



Stop 1: Read and complete this form.

Company Name _____
Client Number D _____
Federal ID Number _____ - _____

Automatic Taxpaying Service™ (ATS) - Required

(INITIALS)

Client hereby employs and authorizes NPD Payroll on or before Client's check date, to process EFT transactions, or such other payment methods as NPD Payroll may require, for such amounts as are necessary to pay to proper taxing authorities (i.e. Federal 941 and 940, State withholding and SUTA taxes.) The Payroll taxes are specifically identified on the Check Register and Depository Totals Reports. Such amounts for State Unemployment taxes are to be held in a separate account established by NPD Payroll until such time as these amounts are due to the appropriate taxing authorities. In addition, Client employs and authorizes NPD Payroll to prepare, sign, and file with proper taxing authorities all returns for such taxes on an ongoing basis.

Payroll Service Fees - Required

(INITIALS)

Client hereby employs and authorizes NPD Payroll to initiate EFT debit transfers (at the time of payroll preparation) from the Client's bank account to NPD Payroll, LLC, in payment of payroll service fees as previously agreed upon.

Business Bookkeeping (retainer) Services

(INITIALS)

Client hereby employs and authorizes NPD Payroll to initiate EFT debit transfers (at the time of payroll preparation) from the Client's bank account to Nathan, Powers & Co., LLP, in payment of monthly bookkeeping services as agreed upon. Mutually agreed upon monthly retainers will be debited to your account. These debits will occur at each payroll date cycle and will be in such amounts as to equal the agreed upon monthly retainer.

Direct Deposit

(INITIALS)

Client hereby employs and authorizes NPD Payroll, one or more banking days prior to the Client's check date, to process EFT transactions, or such other payment methods as NPD Payroll may require, for such amounts as are necessary to pay Client's employees. Such amounts are to be available in an account established by Client until payroll check date, when funds shall be deposited to employee accounts as specified. Client agrees to provide NPD Payroll with Payroll information at least three banking days prior to Payroll check date. Failure to provide Payroll information in a timely manner will result in an additional processing fee and may delay posting of deposits to employee accounts.

Check Signing

(INITIALS)

Client hereby employs and authorizes NPD Payroll to use Client's signature to create a computer-generated facsimile that will appear on each of Client's checks each payday.

Check Signing and Check Insertion

(INITIALS)

Client hereby employs and authorizes NPD Payroll to insert Client's signed checks into individual employee envelopes that will be sealed and returned to Client.

Additional Services and Setup Fees

(INITIALS)

I am aware that additional fees may apply for setup and additional services related to payroll service. I.e. SUTA Application, etc.

I have initialed chosen services and agree to the general Terms and Conditions listed on the reverse side this page.

Print Authorized Officer's Name: _____

Authorized Officer's Signature: _____

Title: _____ Date: _____



1. *Term of Agreement.* NPD Payroll performance of its service(s) under this Agreement, and any other NPD Payroll's Service Agreement executed or specifically incorporated by reference under this Agreement by Client (hereinafter 'the Agreements'), is subject to approval of Client's credit and shall begin upon the Implementation Date specified by NPD Payroll ("Implementation Date"). The Agreements shall continue until terminated by Client or by NPD Payroll in accordance with the provisions contained herein. Until the Implementation Date, Client shall continue to provide for itself the service(s) requested of NPD Payroll. NPD Payroll assumes no responsibility for services prior to the Implementation Date.

2. *Service(s) to be Performed.* Client hereby employs NPD Payroll to provide the service(s) selected as indicated by the Client's initials on the preceding page. Client acknowledges and agrees that NPD Payroll is not rendering legal, tax, accounting, or investment advice in connection with the services to be performed.

Client hereby employs and authorizes NPD Payroll, one banking day prior to the Client's check date, to process EFT transactions for such amounts as are necessary to remit to the appropriate entities, Client's employees' garnished wages. Such amounts are to be held in a separate account established by client until such time as these amounts are due.

3. *Payment.* Client hereby agrees to pay for all NPD Payroll service(s) (and Nathan, Powers & Co., LLP, if applicable) through an Electronic Funds Transfer (EFT) transaction or such other payment method as required by NPD Payroll. Thus, if NPD Payroll agrees to accept payment via EFT, NPD Payroll is hereby authorized to collect all amounts due from the Client's bank account when due. In that event, Client agrees that the funds representing the total amount due for all applicable NPD Payroll services (and Nathan, Powers & Co., LLP, if applicable) must be on deposit in Client's designated bank account in collectible form and in sufficient amount on the day the NPD Payroll EFT charge is initiated. If sufficient funds are not available upon presentation of NPD Payroll EFT charge to the Client's bank account, NPD Payroll may take such action to collect monies due as it deems appropriate and consistent with this or any other written agreement with Client including, but not limited to, reissuance of the EFT. If payment via wire transfer or other method is required, then Client agrees to provide NPD Payroll with all information necessary to confirm receipt of the payment including, but not limited to, financial institution information and confirmation numbers. If NPD Payroll is unable to confirm receipt of funds prior to the funding deadline, remittance of wages and/or taxes may be delayed. NPD Payroll's fees (and Nathan, Powers & Co., LLP, if applicable) for services are subject to change at any time with written notification to the Client. NPD Payroll may, in its sole discretion, require a security deposit from the Client and Client hereby waives any right to interest, which may accrue on said security deposit.

4. *Client's Responsibility.* The Client agrees to accept the following obligations and responsibilities with respect to each service selected:

A. To execute all documentation needed by NPD Payroll to originate EFT transactions and to verify availability of funds in the Client's designated bank account;

B. To execute any other documents which may be required by NPD Payroll to perform its responsibilities under the Agreements, up to and including, where applicable, taking all necessary corporate action;

C. To review all reports and documents produced by NPD Payroll and forwarded to Client and to inform NPD Payroll of any inaccuracies therein;

D. To have available in Client's bank account, sufficient funds in collectible form to cover EFT transactions provided for in the Agreements or, at NPD Payroll's option, to make payment by wire transfer or such other payment method as required by NPD Payroll and to provide all information necessary to confirm receipt of the payment prior to the funding deadline; or

E. To provide NPD Payroll with all necessary information, including any changes thereto, pertaining to Client's employees and to comply with any and all applicable federal, state, or local laws or ordinances.

5. *Client's Default.* Client shall be deemed in default of the Agreements in the event it fails to comply with its responsibilities as outlined in Section 4. In the event of a Client Default, NPD Payroll may, at its sole option, terminate the Agreements without notice and declare all amounts owed by Client to NPD Payroll immediately due and payable. Client agrees to promptly reimburse NPD Payroll for all advances made by NPD Payroll and to pay interest on the advances at the rate of one and one-half percent (1 1/2 %) per month, or the maximum allowable by applicable law, until paid. In the event of a Client Default, Client agrees to indemnify and hold NPD Payroll harmless against any and all claims, losses, damages, or expenses and to pay NPD Payroll for all costs, losses, damages, or expenses incurred, including, but not limited to, reasonable attorney's fees, in-house counsel fees, and EFT reissuance charges. Client further agrees that NPD Payroll may charge back any amount which NPD Payroll advanced to Client's employees and which Client failed to pay to NPD Payroll.

6. *Refund / Adjustments.* Any Client request for refunds or adjustments will not be processed until verification is received by NPD Payroll that all outstanding fees, payments, and balances due to NPD Payroll have been paid.



7. *Termination.* Except as otherwise provided, the Agreements may be terminated by Client upon thirty (30) days prior written notice. NPD Payroll may immediately terminate the Agreements upon written notice for any reason, including but not limited to, the following events:

A. Client is subject to receivership, bankrupt, or insolvent or takes the benefit of any act now or hereafter in force for bankrupt or insolvent debtors, or files any proposal or makes any assignment for the benefit of creditors or any arrangement or compromise.

B. NPD Payroll, in its sole discretion, determines that a material adverse change has occurred in the financial condition of Client or that Client is unable to pay its debts as they become due in the ordinary course of business.

C. Any federal, state, or local legislation, regulatory action or judicial decision which, in the sole discretion of NPD Payroll, adversely affects its interests under the Agreement.

Termination of the Agreements pursuant to this Section 7 or Section 5 shall not relieve Client of any obligations set forth herein including, but not limited to, its payment obligations to NPD Payroll.

8. *Limit of Liability.* NPD Payroll shall not be liable for the negligence of any other person or entity including, but not limited to, the negligence of Client and its employees or agents, and the negligence of any person or entity which provides services in connection with or as a result of NPD Payroll's performance of its obligations under the Agreements. NPD Payroll's sole liability and the Client's sole remedy for NPD Payroll's breach of the Agreements shall be: (i) for NPD Payroll to remit the appropriate Payee the funds received from the Client, and/or (ii) for NPD Payroll to reimburse the Client (or its employees) for any interest or penalties assessed as a direct result of NPD Payroll's breach of the Agreements. NPD Payroll shall, under no circumstances, be liable for any special, indirect, incidental or consequential damages which the Client may incur as a result of NPD Payroll's breach of the Agreements, or as a result of NPD Payroll's exercise of its rights under the Agreements, even if NPD Payroll has been advised of the possibility of such damages.

9. *Miscellaneous.* The Agreements shall be governed by the laws of the State of Connecticut. Except as provided herein, any dispute arising out of or in connection with the Agreements, if not otherwise resolved, shall be determined by binding arbitration in Avon, Connecticut, in accordance with the commercial rules of the American Arbitration Association and any dispute arising out of or in connection with any other agreement between the parties may be consolidated into the same arbitration proceeding. However, NPD Payroll may, in its sole discretion, commence an action in any court of competent jurisdiction within the County of Hartford, State of Connecticut, for any monies due and owing from Client to NPD Payroll. Client hereby waives any jurisdictional defenses and submits to the exclusive jurisdiction of the Connecticut courts. The parties agree that the prevailing party in arbitration or in any judicial proceedings will be awarded costs and attorney's 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 Agreements. This Miscellaneous provision shall survive the termination of the Agreements. The Agreements content the entire understanding of the parties. The Client acknowledges that there have been no representations or warranties made by NPD Payroll or the Client, which are not set forth in the Agreements. NPD Payroll may, modify any term of the Agreements by written notice to Client of such change and the effective date thereof. Client shall be deemed to have accepted and agreed to such changes unless Client elects to terminate the Agreements by written notice to NPD Payroll, prior to the effective date of the change. If any provision of the Agreements or any portion thereof shall be held to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remainder of the Agreements shall not in any way be affected or impaired.

10. *Ability to Assign.* The Agreement may not be assigned by the Client to any third parties other than successors, without the prior written consent of NPD Payroll. Any assignment made without such consent shall be null and void.