

New Client Agreement

In addition to the general terms and conditions listed on the back of this form, client hereby agrees to the following bank authorization.

Precise Pay, Inc. is authorized by the undersigned client ("Client") to utilize the debit method (and corrections to previous debits) originated by check or electronic funds transfer for purposes of collecting from Client's bank or financial institution (identified as "Routing & Transit Number"), from the Client's Account (identified as "Account Number") for its services and charges.

The Financial Institution is authorized by Client to comply with this agreement and debit the Account in accordance with the debit method as if initiated by Client. This authorization shall remain in effect until revoked by the undersigned in writing and received by Financial Institution so as to allow a reasonable amount of time for all involved parties to act on it.

1. Bank Name, City, & State: _____

Routing & Transit Number: _____ Account Number: _____

Direct Deposit Payroll Taxes 3rd Party Payments Service Fees Precise Checks Other _____

2. Bank Name, City, & State: _____

Routing & Transit Number: _____ Account Number: _____

Direct Deposit Payroll Taxes 3rd Party Payments Service Fees Precise Checks Other _____

ATTACH VOIDED CHECK(S) HERE

IN ADDITION TO THE ITEMS NOTED ABOVE, THE CLIENT HEREBY ACCEPTS THE GENERAL TERMS AND CONDITIONS, AS DETAILED ON THE BACK OF THIS FORM, BY SIGNING BELOW.

PRECISE PAY, INC.:

CLIENT:

(Authorized Signature)

(Date)

(Authorized Signature)

(Date)

(Printed or Typed Name)

(Title)

(Printed or Typed Name)

(Title)

(Legal Company Name)

(Federal ID Number)

General Terms and Conditions

1. Precise Pay, Inc. ("Precise Pay") shall provide the undersigned client ("Client") with payroll service to consist of, at a minimum, Precise Pay receiving pay data input or information supplied by Client, calculating payroll and related data, and producing paychecks and reports. Additionally, Precise Pay may provide one or more of the following services to Client, at Precise Pay's discretion, through electronic funds transfer ("EFT") transactions in compliance with National Automated Clearing House Regulations: Precise Tax, Direct Deposit, Precise Checks, and third party payments.
2. If Client participates in Precise Pay's Precise Tax service, then Precise Pay hereby agrees to collect payroll tax liabilities from the Client (as authorized by Client's signed Power of Attorney) on check date and to receive and hold the funds in an account separate from Precise Pay's general account. Precise Pay will deposit payroll taxes and prepare and file payroll tax returns, as required by the applicable taxing agencies, during the term of this Agreement.
3. If Client participates in Precise Pay's Direct Deposit service, then Client authorizes Precise Pay to collect, one day before Client's check date, necessary amounts via EFT transactions in order to disperse funds into the Client's employee accounts. Client will be responsible for providing Precise Pay with accurate payroll information in a timely manner so as to allow Precise Pay to initiate direct deposit payroll transactions to a designated bank, the Federal Reserve Bank, or any financial institution processor necessary for direct deposit transmissions to occur during the term of this Agreement.
4. If Client participates in Precise Pay's Precise Checks service, then Client authorizes Precise Pay to collect, one day before check date, necessary amounts via EFT transactions in order to disperse funds in the form of payroll checks payable to Client's employees designated to receive such items. Client agrees to not provide employees the checks until after 4:00 PM the day before check date.
5. Precise Pay will hold all data processed and maintained for Client confidential. These data shall be disclosed only to Client, to others when authorized by Precise Pay (such as to third parties to complete appropriate services), or as required by law.
6. Precise Pay will process the information provided by Client with due care unless prevented from doing so by causes beyond Precise Pay's reasonable control. This includes, but is not limited to, the negligence of a third party employed to provide services in connection with Precise Pay's obligations, and/or instances in which Client furnishes information to Precise Pay after the agreed upon due date for such information. Precise Pay shall not be responsible for errors in information or processed data provided to Precise Pay.
7. Client shall provide accurate payroll information to Precise Pay no later than (2) two banking days prior to each payroll check date for any of the services or Client may incur an additional processing fee. Client further agrees to review all payroll information needed to verify the complete accuracy of all employee's direct deposit and Precise Checks transmissions. If an error occurs, Client must notify Precise Pay within (1) one banking day before the effective transmission date, in which case Precise Pay will only be liable for the retransmission of the direct deposit amounts and/or the re-issuance of the Precise Checks payroll checks.
8. Client shall promptly review, to verify the accuracy of processing, all records and information delivered to Client by Precise Pay. Client, upon discovering any errors, will notify Precise Pay (1) one banking day before the effective transmission date, in which case Precise Pay will only be liable for the retransmission of the direct deposit amounts. Client shall maintain all source documents, data that has been already processed, and audit records. Precise Pay shall not be required to keep Client's source documents.
9. Client shall pay Precise Pay or its designee a service fee via EFT for the services provided and/or described herein in accordance with the original price quote. However, quoted fees are subject to change upon Precise Pay's discretion and written notification supplied to Client.
10. Precise Pay may debit the account designated by Client in order to make the necessary direct deposits, Precise Checks, third party payments, payroll tax deposits and collect any fees due to Precise Pay.
11. If Client's bank refuses to honor an EFT for any reason (including but not limited to a payroll tax draft, a fee draft, a direct deposit transaction, any drafts for a third party payment, or a Precise Check draft) an initial \$75.00 non-sufficient funds ("NSF") fee for each returned transaction will be assessed to Client as Precise Pay's reasonable costs. Under such circumstances, Precise Pay may immediately terminate this Agreement without written notice. Upon termination of this Agreement, for any reason, Precise Pay shall not be responsible or liable for any future services including, but not limited to, making the then due or any future payroll direct deposit transactions, Precise Checks transactions, third party payments, payroll tax deposits, or filing of tax returns.
12. Precise Pay shall have no liability for failure to complete any of the said services (such as making payroll tax deposits or filings) arising from causes outside of Precise Pay's reasonable control, if Client has not provided it with accurate and adequate information to complete the service, or, if Client fails to maintain sufficient funds to cover such obligations. In no event shall the liability of Precise Pay exceed the fees paid or payable by Client for the prior (3) three processing periods, nor shall Precise Pay be liable for any incidental, consequential, special or punitive damages, penalties or attorney's fees.
13. This Agreement does not relieve Client of any of its tax reporting or payment liabilities; this includes, but is not limited to, the selection of the appropriate federal and, if applicable, state and local withholding methods in conformity with controlling law and regulations. Client shall immediately provide Precise Pay with copies of any notices or correspondence received from any taxing authority with respect to any tax return(s) or tax deposit(s) made by Precise Pay. Client shall immediately provide Precise Pay with notification of any changes that will effect the impound of funds and/or the depositing of payroll taxes or filing of returns.
14. All programs and services developed by Precise Pay are and remain the sole property of Precise Pay. All manuals, materials, and documentation provided by Precise Pay to Client are the property of Precise Pay. Client shall not reveal them to a third party. Upon termination of this Agreement, Client shall immediately stop using them and shall return them to Precise Pay.
15. Without prior permission, Client shall not use Precise Pay's name or refer to Precise Pay, directly or indirectly, such as in any advertisement or news release, except, however, that this clause will not limit Client's ability to satisfy any required disclosure of their relationship.
16. This Agreement shall have a continuous term until terminated by either party with written notice (1) one week in advance of the next processing date. However, this Agreement may be terminated without written notification if, at its sole discretion, Precise Pay determines an adverse change in the Client's financial condition has occurred, or any federal, state or local legislation, judicial decision, or regulatory action negatively affects Precise Pay under this Agreement. Further, venue for any action to enforce or construe this Agreement shall be proper only in the County of Santa Clara, California.