by the applicable terms for any such Third-Party Products, then Client should not install or use such Third-Party Products.

(c) All Services provided hereunder will be based upon information provided to Paywerx by Client including proof of federal, state and local tax identification numbers and rates. The Services make available to Client, and Paywerx may deliver directly to Client, payroll reports, employee earnings statements, deduction disbursement records and other reports (collectively "Reports"). Client is solely responsible for verifying the accuracy of the Reports and shall promptly review all Reports and notify Paywerx of any irregularities, errors, or incorrect information. Client acknowledges that certain Reports are used by Paywerx as the basis for initiating payments (including payroll and tax filing) and prompt notice by Client may require notice to Paywerx within twenty-four hours of receipt of such Reports by Client (depending on the date of submission and ACH/Deposit deadlines).

(d) The Services are designed to assist Client in complying with applicable laws and governmental regulations. Client acknowledges that Client is ultimately responsible for timely filing of returns and payment of all payroll-related amounts including but not limited to, payments to employees, payment of all taxes, payment of other withholding items such as employee benefits, payment of penalties, fines and interest assessed by any taxing or legal authority, and for compliance with laws and regulations. Paywerx is not responsible to pay any amounts for payroll, taxes, interest, fines, and/or penalties for Client. Furthermore, Client (and not Paywerx) will be responsible for compliance by Client with all applicable laws and regulations related to the operation of Client's business. Client will not rely solely on its use of the Services in complying with any laws and governmental regulations.

6 Invoicing and Taxes. Client shall pay Paywerx the Fees without offset or deduction. Client agrees to allow Paywerx or its designee to withdraw from Client's designated bank account all amounts sufficient to pay any disbursements and remittances and any Fees. Client also agrees to pay all costs and fees (including attorneys' fees), if any, incurred by Paywerx in collecting overdue Fees or any other amounts owing from Client and shall remit such payments immediately upon notice by Paywerx. Client also agrees to pay all federal, state and local taxes owed in connection with Client's use of the Services. Fees set forth in the Sales Quotation are fixed for a period of one (1) year following the effective date. Prices, terms and conditions are subject to change effective on or any time after expiration of the first year of the Term. Any additional services that Paywerx may furnish that are not specifically identified in this Agreement will be invoiced at the rate applicable to such services.

7 Temporary Unavailability of Service. Paywerx reserves the right to schedule in advance, temporary after hours and or weekend restricted access to the Services platform and database without penalty. Paywerx will make a reasonable attempt to notify Client prior to restricting access to the Services. It may be necessary to temporarily restrict access to the Services without prior notice to protect the integrity of the Client Data. Should the Client Data become damaged, Paywerx will restore the data from the last backup. Paywerx will notify Client within three hours of this event. Client agrees to verify the accuracy of the restoration within one day of notification, and in any case before using it. Client also agrees to repeat the entry of any changes lost between the backup and restoration times.

8 Indemnification. (a) Paywerx shall indemnify, defend and hold harmless Client from and against any and all losses, damages, liabilities, costs (including reasonable attorneys' fees) ("Losses") incurred by Client resulting from any third-party claim, suit, action, or

proceeding (“Third-Party Claim”) that the Services, or any use of the Services in accordance with this Agreement, infringes or misappropriates such third party’s intellectual property rights, provided that Client promptly notifies Paywerx in writing of the claim, cooperates with Paywerx, and allows Paywerx sole authority to control the defense and settlement of such claim. If such a claim is made or appears possible, Client agrees to permit Paywerx, at Paywerx’s sole discretion, to (i) modify or replace the Services, or component or part thereof, to make it non-infringing, or (ii) obtain the right for Client to continue use. If Paywerx determines that neither alternative is reasonably available, Paywerx may terminate this Agreement, in its entirety or with respect to the affected component or part, effective immediately on written notice to Client.

(b) Client shall indemnify and hold harmless Paywerx from and against any Losses resulting from any Third-Party Claim based on Client’s (i) negligence or willful misconduct; or (ii) use of the Service in a manner not authorized by this Agreement. Paywerx shall have the right, at its option, to defend itself against any such Third-Party Claim or to participate in the defense thereof by counsel of its choice.

(c) This Section 8 sets forth Client’s sole remedies and Paywerx’s sole liability and obligation for any actual, threatened, or alleged claims that the Services infringe, misappropriate, or otherwise violate any intellectual property rights of any third party.

9 Aggregated Statistics. Notwithstanding anything in this Agreement to the contrary, Paywerx may monitor Client’s use of the Services and collect and compile Aggregated Statistics. As between Paywerx and Client, all right, title and interest in the Aggregated Statistics, and all intellectual property rights therein, belong to and are retained solely by Paywerx. Client acknowledges that Paywerx may compile Aggregated Statistics based on Client Data input into the Services. Client agrees that Paywerx may (a) make Aggregated Statistics publicly available in compliance with applicable law, and (b) use Aggregated Statistics to the extent and in the manner permitted under applicable law. Client hereby grants to Paywerx a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to reproduce, distribute, modify, and otherwise use and display Client Data incorporated within the Aggregated Statistics in accordance with the terms of this Agreement. For purposes of this Agreement, (y) “Aggregated Statistics” means data and information related to Client’s use of the Services that is used by Paywerx in an aggregate and anonymized manner, including compilation of statistical and performance information, volume, processing trends, services and related information related to the provision and operation of the Services; and (z) “Client Data” means, other than Aggregate Statistics, information, data and other content, in any form or medium, that is submitted, posted or otherwise transmitted by or on behalf of Client or its authorized users through the Services.

10 Proprietary Rights. (a) Client acknowledges that, as between Paywerx and Client, Paywerx owns all right, title and interest, including all intellectual property rights, in and to the Services and documentation related to the Paywerx IP. For purposes of this Agreement, “Paywerx IP” means the Services, and any and all intellectual property provided to Client or any authorized user in connection to the forgoing. For avoidance of doubt, Paywerx IP includes Aggregated Statistics and any information, data, or other content derived from Paywerx’s provision of Services and monitoring of Client’s access to or use of the Services, but does not include Client Data. Client shall not reverse engineer, disassemble or decompile any prototypes, software or other tangible objects that embody the Paywerx IP.

(b) Paywerx acknowledges that, as between Paywerx and Client, Client owns all right, title and interest, including all intellectual property rights, in and to the Client Data. Client hereby grants to Paywerx a non-exclusive, royalty-free, worldwide license to reproduce, distribute and otherwise use the Client Data and perform all acts with respect to the Client Data as may be necessary for Paywerx to provide the Services to Client, subject to this Agreement and all in accordance with applicable law.

11 Warranty and Disclaimer. Paywerx represents and warrants that the Services provided hereunder shall conform in all material respects to the service levels set forth in the Sales Quotation or exhibits attached hereto when accessed and used in accordance with documentation provided by Paywerx relating to the Services. Paywerx does not make any representations or guarantees regarding uptime or availability of the Services unless expressly set forth herein. The remedies set forth herein are Client’s sole remedies and Paywerx’s sole liability under the limited warranty set forth in this Section 11. THE FORGOING WARRANTY DOES NOT APPLY, AND PAYWERX STRICTLY DISCLAIMS ALL WARRANTIES, WITH RESPECT TO ANY THIRD-PARTY PRODUCTS. EXCEPT AS EXPLICITLY SET FORTH IN THIS AGREEMENT, ANY ATTACHED EXHIBITS OR SCHEDULES, THE SERVICES AND THE PAYWERX IP AND ANY RESULTS OBTAINED THEREFROM ARE PROVIDED ON AN “AS IS” BASIS, AND PAYWERX HEREBY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE. PAYWERX SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, NONINFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE.

12 Confidential Information. The term “Confidential Information” shall mean any information about a party’s business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, whether disclosed electronically, in writing or given orally by one Party (the “Disclosing Party”) to the other (the “Receiving Party”) in connection with this Agreement. Confidential Information shall exclude information that: (a) was independently developed by the Receiving Party without any use of the Disclosing Party’s Confidential Information; (b) becomes known to the Receiving Party, without restriction, from a source other than the Disclosing Party; or (c) was in the public domain at the time it was disclosed or becomes in the public domain through no act or omission of the Receiving Party. The Receiving Party shall not use any Confidential Information for any purpose except to carry out its rights and obligations under this Agreement. The Receiving Party shall not disclose Confidential Information or permit

Confidential Information to be disclosed, either directly or indirectly, to any third party without the Disclosing Party's prior written consent. The Receiving Party may disclose or grant access to Confidential Information to only those employees of the Receiving Party who require the Confidential Information in order for the Receiving Party to carry out its rights and obligations under this Agreement.

13 Privacy. Paywerx will not sell, rent or lease Client's personal information to others. Paywerx shares personal information with companies working on our behalf to deliver complete products, services and Client solutions and to assist Paywerx with marketing and communication initiatives. Suppliers and service providers are required to keep confidential the information received on behalf of Paywerx and may not use it for any purpose other than to carry out the services they are performing for Paywerx.

If Client Data contains personally identifiable information, Client consents to the collection and use of personally identifiable information as described in this Agreement. Client acknowledges and agrees that by providing Paywerx with any personal information, Client consents to the transmission of such personal user information over international borders as necessary for processing in accordance with Paywerx standard business practices. Also, Paywerx may provide Aggregated Statistics to reputable third-party vendors, but these Aggregated Statistics will include no personally identifiable information. Paywerx may also disclose information in special cases when it has a good faith belief that such action is necessary to: (a) conform to legal requirements or comply with legal process; (b) protect and defend its rights or property; (c) enforce the terms and conditions of use; or (d) act to protect the interests of our clients or others. Internally, Paywerx will restrict access to Client personal identifiable information to employees who need access to the information in order to do their jobs.

14 Security. Data transmitted to Paywerx is encrypted for the user's protection. However, the security of information transmitted through the Internet can never be guaranteed. Paywerx is not responsible for any interception or interruption of any communications through the Internet or for changes to or losses of data. Client is responsible for maintaining the security of any password, user ID, or other form of authentication involved in obtaining access to password protected or secure areas of Paywerx sites. In order to protect Client and Client Data, Paywerx may suspend Client's use of Services, without notice, pending an investigation, if any breach of security is suspected

15 Term and Termination.

(a) This Agreement shall commence on the Effective Date and shall continue for a period (the "Term") of one (1) year, unless terminated earlier in accordance with this Agreement. This Agreement shall renew automatically for continuous one (1) year periods, unless terminated by either party in writing at least ninety (90) days prior to the automatic renewal date. Paywerx, in its sole discretion, shall have the right to terminate the Services for Client or any authorized user if Client (a) fails to pay any amount due hereunder and such failure continues for more than ten (10) days after Paywerx's delivery of written notice thereof, or (b) breaches any of its obligations hereunder. Paywerx may consider Client to have canceled this Agreement if Client fails to purchase any Services under this Agreement for a period more than thirty (30) days.

(b) If (i) the Services provided to Client as of the termination date of this Agreement include tax filing services ("Tax Filing Services"), (ii) such termination date is the last day of an applicable tax period and (iii) Client has paid all Fees for such Tax Filing Services through the effective termination date of this Agreement and provided Paywerx has received payments from Client necessary to pay all liabilities required to make such tax filings, Paywerx shall make tax filings for the period ending on the termination date. Other than as set forth in the immediately prior sentence, unless otherwise agreed to by Paywerx in writing, upon termination of this Agreement, Paywerx shall not make any further tax or other filings on Employer's behalf.

16 Disposition of Data. Except for records that Paywerx is required by law to maintain, Paywerx will not be responsible for storing copies of Client Data when Paywerx no longer requires such data in order to provide Services to Client. Client will reimburse Paywerx for the costs of producing any information in its possession or control relating to Client's business or employees which Paywerx is obligated to produce in response to a court order, subpoena or other process. Upon termination of this Agreement, Paywerx will dispose of Client Data unless otherwise directed in writing by Client and subject to requirements of applicable law or applicable rules and regulations of self-regulatory or professional organizations.

17 Limitation of Liability. Paywerx total liability to Client or any third party arising out of or in connection with this Agreement under any theory of liability shall not exceed the total Fees paid by Client to Paywerx hereunder during the one (1) month period immediately preceding the first event to which such liability relates. IN NO EVENT SHALL PAYWERX BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (a) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES; (b) INCREASED COSTS, DIMINUTION IN VALUE OR LOST BUSINESS, PRODUCTION, REVENUES, OR PROFITS; (c) LOSS OF GOODWILL OR REPUTATION; (d) USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY, OR RECOVERY OF ANY DATA, OR BREACH OF DATA OR SYSTEM SECURITY; OR (e) COST OF

REPLACEMENT GOODS OR SERVICES, IN EACH CASE REGARDLESS OF WHETHER PAYWERX WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE.

18 General Provisions. Neither party to this Agreement shall transfer or assign its rights and obligations under this Agreement without the prior written consent of the other party; however, Paywerx may assign this Agreement to an affiliate but shall remain responsible for performance of the Services. THIS AGREEMENT IS GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ALABAMA WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE THAT WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THOSE OF THE STATE OF ALABAMA. ANY LEGAL SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE LICENSES GRANTED HEREUNDER WILL BE INSTITUTED EXCLUSIVELY IN THE FEDERAL COURTS OF THE UNITED STATES OR THE COURTS OF THE STATE OF ALABAMA IN EACH CASE LOCATED IN THE CITY OF ENTERPRISE AND COUNTY OF COFFEE, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION, OR PROCEEDING. Any notice required or permitted by this Agreement shall be in writing and sent by prepaid registered or certified mail or by overnight courier, return receipt requested, addressed to the other party hereto at the addresses set forth above in the recital. The parties hereto are independent contractors. Nothing contained herein or done pursuant to this Agreement shall constitute either party as the agent of the other party for any purpose or in any sense whatsoever, or constitute the parties as partners or joint venturers. The failure of either party hereto to enforce at any time any of the provisions of this Agreement, or the failure to require at any time performance by the other party of any of the provisions of this Agreement, shall in no way be construed to be a present or future waiver of such provisions, nor in any way affect the validity of either party to enforce each and every such provision thereafter. In the event any section, paragraph, subparagraph, or provision of this Agreement shall be determined to be contrary to governing law or otherwise unenforceable, all remaining portions of this Agreement shall be enforced to the maximum extent permitted by law. This Agreement may be executed in counterparts or duplicate originals, each of which shall be regarded as one and the same instrument. This Agreement, including the attached Exhibits constitutes the full and complete understanding and agreement of the parties hereto relating to the subject matter hereof and supersedes all prior understandings and agreements relating to such subject matter. Any waiver, modification, or amendment of any provision of this Agreement shall be effective only if in writing and signed by both parties. The provisions of this Agreement shall prevail over any additional or different provisions in a purchase order, acceptance notice, or other similar document. Sections 6, 8, 10, 11, 12, 17 and 18 survive any termination or expiration of this Agreement. No other provisions of this Agreement survive the expiration or earlier termination of this Agreement. All other rights and obligations of the parties shall cease upon termination of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first written above,

Client

PAYWERX, LLC

By: _____

By: _____

Name (Type or Print)

Name (Type or Print)

Title (Type or Print)

Title (Type or Print)

Date

Date