



# GLOBAL MASTER SERVICES AGREEMENT

Effective Date: \_\_\_\_\_

As between:

**ADP, Inc.**

(Referred to in this agreement as “ADP”)  
One ADP Boulevard  
Roseland, NJ 07068

-and-

**Jackson County, Missouri**

(Referred to in this agreement as “Client”)  
415 E 12th St  
Kansas City, MO 64106-2704

ADP and Client agree that ADP shall provide Client with the following services in accordance with the terms set forth in this Global Master Services Agreement.

## Compliance Services

- ACA Furnishing and Filing Services
- ADP Employment Tax Services – delivered via the Employment Tax Module
- Print and Online Statement Services

## Appendices

- Pricing and Financial Terms
- Data Privacy Appendix



**ADP, Inc.**

**Jackson County, Missouri**

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

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Date

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Date



## Global Master Terms and Conditions

### 1. Definitions

#### 1.1. Compliance Services. Compliance-related services to assist in the following:

**1.1.1. ACA Furnishing and Filing Services.** Printing and furnishing of Form 1095-C to Client's employees and other individuals identified by Client, in paper form or electronically if Client has ADP's online statement functionality, and/or the filing of annual Forms 1094-C and 1095-C with the IRS and applicable state agencies in connection with the Affordable Care Act (ACA). For the avoidance of doubt, ACA Furnishing and Filing Services do not include (a) affordability, eligibility, or other similar ACA calculations, (b) penalty support services, or (c) verification, conversion, refinement, purification or reformatting of Client data.

**1.1.2. ADP Employment Tax Services.** Coordination of payroll-related tax and/or regulatory agency deposits, filings, and reconciliations on behalf of employers.

**1.1.3. Print and Online Statement Services.** Print and distribution of payroll checks, pay statements, and/or year-end statements, as well as online posting of pay statements and/or year-end statements.

#### 1.2. General

**1.2.1. "ACA IRS Forms"** means Form 1094-C and/or IRS 1095-C.

**1.2.2. "ADP"** has the meaning set forth on the cover page.

**1.2.3. "ADP Application Programs"** means the computer software programs and related Documentation, including any updates, modifications or enhancements thereto, that are either delivered or made accessible to Client through a hosted environment by ADP in connection with the Services.

**1.2.4. "Affiliate"** means, with respect to any entity, any other entity that controls, is controlled by or under control with such first entity. For purposes of this Agreement, "control" (or variants of it) means the ability, whether directly or indirectly, to direct the management and corporate policies and actions of an entity by means of ownership, contract or otherwise. Client's Affiliates do not include third parties for whom Client is a service provider or provides outsourcing services.

**1.2.5. "Agreement"** means this Global Master Services Agreement, consisting of the signature page(s), the Global Master Terms and Conditions, all exhibits, annexes, appendices and schedules, and each Amendment, if any.

**1.2.6. "Amendment"** means a written amendment to this Agreement modifying, supplementing or amending the terms and conditions of this Agreement.

**1.2.7. "Approved Country"** means each country in which, subject to the terms of this Agreement, Client is authorized to use or receive the Services. A list of Approved Countries for each Service is set forth in the Pricing and Financial Terms.

**1.2.8. "Business Day"** means any day, except a Saturday, Sunday or a day on which ADP's bank is not open for business in the applicable jurisdiction where services are provided by ADP.

**1.2.9. "Client"** has the meaning set forth on the cover page.

**1.2.10. "Client Content"** means all information and materials provided by the Client Group, their agents or employees, regardless of form.



**1.2.11. "Client Group"** means Client and Client's Affiliates listed in in the Pricing and Financial Terms appendix who are authorized to receive the Services.

**1.2.12. "Client Infringement Event"** means (i) any change, or enhancement in, or use of, the Services by Client Group or a third party on Client's behalf other than at the direction of, or as approved by, ADP, or (ii) Client Group's failure to use the most current release or version of any computer software programs included in the ADP Application Programs or any corrections or enhancements provided by ADP thereto (to the extent ADP requires Client to use the most current release or version of any computer software programs, the implementation of such shall be at no charge to Client).

**1.2.13. "Confidential Information"** means all trade secrets, processes, proprietary data and documentation and any pricing and product information, Personal Data, the terms of this Agreement, and any other information that is confidential or proprietary provided by the disclosing party to the receiving party for use in connection with the Services or this Agreement, but does not include information that (i) the receiving party already knows prior to its disclosure by the disclosing party, (ii) becomes generally available to the public, except as a result of disclosure by the receiving party in violation of this Agreement or (iii) becomes known to the receiving party on a non-confidential basis from a source other than the disclosing party.

**1.2.14. "Cost Reimbursement Fee"** means those amounts set forth in the Pricing and Financial Terms to be paid to ADP in the event Client terminates any Services prior to the expiration of the Initial Term, other than for material breach pursuant to Section 12.2.

**1.2.15. "Data Security Breach"** means any incident that impacts the confidentiality, integrity, or availability of Personal Data, such as unauthorized use or disclosure of Personal Data, or unauthorized access to Personal Data, that compromises the privacy or security of the Personal Data.

**1.2.16. "Documentation"** means all manuals, tutorials and related materials that may be provided or made available to Client by ADP in connection with the Services.

**1.2.17. "Effective Date"** has the meaning set forth on the cover page.

**1.2.18. "Global Master Terms and Conditions"** means the terms and conditions contained in the main body of this document following the signature page(s).

**1.2.19. "Go-Live Date"** means the date of commencement of the first "live" processing of a given Service in the applicable Approved Country.

**1.2.20. "Gross Negligence"** means (1) willful, wanton, careless or reckless conduct, misconduct, failures, omissions, or disregard of the duty of care towards others of a risk known or so obvious that the actor must be taken to have been aware of it, and with an intent to injure or so great as to make it highly probable that harm would follow and/or (2) failure to use even the slightest amount of care, or conduct so reckless, as to demonstrate a substantial lack of concern for the safety of others. For the avoidance of doubt, Gross Negligence must be more than any mere mistake resulting from inexperience, excitement, or confusion, and more than mere thoughtlessness or inadvertence or simple inattention.

**1.2.21. "Implementation Services"** means the Services to be performed in order to commence ongoing Services.

**1.2.22. "Improvements"** has the meaning set forth in Section 5.4.

**1.2.23. "Indemnitee"** has the meaning set forth in Section 6.2.

**1.2.24. "Indemnitor"** has the meaning set forth in Section 6.2.



**1.2.25.** "Initial Term" has the meaning set forth in Section 12.1.

**1.2.26.** "Intellectual Property Rights" means all rights, title and interest to or in patent, copyright, trademark, service mark, trade secret, business or trade name, know-how and rights of a similar or corresponding character.

**1.2.27.** "Internal Business Purposes" means the usage of the Services, including the ADP Application Programs, exclusively by the Client Group for its own internal business purposes, without the right to provide service bureau or other data processing services, or otherwise share or distribute the Services.

**1.2.28.** "Payee" means any intended recipient of payments under the Payment Services and may include Client's employees, taxing authorities, governmental agencies, suppliers, benefit carriers and/or other third parties; provided that in the case of (i) ADP Payment Solutions, Payee shall be limited to Client's employees and independent contractors, and (ii) WorkMarket, Payee shall be limited to independent contractors.

**1.2.29.** "Payment Services" means Services that involve electronic or check payments being made by ADP to third parties on Client's behalf and at its direction.

**1.2.30.** "Personal Data" means any information relating to an identified or identifiable natural person. An identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such person's physical, physiological, mental, economic, cultural or social identity.

**1.2.31.** "Renewal Term" has the meaning set forth in Section 12.1.

**1.2.32.** "Services" means the services listed on the cover page of this Agreement (including implementation services related thereto and ADP Application Programs) and such other services as the parties may agree to be performed from time to time.

**1.2.33.** "SOC 1 Reports" has the meaning set forth in Section 9.1.

**1.2.34.** "Tax Locator" has the meaning set forth in Section 14.2.1.

**1.2.35.** "Term" means the Initial Term together with each Renewal Term, if any.

**1.2.36.** "Transition Services" has the meaning set forth in Section 13.1.

**1.2.37.** "Unauthorized Third Party" means any commercial third party or business that seeks to access or accesses ADP Application Programs using the account credentials (e.g., username and password) of a User even if such User has provided consent.

**1.2.38.** "User" means any single natural person who, subject to the terms of this Agreement, is an employee or independent contractor of Client authorized by Client to use, access or receive the Services.

## **2. Provision and Use of Services**

**2.1. Provision of Services.** ADP, or one of its Affiliates, will provide the Services to Client Group in accordance with the terms of this Agreement. ADP will provide the Services in a good, diligent, and professional manner in accordance with industry standards, utilizing personnel with a level of skill commensurate with the Services to be performed. ADP's performance of the Services (including any applicable implementation activities) is dependent upon the timely completion of Client's responsibilities and obligations under this Agreement. Without limitation of the foregoing, Client will timely provide the Client Content necessary for ADP to provide the Services.



**2.2. Cooperation.** ADP and Client will work together to implement the Services. Client will cooperate with ADP and execute and deliver all documents, forms, or instruments necessary for ADP to implement and render the Services. Client will provide ADP with all reasonable and necessary Client Content in the format requested by ADP, and will otherwise provide all reasonable assistance required of Client in order for ADP to successfully implement the Services.

**2.3. Use of Services.** Client will use the Services in accordance with the terms of this Agreement and solely for its own Internal Business Purposes in the Approved Countries. Client will be responsible for the use of the Services by the Client Group and the Users in accordance with the terms of this Agreement. Client understands and agrees that only Users are permitted to access and use ADP Application Programs (and that access by Unauthorized Third Parties is not permitted) and will reasonably cooperate with ADP to limit access to such persons. Client is responsible for the accuracy and completeness of the Client Content provided to ADP. Furthermore, if Client during the implementation process or as part of the ongoing Services utilizes or configures the ADP Application Programs to process data elements beyond those data elements that are required by ADP to perform the Services in the Approved Countries, Client will remain solely responsible for such use or configuration, including the processing of Personal Data pursuant to applicable law.

**2.4. Errors.** Client will promptly review all documents and reports produced by ADP and provided or made available to Client in connection with the Services and promptly notify ADP of any error, omission, or discrepancy with Client's records. ADP will promptly correct such error, omission or discrepancy and, if such error, omission or discrepancy was caused by ADP, then such correction will be done at no additional charge to Client.

**2.5. Records.** Unless expressly included as a part of the Services, and without prejudice to ADP's obligation to retain the data necessary for the provision of the Services, ADP does not serve as Client's record keeper and Client will be responsible for retaining copies of all documentation received from or provided to ADP in connection with the Services to the extent required by law or Client's internal policies.

### **3. Compliance**

**3.1. Applicable Laws.** Each party will comply with laws and regulations that affect its business generally, including any applicable anti-bribery, export control, computer fraud and data protection laws.

**3.2. Design of the Services.** ADP will design the Services, including the functions and processes applicable to ADP's performance of the Services, to assist the Client in complying with its legal and regulatory requirements applicable to the Services, and ADP will be responsible for the accuracy of such design. Client and not ADP will be responsible for (i) how it uses the Services to comply with its legal and regulatory requirements and (ii) the consequences of any instructions that it gives to ADP, including as part of Implementation Services, provided ADP follows such instructions. Services do not include any legal, financial, regulatory, benefits, accounting or tax advice.

**3.3. Online Statements.** If Client instructs ADP to provide online pay statements, Forms W2, Forms 1099, or Forms 1095-C (including T4 Forms in Canada or other similar local forms) without physical copies thereof, Client will be exclusively responsible for determining if and to what extent Client's use of online pay statements, Forms W2, Forms 1099, or Forms 1095-C (or T4 Forms in Canada) satisfies Client's obligations under applicable laws and the consequences resulting from such determinations.

**3.4. Data Privacy Appendix.** The Data Privacy Appendix is attached as an appendix to this Agreement.

### **4. Confidentiality**

**4.1. General.** All Confidential Information disclosed under this Agreement will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose to any third party 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. The



receiving party will limit access to Confidential Information to its employees with a need to know the Confidential Information and will instruct those employees to keep such information confidential. ADP may disclose Client Group's Confidential Information on a need to know basis to (i) ADP's subcontractors who are performing the Services, provided that ADP shall remain liable for any unauthorized disclosure of Client Group's Confidential Information by those subcontractors, (ii) employees of ADP's Affiliates, provided such employees are instructed to keep the information confidential as set forth in this Agreement and (iii) social security agencies, tax authorities and similar third parties, to the extent strictly necessary to perform the Services. ADP may use Client's and its employees' and other Services recipients' information in an aggregated, anonymized form, such that neither Client nor such person may be identified, and Client will have no ownership interest in such aggregated, anonymized data. Client authorizes ADP to release employee-related data, and such other data as required to perform the Services, to third party vendors of Client as designated by Client from time to time. If ADP agrees to a Client request to provide ADP Confidential Information to a third party vendor of Client, Client will cause such third party to (i) use at least the same degree of care, discretion and diligence in protecting the ADP Confidential Information as the third party is required to use with respect to Client Group's Confidential Information, but in any event no less than a reasonable standard of care in protecting the ADP Confidential Information; and (ii) use the ADP Confidential Information solely for providing services to Client for Client's internal operations. Notwithstanding the foregoing, the receiving party may disclose Confidential Information (x) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it, (y) as appropriate to respond to any summons or subpoena or in connection with any litigation and (z) to the extent necessary to enforce its rights under this Agreement.

**4.2. Return or Destruction.** Upon the request of the disclosing party or upon the expiration or earlier termination of this Agreement, and to the extent feasible, the receiving party will return or destroy all Confidential Information of the disclosing party in the possession of the receiving party, provided that each party may maintain a copy if required to meet its legal or regulatory obligations and may maintain archival copies stored in accordance with regular computer back-up operations. To the extent that any portion of Confidential Information of a disclosing party remains in the possession of the receiving party following expiration or earlier termination of this Agreement, such portion of the disclosing party's Confidential Information shall remain subject to the generally applicable statutory requirements and the confidentiality protections contained in Section 4.1.

## **5. Intellectual Property**

**5.1. Client IP Rights.** Except for the rights expressly granted to ADP in this Agreement, all rights, title and interests in and to Client Content, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by Client or its licensors. Client hereby grants to ADP for the Term a non-exclusive, worldwide, non-transferable, royalty-free license to use, edit, modify, adapt, translate, exhibit, publish, reproduce, copy and display the Client Content for the sole purpose of performing the Services; provided Client has the right to pre-approve the use by ADP of any Client trademarks or service marks.

**5.2. ADP IP Rights.** Except for the rights expressly granted to Client in this Agreement, all rights, title and interest in and to the Services, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by ADP or its licensors. ADP grants to Client for the Term a personal, non-exclusive, non-transferable, royalty-free license to use and access the ADP Application Programs solely for the Internal Business Purposes in the Approved Countries and solely up to the maximum number of Users (if any) indicated in the Pricing and Financial Terms. The ADP Application Programs do not include any Client-specific customizations unless otherwise agreed in writing by the parties. Client will not obscure, alter or remove any copyright, trademark, service mark or proprietary rights notices on any materials provided by ADP in connection with the Services, and will not copy, recompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, such ADP materials.

**5.3. Ownership of Reports.** Client will retain ownership of the content of reports and other materials that include Client Content produced and delivered by ADP as a part of the Services, provided that ADP will be the owner of the format of such reports. To the extent any such reports or other materials incorporate any ADP proprietary information, ADP (i) retains sole ownership of such proprietary information and (ii) provides the Client a fully paid up,



irrevocable, perpetual, royalty-free license to access and use same for its Internal Business Purposes without the right to create derivative works (other than derivative works to be used solely for its Internal Business Purposes) or to further distribute any of the foregoing rights outside the Client Group.

**5.4. Improvements.** ADP will make available to Client, at no additional cost, software improvements, enhancements, or updates to any ADP Application Programs that are included in the Services (collectively “Improvements”) if and as they are made generally available by ADP at no additional cost to ADP’s other clients using the same ADP Application Programs as Client and receiving the same Services as Client. All Improvements provided under this Section 5.4 shall be considered part of the ADP Application Programs. If Client fails to implement Improvements provided or made available to Client by ADP, ADP shall be relieved of any responsibility for errors or degradation in the Services and shall have no obligation to provide support for the ADP Application Programs.

## 6. Indemnities

**6.1. ADP Indemnity.** Subject to the remainder of this Section 6.1, and Sections 6.2 and 7, ADP will defend Client against any third party claims and will indemnify and hold Client harmless from any resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on a claim alleging that the Services or ADP Application Programs, as provided by ADP and used in accordance with the terms of this Agreement, infringe upon any Intellectual Property Rights of a third party in an Approved Country. The foregoing infringement indemnity will not apply and ADP will not be liable for any damages assessed in any cause of action to the extent resulting from a Client Infringement Event or ADP’s use of Client Content as contemplated by this Agreement. If any Service is held or believed to infringe on any third-party’s Intellectual Property Rights, ADP may, in its sole discretion, (i) modify the Service to be non-infringing, (ii) obtain a license to continue using such Service, or (iii) if neither (i) nor (ii) are practical, terminate this Agreement as to the infringing Service and return to Client any unearned fees prepaid by Client to ADP.

**6.2 Client Indemnity.** To the extent not prohibited by law, subject to Sections 6.2 and 7, Client will defend ADP against any third party claims and will indemnify and hold ADP harmless from any resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on the occurrence of a Client Infringement Event or ADP’s use of Client Content as contemplated by this Agreement.

**6.3. Indemnity Conditions.** The indemnities set forth in this Agreement are conditioned on the following: (i) the party claiming indemnification (the “Indemnitee”) shall promptly notify the indemnifying party (the “Indemnitor”) of any matters in respect of which it seeks to be indemnified, and shall give the Indemnitor full cooperation and opportunity to control the response thereto and the defense thereof, including without limitation any settlement thereof, (ii) the Indemnitor shall have no obligation for any claim under this Agreement if the Indemnitee makes any admission, settlement or other communication regarding such claim without the prior written consent of the Indemnitor, which consent shall not be unreasonably withheld, and (iii) the Indemnitee’s failure to promptly give notice to the Indemnitor shall affect the Indemnitor’s obligation to indemnify the Indemnitee only to the extent the Indemnitor’s rights are materially prejudiced by such failure. The Indemnitee may participate, at its own expense, in such defense and in any settlement discussions directly or through counsel of its choice.

## 7. Limit on Liability

**7.1. Ordinary Cap.** Notwithstanding anything to the contrary in this Agreement and subject to the remainder of this Section 7, neither party’s aggregate liability in any calendar year shall exceed an amount equal to the greater of: (i) 12 times the average ongoing monthly Services fees paid or payable to ADP by Client during such calendar year for all Services and (ii) One Hundred Thousand Dollars (\$100,000) (the “Ordinary Cap”).

**7.2. Extraordinary Cap.** As an exception to Section 7.1, if damages arise from a breach of Section 4 (Confidentiality), Section 9.3 (Data Security) or Section 9.4 (Unauthorized Third Party Access), the Ordinary Cap will be increased by an amount equal to the greater of (i) an additional 12 times the average ongoing monthly Services fees paid or payable to ADP by Client during such calendar year for all Services and (ii) an additional One Hundred





Thousand Dollars (\$100,000) (the “**Extraordinary Cap**”). For the avoidance of doubt, in no case shall either party’s aggregate liability in any calendar year under this Agreement exceed an amount equal to the greater of: (a) 24 times the average monthly ongoing Services fees paid or payable to ADP by Client during such calendar year for all Services and (b) Two Hundred Thousand Dollars (\$200,000).

**7.3. Matters not Subject to the Cap.** The foregoing limits on liability shall not apply to the following:

**7.3.1.** Client’s funding obligations in connection with the Payment Services;

**7.3.2.** Loss or misdirection of Client funds in possession or control of ADP due to ADP’s error or omission;

**7.3.3.** In connection with the Employment Tax Services, (i) interest charges imposed by an applicable tax authority on Client for the failure by ADP to pay funds to the extent and for the period that such funds were held by ADP and (ii) all tax penalties resulting from ADP’s error or omission in the performance of such Service. The provisions of this Section 7.3.3 shall only apply if (x) Client permits ADP to act on Client’s behalf in any communications and 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;

**7.3.4.** Either party’s Gross Negligence, or willful, criminal or fraudulent misconduct;

**7.3.5.** The infringement indemnity set forth in Sections 6.1 and 0;

**7.3.6.** Client’s obligations to pay the fees for Services; and

**7.3.7.** ADP’s obligations to provide credit monitoring as set forth in Section 10.

**7.4. Mitigation of Damages.** ADP and Client will each use reasonable efforts to mitigate any potential damages or other adverse consequences arising from or related to the Services.

**7.5. No Consequential Damages.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT AND ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW, NONE OF ADP, CLIENT OR ANY BANK WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES (INCLUDING DAMAGES FOR LOSS OF BUSINESS OR PROFITS, BUSINESS INTERRUPTIONS OR HARM TO REPUTATION) THAT ANY OTHER PARTY OR ITS RESPECTIVE AFFILIATES MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing exclusion shall not apply to claims for consequential damages arising from ADP’s or Client’s (i) Gross Negligence willful, criminal or fraudulent misconduct, (ii) damages or losses resulting from Client or Client’s Users sharing or allowing access to a User’s password, User ID, or other form of user authentication, or (iii) breach or breaches of Section 4.1 or Section 9.3 under this Agreement; provided however, that any consequential damages recovered by Client or ADP in a calendar year for claims pursuant to Sections 7.5(ii) and 7.5(iii) will be subject to the Extraordinary Cap set forth in Section 7.2 above.

## **8. Warranties and Disclaimer**

**8.1. Warranties.** Each party warrants that (i) it has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and (ii) this Agreement has been duly and validly executed and delivered and constitutes the valid and binding agreement of the parties, enforceable in accordance with its terms.

**8.2. DISCLAIMER.** EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL SERVICES, ADP APPLICATION PROGRAMS AND EQUIPMENT PROVIDED BY ADP OR ITS SUPPLIERS ARE PROVIDED “AS IS”



AND ADP AND ITS LICENSORS AND SUPPLIERS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS, VIRUSES OR ANY OTHER MALICIOUS CODE, WITH RESPECT TO THE SERVICES, THE ADP APPLICATION PROGRAMS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP AND RESULTS OBTAINED THROUGH THE USE THEREOF.

## 9. Security and Controls

**9.1. Service Organization Control Reports.** Following completion of implementation of any applicable Services, ADP will, at Client's request and at no charge, provide Client with copies of any routine Service Organization Control 1 reports ("**SOC 1 Reports**") (or any successor reports thereto) that are both directly related to those Services provided hereunder for Client and already released to ADP by the public accounting firm producing the report. SOC 1 Reports are ADP Confidential Information and Client will not distribute or allow any third party (other than its independent auditors) to use any such report without the prior written consent of ADP. Client will instruct its independent auditors or other approved third parties to keep such report confidential and Client will remain liable for any unauthorized disclosure of such report by its independent auditors or other approved third parties.

**9.2. Business Continuity; Disaster Recovery.** ADP maintains a commercially reasonable business continuity and disaster recovery plan and will follow such plan.

**9.3. Data Security.** ADP has an established information security program containing appropriate administrative, technical and physical measures to protect Client data (including Personal Data) against accidental or unlawful destruction, alteration, unauthorized disclosure or access consistent with applicable laws. In the event ADP suspects any unauthorized access to, or use of, the Services and ADP Application Programs, ADP may suspend access to the Services to the extent ADP deems necessary to preserve the security of ADP, Client or User data.

**9.4. Unauthorized Third Party Access.** Client and its Users are responsible for maintaining the security and confidentiality of any password, User ID, or other form of user authentication involved in obtaining access to ADP Application Programs, and Client and its Users shall not disclose any confidential account access credentials or related information to Unauthorized Third Parties.

## 10. Data Security Breach

**10.1. Notification.** If ADP becomes aware of a Data Security Breach of Client's Personal Data, ADP will take appropriate actions to contain, investigate and mitigate the Data Security Breach. ADP shall notify Client without undue delay after becoming aware that a Data Security Breach has occurred, unless otherwise required or instructed by law enforcement or regulatory authority. ADP will share information in its possession with Client for Client to determine any regulatory reporting obligations required by applicable law.

**10.2. Other ADP Obligations.** In the event that a Data Security Breach is the result of the failure of ADP to comply with the terms of this Agreement, ADP shall, to the extent legally required or otherwise necessary to notify the individuals of potential harm, bear the actual, reasonable costs of notifying affected individuals. ADP and Client shall mutually agree on the content and timing of any such notifications, in good faith and as needed to meet applicable legal requirements. In addition, where notifications are required, and where such monitoring is practicable and customary, ADP shall also bear the cost of one year of credit monitoring to affected individuals in the applicable jurisdictions.

## 11. Payment Terms

**11.1.** Client will pay to ADP the fees and other charges for the Services as set forth in the Pricing and Financial Terms.



## 12. Term; Termination; Suspension

**12.1. Initial Term.** This Agreement will terminate at the end of the Initial Term unless renewed by mutual written agreement of the parties; provided, however, that if ADP continues to provide any Services following the expiration of the Initial Term, this Agreement shall continue in full force and effect for so long as ADP continues to provide any Services, and Client shall be obligated to pay all fees for such Services in accordance with this Agreement.

**12.2. Termination.** Either party may terminate this Agreement for the other's material breach of this Agreement if such breach is not cured within 60 days following notice thereof. In addition: (i) ADP may terminate this Agreement or the affected Services in the event (a) Client fails to timely pay fees for Services performed within 10 days following notice that such fees are past due, (b) the provision of Services to Client causes or will cause ADP or its Affiliates to be in violation of any sanction laws applicable to ADP or its Affiliates (such termination shall be effective immediately upon written notice); and (ii) Client may terminate this Agreement or any Service for any reason for its convenience upon 180 days notice and payment of the Cost Reimbursement Fee (if applicable) and Deferred Fee (if applicable), each as set forth in the Pricing and Financial Terms.

**12.3. Suspension.** Without limiting the foregoing, the parties agree that Payment Services involve credit risk to ADP. Payment Services may be suspended by ADP (**A**) immediately following notice to Client (i) that Client has failed to remit sufficient, good and available funds within the deadline and via the method of delivery set forth in the Pricing and Financial Terms as it relates to the applicable Payment Services, or (ii) if Client breaches any rules promulgated by the NACHA (or other similar local regulator) as it relates to ADP conducting ACH (or similar electronic payment) transactions on behalf of Client, and (**B**) with 24 hour notice if: (i) a bank notifies ADP that it is no longer willing to originate debits from Client's account(s) or credits for Client's behalf for any reason or (ii) the authorization to debit Client's account is terminated or ADP reasonably believes that there is or has been fraudulent activity on the account. If the Payment Services are suspended or terminated pursuant to Sections 12.2 or 12.3, Client acknowledges that ADP shall be entitled to allocate any funds in ADP's possession that have been previously remitted or otherwise made available by Client to ADP relative to the Payment Services in such priorities as ADP may determine appropriate, including reimbursing ADP for payments made by ADP on Client's behalf to a third party. If the Payment Services are suspended or terminated by ADP, Client understands that it will immediately become solely responsible for all of Client's third party payment obligations covered by the Payment Services then or thereafter due (including, without limitation, for ADP Employment Tax Services, any and all penalties and interest accruing after the date of such termination, other than penalties and interest for which ADP is responsible under Section 7.3.3), and (y) reimburse ADP for all payments properly made by ADP on behalf of Client to any payee, which has not been paid or reimbursed by Client. If the Payment Services remain suspended for 30 days, the affected Payment Services shall be deemed terminated on the 31st day following suspension.

### 12.4. Additional Termination Provisions.

**12.4.1. Additional Termination Provisions for ADP Employment Tax Services.** If the ADP Employment Tax Services in the United States are terminated, Client's access to ADP websites containing Client's data will expire 90 days from the effective date of the termination, and Client will be responsible for downloading all relevant data, including Statements of Deposit (SODs) prior to the expiration of such access. ADP may terminate the Tax Locator feature of the ADP Employment Tax Services at any time by providing 30 days written notice to Client.

## 13. Transition Services

**13.1. Scope.** Upon expiration or termination of the Services, subject to Sections 13.2 and 13.3, ADP shall provide Client and its designee(s) with reasonable transition services ("**Transition Services**") consisting of continuation of the terminated Services and, if requested by Client and mutually agreed by the parties in writing, any additional services (including technical assistance) that will be delivered at ADP's then prevailing rates. In connection with the Transition Services, ADP will not be required to provide any third party with access to ADP's systems, intellectual property or any Confidential Information of ADP.



**13.2. Performance of Obligations.** During the provision of Transition Services, ADP and Client shall continue to perform their respective obligations under this Agreement, including, with respect to ADP, the provision of ongoing Services to Client and with respect to Client, the payment of all fees for such Services specified in the Pricing and Financial Terms.

**13.3. Past Due Amounts.** If ADP has terminated this Agreement due to Client's failure to pay fees, ADP's provision of Transition Services will be subject to Client's payment of all past due amounts and ADP may require Client to prepay for any Transition Services.

## **14. Additional Terms**

**14.1. ACA Furnishing and Filing Services.** The following additional terms and conditions apply to the ACA Furnishing and Filing Services:

**14.1.1. Client Responsibilities/Acknowledgments.** Client will (i) timely and accurately input all information into the ADP Application Program required for the preparation, furnishing, and/or electronic filing of ACA IRS Forms, and (ii) review and approve all information and forms generated by ADP on or before the applicable deadline(s) specified by ADP. If Client fails to timely approve required ACA IRS Forms in the applicable ADP Application Program, ADP will automatically deem such forms approved by Client. Client acknowledges that: (a) printing, furnishing and/or filing of the applicable ACA IRS Forms for prior tax years, and/or after applicable IRS and state agency deadlines, may result in penalties and/or interest; and (b) if Client fails to timely provide ADP with information necessary to complete the applicable ACA IRS Forms, as requested, ADP cannot guarantee that such forms will be submitted by the applicable deadlines.

**14.1.2. Client Vendors.** If applicable, Client will, at its own cost, cause its third-party vendors to send data to and receive data from ADP as required for ADP to provide the ACA Furnishing and Filing Services. Client shall reimburse ADP for any costs relating to transmissions of data from and/or to such third-party vendors.

**14.1.3. Important Tax Information (IRS Disclosure).** Notwithstanding Client's engagement of ADP to provide the ACA Furnishing and Filing Services, Client remains responsible for the timely filing of all required reports and filings, and the timely payment of Client penalty obligations. 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 made for them, and that 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.

**14.2. ADP Employment Tax Services.** The following additional terms and conditions apply to the ADP Employment Tax Services:

**14.2.1. ADP Tax Locator.** The ADP Employment Tax Services in the United States shall include access to the tax locator, a tool which helps Client locate municipal, school district, county and state codes and tax rates for new hires and transferred employees based upon their work and home addresses ("**Tax Locator**"). Client is solely responsible for the accuracy of data Client inputs into the Tax Locator, and the data Client generates and uses from the Tax Locator.

**14.2.2. Important Tax Information (IRS Disclosure) for U.S. Only.** Notwithstanding Client's engagement of ADP to provide the ADP Employment Tax Services in the United States, please be aware that Client remains 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, and that 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; that state tax authorities generally offer similar means to verify tax payments; and that Client may contact appropriate state offices directly for details.



**14.3. Payment Services.** The following additional terms and conditions apply to the Payment Services:

**14.3.1. Client Credentialing.** Client understands and acknowledges that the implementation and ongoing provision of Payment Services are conditioned upon Client passing (and continuing to pass) a credentialing process that ADP may deem necessary in connection with the provision of Payment Services.

**14.3.2. Additional Requirements.** Payment Services may be subject to the rules and standards of any applicable clearing house, payment and/or card networks or associations. Client and ADP each agree to comply with all such rules and standards applicable to it with respect to the Payment Services.

**14.3.3. Funding Obligations.** Client acknowledges that ADP is not a lender. As such, as a condition to receiving services, Client will remit or otherwise make available to ADP sufficient, good and available funds within the agreed-to deadline and via the agreed-to method of delivery to satisfy all of Client's third-party payment obligations covered by the Agreement. ADP will apply such funds to satisfy such third-party payment obligations. ADP will not be required to provide Payment Services if ADP has not received all funds required to satisfy Client's third-party payment obligations. Client will immediately notify ADP if it knows or should know that it will not have sufficient funds to satisfy the amounts required in connection with the Payment Services. If Client has a material adverse change in its condition, ADP may modify the funding method or deadline by which funds must be made available to ADP for payment to Payees. Client agrees to pay to ADP upon demand any amounts that have been paid by ADP to satisfy Client's third party payment obligations prior to receiving such amounts from Client.

**14.3.4. Investment Proceeds; Commingling of Client Funds.** IF ADP RECEIVES CLIENT'S FUNDS IN ADVANCE OF THE TIME ADP IS REQUIRED TO PAY SUCH FUNDS TO THIRD PARTIES, ALL AMOUNTS EARNED ON SUCH FUNDS, IF ANY, WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP. ADP may commingle Client's funds with similar funds from other clients and with similar ADP and ADP-administered funds. ADP utilizes a funds control system that maintains general ledger entries by client and/or by jurisdiction.

**14.3.5. Recovery of Funds; Manual Checks; Stop Payment Requests.** Client agrees to cooperate with ADP and any other third parties to recover funds erroneously issued or transferred to any Payee or credited to any Payee's account. If Client desires to stop payment on any check or to recall or reverse any electronic payment, Client will provide ADP with a stop payment request in the form required by ADP. Client acknowledges that ADP's placement of a stop order request is not a guarantee that such stop payment will occur.

**15. Miscellaneous**

**15.1. Amendment.** Except as set forth in the Change Control Procedures set forth in the Pricing and Financial Terms, this Agreement may not be modified, supplemented or amended, except by a writing signed by the authorized representatives of ADP and Client.

**15.2. Assignment.** Neither this Agreement, nor any of the rights or obligations under this Agreement, may be assigned by any party without the prior written consent of the other party, such consent not to be unreasonably withheld. However, Client may assign any or all of its rights and obligations to any other Client Group member and ADP may assign any or all of its rights and obligations to any Affiliate of ADP, provided that any such assignment shall not release the assigning party from its obligations under this Agreement. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns.

**15.3. Additional Documentation.** In order for ADP to perform the Services, it may be necessary for Client to execute and deliver additional documents (including reporting agent authorization, client account agreement, limited powers of attorney, etc.) and Client agrees to execute and deliver such additional documents.

**15.4. Subcontracting.** Notwithstanding Section 15.2, ADP reserves the right to subcontract any or all of the Services, provided that ADP remains fully responsible under this Agreement for the performance of any such



subcontractor. For the avoidance of doubt, third parties used by ADP to provide delivery or courier services, including the postal service in any country or any third party courier service, and banking institutions, are not considered subcontractors of ADP.

**15.5. Entire Agreement.** This Agreement constitutes the entire agreement and understanding between ADP and Client with respect to its subject matter and merges and supersedes all prior discussions, agreements and understandings of every kind and nature between the parties. No party will be bound by any representation, warranty, covenant, term or condition other than as expressly stated in this Agreement. Except where the parties expressly state otherwise in a relevant exhibit, annex, appendix or schedule, in case of conflict or inconsistency between these Global Master Terms and Conditions and any such exhibit, annex, appendix or schedule, the Global Master Terms and Conditions will prevail and control. Purchase orders or statements of work submitted to ADP by Client will be for Client's internal administrative purposes only and the terms and conditions contained in any purchase order or statements of work will have no force and effect and will not amend or modify this Agreement.

**15.6. No Third Party Beneficiaries.** Except as expressly provided herein or in an applicable exhibit, annex, appendix or schedule, nothing in this Agreement creates, or will be deemed to create, third party beneficiaries of or under this Agreement. Client agrees that ADP's obligations in this Agreement are to Client only, and ADP has no obligation to any third party (including, without limitation, Client's personnel, directors, officers, employees, Users and any administrative authorities).

**15.7. Force Majeure.** Any party to this Agreement will be excused from performance of its obligations under this Agreement, except for Client's obligation to pay the fees to ADP pursuant to Section 11, for any period of time that the party is prevented from performing its obligations under this Agreement due to an act of God, war, earthquake, civil disobedience, court order, labor disputes or disturbances, governmental regulations, communication or utility failures or other cause beyond the party's reasonable control. Such non-performance will not constitute grounds for breach.

**15.8. Waiver.** The failure by any party to this Agreement to insist upon strict performance of any provision of this Agreement will not constitute a waiver of that provision. The waiver of any provision of this Agreement shall only be effective if made in writing signed by the authorized representatives of ADP and Client and shall not operate or be construed to waive any future omission or breach of, or compliance with, any other provision of this Agreement.

**15.9. 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.

**15.10. Severability.** If any provision of this Agreement is finally determined to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality or enforceability of the remainder of this Agreement will not in any way be affected or impaired and such court shall have the authority to modify such invalid, illegal or unenforceable provision to the extent necessary to render such provision valid, legal or enforceable, preserving the intent of the parties to the furthest extent permissible.

**15.11. Relationship of the Parties.** The performance by ADP of its duties and obligations under this Agreement will be that of an independent contractor and nothing contained in this Agreement will create, construe or imply an agency, joint venture, partnership or fiduciary relationship of any kind between ADP and Client. None of ADP's employees, agents or subcontractors will be considered employees, agents or subcontractors of Client. Unless expressly stated in this Agreement, none of ADP, its employees, agents or its subcontractors may enter into contracts on behalf of, bind, or otherwise obligate Client in any manner whatsoever.

**15.12. Governing Law.** This Agreement is governed by the laws of the State of Missouri without giving effect to its conflict of law provisions.

**15.13. Communications to U.S. Based Employees.** Client agrees that ADP may use Client's U.S.-based employee and/or participant name, email and mailing address to provide information about products and/or services



offered by ADP directly to such employees and/or participants. Client may elect for ADP to cease such communications upon 30 days prior written notice. In addition, each communication sent by ADP will comply with applicable laws and will enable the recipient to opt-out of receiving additional similar communications from ADP.

**15.14. Jurisdiction.** Any disputes that may arise between ADP and Client regarding the performance or interpretation of this Agreement shall be subject to the exclusive jurisdiction of the state and federal courts of Missouri. The parties hereby irrevocably consent to the exclusive jurisdiction of the state and federal courts of Missouri and waive any claim that any proceedings brought in such courts have been brought in an inconvenient forum. THE PARTIES HEREBY IRREVOCABLY WAIVE THEIR RIGHT TO TRIAL BY JURY.

**15.15. Counterparts.** This Agreement may be signed in two or more counterparts by original, .pdf (or similar format for scanned copies of documents) or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**15.16. Notices.** All notices required to be sent or given under this Agreement will be sent in writing and will be deemed duly given and effective (i) immediately if delivered in person, or (ii) upon confirmation of signature recording the delivery, if sent via an internationally recognized overnight courier service with signature notification requested to Client at the address indicated on the signature page(s) hereof or to ADP at ADP, Inc., 400 W. Covina Boulevard, San Dimas, California 91773, Attn: Legal Department or to any other address a party may identify in writing from time to time. A copy (which shall not constitute notice) of all such notices shall be sent to ADP at One ADP Boulevard, MS 425, Roseland, New Jersey 07068, Attention: General Counsel and to Client at 415 E 12th St, Kansas City, MO 64106-2704, Attention: General Counsel. The Parties may communicate via email and the applicable ADP Application Programs with respect to routine business and/or technical matters.

**15.17. Survival.** Those provisions which by their content are intended to, or by their nature would, survive the performance, termination, or expiration of this Agreement, shall survive termination or expiration of this Agreement.



## Data Privacy Appendix

This Data Privacy Appendix is a data processing agreement under Applicable Law and supplements the Agreement, between ADP and Client. Capitalized terms throughout this Data Privacy Appendix not defined in the Agreement are defined in the ADP Privacy Glossary at [www.adp.com/-/media/adp/privacy/pdf/glossary\\_en.pdf](http://www.adp.com/-/media/adp/privacy/pdf/glossary_en.pdf), provided, however, that the relevant definitions (or equivalent terms) under Applicable Law will supersede both the Agreement and ADP Privacy Glossary terms in the event of a conflict.

### PART I - GENERAL

1. Client Obligations. Client shall only provide ADP with Client Personal Data that: (a) is required to perform the Services; (b) has been collected in accordance with Applicable Law, including obtaining any needed consent from Client Employees, where applicable; and (c) Client has and will maintain authority to provide such data under Applicable Law.

2. ADP Obligations. Client is disclosing Client Personal Data to ADP, as a Data Processor (or equivalent term under Applicable Law), only for the limited and specified business purposes as set forth in the Agreement, associated statements of work and/or any subsequent amendments. ADP will comply with Applicable Law for Processing Client Personal Data pursuant to the Agreement. ADP will not: (a) “sell” or “share” Client Personal Data; (b) retain, use, disclose or otherwise Process Client Personal Data outside of ADP’s direct business relationship with Client or for any commercial or other purpose other than the business purposes specified in the agreement(s) between Client and ADP, except as permitted by Applicable Law; or (c) combine Client Personal Data with personal data that ADP receives from, or on behalf of, other persons, or collects from ADP’s own interaction with a consumer, except as permitted under Applicable Law. ADP has the right to Process Client Personal Data in order to comply with ADP’s legal obligations (e.g., compliance with sanction laws) or in order to prevent, detect or investigate fraud.

ADP employees, contingent workers and Subprocessors are authorized to Process Client Personal Data to the extent necessary to provide the Services and as permitted under the Agreement and by Applicable Law.

3. Anonymization and Aggregation. In addition to any rights granted to ADP in Section 4 of the Agreement to use aggregated or anonymized data, ADP will not attempt to, and will not, re-identify any Client Personal Data that has been “anonymized.” For the purposes of this Data Privacy Appendix and Agreement, anonymized data (which includes de-

identified data under applicable US Privacy Law(s)) means data that cannot be used to identify an individual, directly or indirectly, by any means reasonably likely to be used in accordance with Applicable Law. The process of “de-identification” under applicable US Privacy Law(s) has the same effect on Client Personal Data as anonymization. ADP will implement reasonable measures to ensure that anonymized or aggregated data has no reasonably foreseeable risk of being re-identified and associated with Client or any individual.

4. Transfers to Subprocessors. ADP may transfer Client Personal Data to ADP Subprocessors and Third Party Subprocessors located outside of the country or region where Client Personal Data was initially collected (collectively “Subprocessors”). ADP will establish appropriate safeguards with Subprocessors to ensure the adequate protection of Client Personal Data. Third Party Subprocessors are bound by written contracts with ADP that impose data protection terms that are not less protective than those imposed by this Data Privacy Appendix.

Up-to-date lists of ADP Subprocessors and Third Party Subprocessors, including locations, are accessible at: WorkMarket:

<https://www.workmarket.com/subprocessors>

Employment Tax, Garnishments, Health Compliance, Payments, Tax Credits, Unemployment Claims, Verification Services, and Wisely:

<https://thebridge.adp.com/tax/m/media/3773>

MasterTax: <https://my.mastertax.com/mastertax-sub-processor-list>.

Such lists may be updated from time to time.

5. Compliance Obligations. ADP will notify Client if ADP makes a determination that it can no longer meet its Processing obligations under Applicable Law.

Client may, upon providing written notice to ADP, take reasonable steps to stop and remediate unauthorized Processing of Client Personal Data.





6. Client Instructions. When receiving a Client instruction regarding the Processing of Personal Data, ADP will notify Client if ADP considers such instruction to violate Applicable Law; however, ADP is not obliged to and will not perform a legal examination with respect to a Client instruction.

7. Assistance. ADP will assist Client with Client's data privacy obligations where required under Applicable Law, including assisting Client in responding to and addressing Client Employee individual rights requests, and complaints concerning Client Personal Data Processed by ADP in connection with the Services. ADP will also provide Client with relevant information for conducting data protection impact or risk assessments, (including transfer impact assessments) and any other assessments or reassessments required by Applicable Law or competent regulatory authorities. ADP reserves the right to charge for such assistance rendered. If ADP receives an individual rights request or complaint directly from a Client Employee, ADP shall promptly forward the Client Employee request to Client.

8. Client Audit. ADP will answer questions asked by Client regarding the Processing of Client Personal Data by ADP. In the event Client reasonably considers that the answers provided by ADP justify further analysis or are necessary to demonstrate compliance with this DPA, ADP will:

- (a) provide security materials known as ADP's trust package (which includes security policy and standards overview, password summary, resiliency program summary, disaster recovery program overview, data center and hosting service summary and a third-party risk management executive summary), that details ADP's business processes and procedures for the Processing of Client Personal Data; and
- (b) where required under Applicable Law, if Client reasonably considers that the documents provided by ADP justify further analysis, make the facilities ADP uses to Process Client Personal Data available for an audit by a qualified independent third-party assessor reasonably acceptable to ADP, bound by confidentiality obligations satisfactory to ADP and engaged by Client. Client will provide a copy of the audit report to ADP's Global Chief Privacy Officer which will be ADP Confidential Information. Audits shall be conducted no more than once per year during the term of the Agreement during regular business hours and will be subject to (i) a written request

submitted to ADP at least 45 days in advance of the proposed audit date; (ii) a detailed written audit plan reviewed and approved in advance by ADP's security organization; and (iii) ADP's on-site security policies. Such audits will take place only in the presence of a representative of ADP's global security office, ADP's global data privacy & governance team, or such person designated by the appropriate ADP representative. The audits shall not be permitted to disrupt ADP's Processing activities or compromise the security and confidentiality of Personal Data pertaining to other ADP Clients. ADP will charge Client a reasonable fee for such audit.

9. Personal Data Return and Deletion. Upon termination of the Agreement, ADP shall comply with its contractual obligations regarding the return of Client Personal Data (if Client Personal Data has not been previously returned to Client, or is not otherwise accessible to Client through the relevant product functionality or features for the Services, such as the ability to download the Client Personal Data) and shall delete Client Personal Data in accordance with ADP's then current applicable records retention schedule. ADP shall address Client's request to delete Client Personal Data before the records retention period has ended to the extent feasible and at a reasonable cost to Client. ADP may maintain Archive copies of Client Personal Data, to the extent required under Applicable Law, as authorized by Client in writing, or as needed for dispute resolution purposes.

## PART II – GDPR/UK GDPR

10. Scope. This Part II applies solely with respect to Client Personal Data subject to Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of Personal Data and on the free movement of such data ("General Data Protection Regulations" or "GDPR") and as transposed into United Kingdom national law by operation of section 3 of the European Union (Withdrawal) Act 2018 and as amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019 ("UK GDPR"). With respect to ADP's processing of Client Personal Data subject to GDPR and/or UK GDPR, the EU and UK Binding Corporate Rules ("BCR") for Client Data Processing Services (the "ADP Privacy Code(s)", located at [ADP Privacy](https://www.adp.com/-/media/adp/privacy/pdf/bcrpc_en.pdf) ([https://www.adp.com/-/media/adp/privacy/pdf/bcrpc\\_en.pdf](https://www.adp.com/-/media/adp/privacy/pdf/bcrpc_en.pdf)) and [ukbcrpc\\_en.pdf](https://www.adp.com/-/media/adp/privacy/pdf/ukbcrpc_en.pdf) ([adp.com](https://www.adp.com))), govern(s) as applicable.



ADP has obtained EU and UK authorization of its ADP Privacy Code(s).

**11. International Transfers.** For transfers outside of the EEA, Switzerland and United Kingdom, the ADP Privacy Code(s) serve(s) as the legal basis for the data transfer to an ADP Group Company or between ADP and an ADP Subprocessor, which Client acknowledges and accepts. ADP shall enter into appropriate contractual agreements, such as standard contractual clauses, or rely upon any other lawful transfer mechanism prior to transferring Client Personal Data to a Third Party Subprocessor or to an ADP company when the ADP Privacy Code(s) do(es) not apply.

**12. Additional Subprocessor Obligations.** Within 30 days of a written update (including electronic notice) by ADP to Client adding a new Subprocessor, Client may object to such new Subprocessor by providing written notice to ADP alleging objective justifiable grounds that such Subprocessor is unable to protect Client Personal Data. If the parties cannot reach a mutually acceptable solution, ADP shall, at its option, either: (a) not allow the Subprocessor to access Client Personal Data; or (b) allow Client to terminate the

relevant Services in accordance with the terms of the Agreement.

**13. ADP Privacy Code(s) EU and UK Authorization.** ADP will make commercially reasonable efforts to maintain the EU and the UK authorization of its ADP Privacy Code(s) for the duration of the Agreement and will promptly notify Client of any subsequent material changes in the EU or UK authorization of its ADP Privacy Code(s).

### **PART III - Miscellaneous**

**14. Order of Precedence.** In the event of a conflict between the Agreement, this Data Privacy Appendix, the ADP Privacy Code(s) and Applicable Law, then the conflict will be resolved by giving effect to such in the following order of precedence: (a) Applicable Law; (b) the ADP Privacy Code(s); (c) this Data Privacy Appendix; and (d) the Agreement.

**15. Scope.** This Data Privacy Appendix provides no additional rights to a Client Employee that are not already provided under the Applicable Law to which the Client Employee is subject.

*(0424 Global DPA v. 2.3)*



# Pricing and Financial Terms



## I. Financial Detail

The fees set forth in the table(s) below are based on the Services and volumes in the Assumptions section.

ADP Implementation and Integration	One-Time Fee
Employment Tax	\$0.00
W2 Records Processed	\$0.00
W2 Online Statements	\$0.00
Implementation for 1095-C Services	\$0.00

ADP Employment Tax	Quantity Assumed	Rate	Base
Integration Maintenance	1	\$0.00	\$180.00 Per Month
Per Employee	1,700	\$0.06 Per Month	\$0.00
Per Billable Jurisdiction	2	\$30.00 Per Month	\$0.00
Per Company Code	1	\$60.00 Per Month	\$0.00

ADP W2 Management	Quantity Assumed	Minimum	Rate	Base
W2 Print Services	2,500	\$4,500.00	\$1.60 Per Page Per Company Code	\$0.00
W2 Online Statements	2,500	\$0.00	\$0.60 Per Statement	\$0.00

ADP Health Compliance	Quantity Assumed	Rate	Base
Forms 1094C/1095C Furnishing and Filing	2,500	\$2.80	\$0.00
Federal Transmission for Affordable Care Act Compliance	1	\$0.00	\$4,000.00
Forms 1094-C/1095-C Online Statements	2,500	\$0.176	\$0.00

If any ACA IRS Form needs to be reprinted and/or refiled due to inaccuracy in any information provided by Client, Client will be billed for such reprinting and/or refiled.

\*Postage is not included and is a pass through charge.



## II. Additional Services

The fees for certain additional services are set forth in the table below. These fees will be charged at the applicable rates as they occur or exceed the volume included in fees set forth in the assumptions section after the Services commence. The fees for Additional Services are not subject to the Fee Adjustments section.

### ADP Employment Tax Services

Amended Quarterly Return	\$275.00 Per Return
Amended Annual Reconciliation Return	\$275.00 Per Return
Amended W2 (agency filing copy)	\$4.00 Per Employee Per Jurisdiction
Applied for Fee	\$165.00 Per Occurrence Per Month
Missing Authorization (i.e., POA, RAA, TPA)	\$165.00 Per Occurrence Per Month
Wires	\$35.00 per Wire
Agency Notice - Client Error	\$100.00 per Occurrence
Report Reproductions	\$25.00 Per Report, plus \$1.00 Per Page
Hard Copy Closes and Exceptions	\$300.00 Per Occurrence
Tax Registration	\$150.00 Per Tax ID Applied for
Late Funding Fee	1% of impound amount with a min of \$5 and max of \$10,000
NSF (non-sufficient funds)	\$100.00 Per Occurrence

### ADP W2 Management Services

W2 Print Services Minimum Fee	\$4,500.00 Per File Processed
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## III. Assumptions

The fees presented were calculated based upon the Services and volumes identified in the Financial Details section and the funding requirements set forth in the Financial Terms section, and if Client's actual requirements vary from what is stated, the parties shall negotiate in good faith to adjust the fees based on such changes. The fees do not include any customizations to any Service.

## IV. Financial Terms

### Region/Approved Country: United States

- A. **Initial Term:** The Initial Term shall expire on the third anniversary of the Effective Date.



- B. Client Group:** The Client Group includes the following entities.  
Not Applicable
- C. Implementation:** Implementation Fees are due and payable on the Go-Live Date and will be included on Client's first invoice and Client will pay the amount of such Implementation Fees in full within 30 days after the invoice date.
- D. Invoicing:** Except to the extent otherwise stated below, Client will pay the amount on each invoice in full within 30 days after the invoice date. All amounts not paid when due are subject to a late payment charge of one and one-half percent (1.5%) per month (not to exceed the maximum allowed by applicable law) of the past due amount from the due date until the date paid.
- E. Currency:** All fees set forth herein are shown in USD and all payments relating to the Services shall be made in USD.
- F. Taxes:** Unless Client provides ADP a valid tax exemption or direct pay certificate, Client will pay directly, or will pay to ADP, an amount equal to all applicable taxes or similar fees levied or based on the Agreement or the Services, exclusive of taxes based on ADP's net income.
- G. Cost Reimbursement Fee:** In order for ADP to recoup certain costs associated with the Services provided under the Agreement in the event of an early termination by Client, if Client terminates Services or the Agreement in whole or in part for convenience pursuant to the Termination provision of the Global Master Terms and Conditions, Client will:
- If termination occurs during the implementation of Services:
    - pay ADP for the Implementation Services at ADP's labor rates set forth in this Appendix or, if such rates for a particular Service are not set forth herein, at ADP's prevailing labor rates (and not at the set implementation price set forth in the "Financial Detail" table), and
    - reimburse ADP for any license fees or other costs incurred by ADP in connection with the Implementation Services
  - If termination occurs after the Go-Live Date for the applicable Services, reimburse ADP for its costs (including unamortized investments and any costs incurred that have not been recovered from fees charged) associated with the termination of the Services as set forth in the chart below, which provides the unrecovered costs as a percentage of the estimated aggregate ongoing fees for Services determined as of the Effective Date during each "year" of the Agreement:

	Year 1	Year 2	Year 3
Percentage of Estimated Aggregate Ongoing Fees as of the Effective Date	43.6%	29.2%	14.4%



In the event new Services are added, the Cost Reimbursement Fee is subject to change.

**H. Postage, Shipping, Travel and other Out-of-Pocket Expenses:** ADP will invoice Client for postage charges, delivery charges, other third party charges incurred on behalf of Client, and reasonable travel and out-of-pocket expenses.

**I. Funding Requirements and Disbursement Disclosure:**

**ADP Employment Tax Services:  
Tax Liability Impounding Schedule**

- All tax liabilities will be provided to ADP via reverse wire.
- Federal, state and local withholding, Social Security/Medicare (FICA) employee withholding and employer contribution, and FUTA and SUI contributions will be provided to ADP one business day prior to the associated payroll check date.
- For reverse wire clients, funds must be available by 6:00 a.m. Pacific time.

**J. Fee Adjustments:** The fees set forth in this Appendix will remain fixed during the first year following the Effective Date. Thereafter, ADP may increase the fees for the Services on an annual basis with 30 days prior written notice.

**K. Change Control:** In the event either party requests a change in the scope of the Services (including Implementation Services) (each a "Change Control Item"), the parties shall address such change request via ADP's change control process. Change Control Items and the cost associated with such changes (if any) to the Services shall be mutually agreed to by the parties, with the exception of Change Control Items that are required to be made by law or regulation applicable to the Services or to the duration of Implementation Services, which ADP will notify Client of prior to making such change.