

Service Agreement

Company is a: Sole Proprietorship General Partnership Limited Partnership Nonprofit Corporation
 Corporation Limited Liability Company Other (specify) _____

Company DBA (Doing Business As) _____ Federal Employer ID Number _____

Company's Legal Name _____ Number of Employees _____

Business Address _____

City _____ State _____ ZIP _____ Preferred First Payroll Date _____

Company Payroll Administrator _____ Email address _____ Phone Number _____ Fax Number _____

Company Payroll Approver _____ Email address _____ Phone Number _____ Fax Number _____
(If different than Company Payroll Administrator)

Company Principal (signing this agreement) _____ Email address _____ Phone Number _____ Fax Number _____
(If different than Company Payroll Approver)

Company's Bank Account for Payroll

Advisor _____ Bank name _____

Routing Number _____ Account Number _____

In this Service Agreement (the "Agreement"), "Company" refers to the company named above for which the payroll processing and payroll tax service (the "Service") is being provided. "Provider" is SurePayroll.com, Inc., a Delaware corporation with offices at 4709 Golf Road, Skokie, IL 60076. Provider's Internet Website ("Website") address is www.runpayroll.com and www.viewpayroll.com.

1. SERVICE. Provider will provide Company the Service in accordance with this Agreement. A minimum of ten (10) business days before the initial payroll processing date, Company shall submit the completed and executed documents Provider requires for providing the Service, which documents shall include an IRS Form 8655 (Reporting Agent Authorization), an IRS Form 2848 (Power of Attorney), and any state or local powers of attorney required by Provider, and any additional information requested by Provider. Subsequent to the initial payroll processing, Company will complete and execute any renewals, amendments or replacements of the aforementioned documents which Provider deems necessary.

2. TAX SERVICES; LIABILITY. In order for Company's W-2 statements and payroll tax reporting to be accurate, wage and payroll information submitted by Company to Provider during the enrollment process must be reconciled with Company's payroll tax returns for the current calendar year and Company's wage and payroll tax information for the current quarter. It is Company's responsibility to submit accurate information requested by Provider in connection with the Service. Any penalty or interest incurred due to inaccurate information provided by Company will be the sole responsibility of Company. Company further agrees to hold Provider harmless from such liability. Provider, at its option, may decide not to file Company's payroll tax returns or pay Company's payroll taxes if there are any unresolved problems with any information requested by Provider or submitted by Company. **Provider's sole liability and Company's sole remedy for Provider's negligent failure to perform the payroll tax portion of the Service shall be (a) Provider will remit the payroll taxes received from Company to the appropriate taxing authority and (b) Provider will reimburse Company or pay directly to the taxing authority any penalties resulting from such negligent error or omission by Provider.**

3. ACCOUNT DEBITING.

A. On or prior to Company's payroll direct deposit and/or payroll tax deposit date or other applicable settlement or due date, Company authorizes Provider to initiate debit entries to Company's account specified above ("Company's Account") at the depository financial institution the Routing Number of which is given above ("Depository"), and to debit Company's Account in such amounts as are necessary to (a) fund Company's direct deposits, (b) pay any fees or charges associated with the Service, including, without limitation, finance charges, (c) pay Company's payroll taxes, (d) pay any debit, correcting or reversing entry initiated pursuant to this Agreement which is later returned to Provider, and (e) pay any other amount that becomes owed under this Agreement. This authorization is to remain in full force and effect until Provider has received written notice from Company of its termination in such time and such manner as to afford Provider and Depository a reasonable opportunity to act upon it. Company will maintain in Company's Account as of the applicable settlement date and time immediately available funds sufficient to cover all credit entries Company originates through Provider. Company's obligation to pay Provider for each credit entry matures at the time Provider transmits or otherwise delivers the credit entry to the Automated Clearing House ("ACH") or gateway operator and is unaffected by termination of the Service. Provider may set off against any amount it or an Affiliate owes to Company in order to obtain payment of Company's obligation as set forth in this Agreement. Company acknowledges that the origination of ACH transactions to its account must comply with the provisions of U.S. law. Amounts withdrawn for payroll taxes will be held by Provider at Provider's financial institution (the "Payroll Tax Account") until such time as those payments are due to the appropriate taxing agencies, and no interest will be paid to the Company on these amounts.

B. If Company does not have sufficient funds in Company's Account to pay disbursements, fees, payroll taxes or any other amounts due under this Agreement at the time required, or if Company refuses to pay, Provider may (a) debit the Payroll Tax Account or any account at Provider's financial institution or any Affiliate owned in whole or in part by Company to pay disbursements, fees or charges, payroll taxes, or other amounts due, (b) refuse to pay any collected or collected but unremitted payroll taxes, in which case the payroll tax liability will become the sole responsibility of Company, (c) refuse to perform further services, and/or (d) immediately terminate this Agreement. Provider may assess finance charges on any amounts owing and unpaid ten (10) days after demand. Finance charges are assessed at a rate of 1.5% per month (18% per annum) or the highest amount permitted by law, whichever is less. Provider may recover from Company any costs including, without limitation, reasonable attorneys' fees and expert witnesses' fees Provider may incur in connection with any termination of this Agreement or collection of amounts due hereunder.

4. SERVICE FEES AND CHARGES. If Provider bills Company direct, Company agrees to pay Provider for the Service in accordance with the fees set forth in the fee schedule which is accessed by logging into Company's payroll application on the Website ("Fee Schedule"). Company will also reimburse Provider for sales, use and similar taxes arising from this Agreement that federal, state or local government may impose. If Advisor bills Company, Company and Advisor have entered into a separate agreement regarding fees and charges ("Advisor Fee Agreement").

5. CHANGES TO THE SERVICE. Provider reserves the right to change the terms, conditions, and fees for the Service at any time. Provider will provide thirty (30) days prior notice of any material change, including fees. Notice may be provided in writing or electronically. If Company does not wish to be bound by such change, it may discontinue using and terminate the Service before the change becomes effective. If Company continues to use the Service after the change becomes effective, it will be bound by the change. Company has the responsibility to assure that Company's address, including any electronic address(es), in Provider's records is accurate. The timing of an advance notice of change may be shortened when permitted or required by law.

6. VERIFICATION OF DATA.

A. Provider will notify Company via electronic communication when all data necessary to begin the Service has been received and the enrollment process has been completed. Company shall then, prior to submitting its first payroll, review for completeness and accuracy the Payroll Information. The Payroll Information shall mean all information posted for Company's review on the specified portion of the Website including, but not limited to, that which is used to calculate and pay employee payroll, track Company-defined employee benefits, pay payroll taxes to applicable taxing agencies in compliance with the laws and regulations of such taxing agencies, and produce payroll tax returns and W2 statements. Company must correct incorrect or missing Payroll Information, either by itself or by notifying Provider in the manner specified in the electronic communication and within the time period specified therein.

B. Company agrees that by submitting each payroll (including the first payroll): (a) Company has approved all Payroll Information, (b) Company has waived and released any claim against Provider arising out of any errors in the Payroll Information which Company has not itself corrected or has not requested Provider to correct, and (c) any subsequent request for corrections will be considered special handling and additional fees may be charged. Final audit responsibility rests with Company. Provider will not have any responsibility for verifying the accuracy of any data Company provides or directly inputs via the Internet or any other electronic method.

7. SECURITY PROCEDURE.

A. Each user of the Service authorized by Company will access the Service by entering a confidential user ID and password which such user shall create by following the instructions provided on the specified portion of the Website. Company's Payroll Approver will approve and submit the Payroll Information thereby authorizing Provider to create and transmit ACH credit or debit entries ("Entries") necessary to process Company's payroll and payroll tax transactions, by entering his or her confidential user ID and password which he or she has created by following the instructions provided on the specified portion of the Website.

B. Company acknowledges that Provider offers the security procedure described above for the purpose of verifying the authenticity of an instruction approving and releasing, cancelling or amending the Payroll Information used to create Entries (each, a "Payment Order") to be originated by Provider for the benefit of Company. Company refuses to have such instructions or Payment Orders verified by any security procedure other than the security procedure set forth above. Company has reviewed various security procedures including the foregoing and has determined that the security procedure designated above best meets its requirements, given the size, type and frequency of the Payment Orders it will issue to Provider.

C. Company will, and will cause its employees to, take reasonable steps to maintain the confidentiality of the security procedure and the user IDs and passwords and related instructions provided by Provider. If Company believes or suspects that any such information or instructions have been known or accessed by unauthorized persons, Company will immediately notify Provider in a manner affording Provider a reasonable opportunity to act on the information.

D. Company will be bound by any Payment Order, whether or not authorized, issued in its name and accepted by Provider in compliance with the designated security procedure.

E. If a Payment Order describes the receiver inconsistently by name and account number (i) payment may be made on the basis of the account number even if it identifies a person different from the named receiver or (ii) Provider may in its sole discretion refuse to accept or may return the Payment Order. If a Payment Order describes a participating financial institution inconsistently by name and identification number, the identification number may be relied upon as the proper identification of the financial institution. If a Payment Order identifies a non-existent or unidentifiable person or account as the receiver or the receiver's account, Provider may in its sole discretion refuse to accept or may return the Payment Order.

F. Company will promptly notify Provider in writing of the identity of each person authorized to receive information regarding the security procedure (each singly or in the aggregate, an "Authorized Person"), including but not limited to Company's Payroll Approver, and of any change in an Authorized Person. Provider will have a reasonable time after receipt of a notice to act on it.

8. ACH ORIGINATION.

A. The Service will enable Company by using the Internet to enter the Payroll Information and to approve and submit it to Provider for creation, formatting and transmission of Entries in accordance with the Rules (as defined below). Provider may reject any Payroll Information or Entry created therefrom which does not comply with the requirements in this Agreement or the Rules or with respect to which Company's Account does not contain sufficient available funds to pay for the Entry. If any Payroll Information or Entry is rejected, Provider will make a reasonable effort to notify Company promptly so that Company may correct such Payroll Information or request that the Provider correct the Entry and resubmit it. A notice of rejection will be effective when given. Provider will have no liability to Company by reason of the rejection of any Payroll Information or Entry, the fact that notice is not given at an earlier time than that provided for in this Agreement or for any loss resulting from Provider's failure to provide notice. If Company requests that Provider repair an Entry on Company's behalf and Provider endeavors to do so, Provider will not be liable for its failure to make the requested repair.

B. Company will have no right to cancel or amend any Payroll Information received by Provider after it has been approved by Company's Payroll Approver and submitted to Provider. However, if Company's request complies with the security procedure, Provider may use reasonable efforts to act on it prior to transmitting the Entries to the ACH or gateway operator, but will have no liability if the cancellation or amendment is not effected. Company will reimburse Provider for any expenses, losses or damages Provider may incur in effecting or attempting to effect Company's request.

C. Except for Entries created from Payroll Information that has been reapproved and resubmitted by Company in accordance with the requirements of this Agreement, Provider will have no obligation to retransmit a returned Entry to the ACH or gateway operator if Provider complied with the terms of this Agreement with respect to the original Entry.

D. Provider will process the Payroll Information and Entries created therefrom in accordance with its then current processing schedule, provided (i) the Payroll Information is approved by Company and received by Provider no later than Company's applicable cut-off time on a business day and (ii) the ACH is open for business on that business day. If Provider receives approved Payroll Information after Company's cut-off time, Provider will not be responsible for failure to process the Payroll Information on that day. If any of the requirements of clause (i) or (ii) of this Subsection are not met, Provider will use reasonable efforts to process the Payroll Information and transmit the Entries to the ACH with the next regularly scheduled file created by Provider which is on a business day on which the ACH is open for business.

E. Origination, receipt, return, adjustment, correction, cancellation, amendment and transmission of Entries must be in accordance with the Operating Rules of the ACH in which Provider is a participant and, with respect to credit entries which constitute Payment Orders, Article 4A of the Uniform Commercial Code as adopted in the state whose law governs this Agreement, as both are varied by this Agreement and the other Contract Documents (as defined below), and as both are amended from time to time (the "Rules"). Company acknowledges that it has had an opportunity to review and agrees to comply with and be bound by the Rules. Company will be responsible for promptly obtaining all future amendments.

F. Any credit Provider gives to Company is provisional until Provider receives final settlement and the Entry for which credit was given is deemed to be finally paid as provided in this Agreement, the Rules and all laws, rules and regulations governing any aspect of the Entry, including the laws, rules and regulations of the country to which the Entry was sent. If Provider does not receive final settlement, it is entitled to a refund from the credited person and Company will not be deemed to have paid that person.

G. At Company's request, Provider will make a reasonable effort to reverse an Entry, but will have no responsibility for the failure of any other person or entity to honor Company's request.

H. Company acknowledges that under the Rules, Provider makes certain warranties with respect to each Entry. Company agrees to reimburse Provider for any loss Provider incurs, including its reasonable attorneys' fees and legal expenses, as the result of a breach of a warranty made by Provider unless the breach resulted solely from Provider's own negligence or intentional misconduct.

I. Company acknowledges that under the Rules, Provider indemnifies certain persons. Company agrees to reimburse Provider for any loss Provider incurs, including its reasonable attorneys' fees and legal expenses, as the result of the enforcement of an indemnity, unless enforcement resulted solely from Provider's own negligence or intentional misconduct.

9. TERMS; TERMINATION. The Service will continue until such time as Company, Provider or Advisor gives thirty (30) days' prior written notice, unless termination is for cause. Provider may immediately terminate this Agreement upon notice to Company if Company is in violation of a material provision of the Advisor Agreement or the Contract Documents, including but not limited to, the payment when due of any fees, charges, or payroll taxes, or if Company chooses not to accept a change in any term or condition of this Agreement or Company misrepresents any data or information required by Provider in connection with the Service or at any other time. Provider may immediately terminate this Agreement without notice to Company if Company files, or has filed against it, a

petition under the U.S. Bankruptcy Code or a similar state or federal law. If Advisor defaults in or terminates its relationship with Provider, Provider will collect fees for Service directly from Company. The termination of the Service or this Agreement will not affect Company's or Provider's rights with respect to transactions which occurred before termination.

10. ALTERNATIVE DISPUTE RESOLUTION. It is agreed that all disputes, claims and controversies between Provider and Company arising from this Agreement or any related documents or instruments, or otherwise, including without limitation, contract, tort, and other claims, shall be determined pursuant to Title 9 of the U.S. Code and the Commercial Arbitration Rules of the American Arbitration Association, provided, however, that no arbitrator shall have the power to enjoin or restrain any act of Provider or Company. No act to take or dispose of any collateral, or to exercise any right in connection with collateral, including without limitation, obtaining or executing a writ of attachment, or the exercise of any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code as codified under applicable law, shall constitute a waiver of the arbitration agreement. Judgment upon any award rendered by the arbitrator(s) may be entered in any court having jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by Provider or Company shall be applicable in any arbitration proceeding and the commencement of any arbitration proceeding shall be deemed the commencement of an action for these purposes. **By signing this Agreement, Company gives up any rights it might possess to have any dispute, claim, or controversy litigated in a court or to have a jury trial. The arbitrator may award attorneys' fees and expert witnesses' fees and costs to the prevailing party.**

11. GENERAL TERMS AND CONDITIONS.

A. Provider, its employees and agents will hold in strict confidence all data furnished by Company or produced by Provider under this Agreement. However, such parties will not be held liable if such data is released through other sources, or if Provider, its employees and agents release the data because of a reasonable belief that Company has consented to such disclosure.

B. To assure that Company's inquiries are handled promptly, courteously and accurately, Provider's supervisory or management personnel may monitor and/or record telephone conversations and electronic communications between Company and Provider without additional prior notification to Company or Company's employees, and Company will so advise Company's employees who communicate with Provider by telephone or electronic means.

C. Company authorizes Provider at any time to obtain credit reports about Company and to report adverse credit information about it to others, including the Internal Revenue Service and state taxing authorities. Provider may obtain credit reports on the authorized representative signing below for purposes of verifying identity.

D. This Agreement does not relieve Company of Company's obligations under federal or state laws or regulations to retain records relating to the data contained in Provider's tape or disk files.

E. **Company agrees to hold Provider harmless against all claims made by Company or others resulting from Provider's reliance on information and data furnished by Company or resulting from activities Provider or its agents undertake at Company's request, or at the request of anyone Provider believes in good faith to be an authorized agent of Company including, without limitation, costs, reasonable attorneys' fees and expert witnesses' fees incurred in connection with such claims. Provider will have the right to disburse or withhold any sum which Provider is authorized to disburse or withhold. Company agrees that, except for actions required to correct Provider's errors, Provider will not be liable for any loss or damage caused by Provider's delay in furnishing services, products and/or equipment. Except as provided in Section 2 above, in no event will Provider's liability for any act or omission relating to the Service exceed the total charge for services provided for the six (6) month period immediately preceding such act or omission by the Provider. IN NO EVENT WILL PROVIDER HAVE LIABILITY FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE OR INDIRECT LOSS OR DAMAGES REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER THEORY OR FORM OF ACTION OR WHETHER PROVIDER KNEW OR SHOULD HAVE KNOWN OF THE LIKELIHOOD OF SUCH DAMAGES IN ANY CIRCUMSTANCES. COMPANY ACKNOWLEDGES THAT PROVIDER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.**

F. Except to the extent that Provider is liable under the terms and conditions in this Agreement, Company agrees to indemnify and hold Provider, its directors, officers, employees and agents harmless from all claims, demands, judgments and expenses arising out of or in any way connected with the performance of the Service.

G. This Agreement, the documents set forth in Section 1, the Fee Schedule, any user guides (online or otherwise) and any addendum to this Agreement (hereinafter called "Contract Documents") constitute the entire agreement between Provider and Company regarding the Service.

H. In the event of a dispute in connection with which either party to this Agreement employs counsel to pursue, protect or enforce any of the rights afforded that party by the terms hereof or by the terms of any related agreement or to defend against any claims of any other party hereto which arise out of this Agreement or any related agreement, in or out of court (including appellate courts), in arbitration, Bankruptcy cases and proceedings, or otherwise, the non-prevailing party in such dispute agrees to pay all attorneys' fees, expert witnesses' fees and costs actually incurred by the prevailing party in connection with such dispute and all such fees and costs actually incurred by the prevailing party in collecting or enforcing any settlement agreement, judgment, or arbitration award relating to such dispute.

I. Any person identified by Company in this Agreement or any certification, notice or other communication delivered to Provider may receive information, communications and notices regarding the Service, and is authorized to transact all business, make all agreements and sign and deliver all documents in connection with the Services. If the identity of such a person changes, Company will promptly notify Provider in writing. Provider will have a reasonable time after receipt of a certification, notice or other communication to act on it.

J. Provider may at any time use agents and/or independent contractors to process Entries or provide all or any other portion of the Service, and will be solely responsible for the acts and omissions of its agents and independent contractors. However, Provider will not be deemed to be the agent of, nor responsible for the acts or omissions of any other person, including without limitation any Federal Reserve Bank, ACH, Internet service provider or transmission or communications facility, any receiver or receiving depository financial institution (including without limitation the return of an Entry by such receiver or receiving depository financial institution), and no such person will be deemed Provider's agent.

K. Company will, at its own cost and expense, obtain, install and, at all times during its utilization of the Service, maintain in good working order all software, hardware and other equipment necessary for it to perform in accordance with this Agreement. In the event of any failure of such software, hardware or other equipment, Company will deliver to Provider all data which it would otherwise have provided that is necessary for Provider to perform Provider's obligations in connection with the Services.

L. Sections 2, 3, 4, 8(B), 8(F), 8(H), 8(I), 11(E), 11(F) and 11(L) will survive termination of the Service.

M. This Agreement shall be governed by the laws of the State of Illinois.

Company has caused this Agreement to be executed by its duly authorized officer or principal on the date written below .

Agreed To and Accepted By:

Additional Information Required:

Company

Current Total Company DDA (Checking) Balances

Signature (Company Principal)

Year Company was Established

Printed Name

Company Principal's Social Security #

Title (Owner, Officer, LLC Member, General Partner)
(Must also sign on bank account shown on page 1)

Company Principal's Time as Owner

Date Signed

Deposit Account Verification

Attn: Banker

Your customer has authorized you to confirm and supply information for their deposit account. Please confirm or correct the information below, fill in any blank spaces, sign and fax it back to Custom Payroll at 847-676-8346.

Name of Depositor (your company name)

Bank / Financial Institution

Address of Depositor (your company address)

ABA Routing Number for Bank

City State ZIP

Name of Bank Contact or Personal Banker

Account Number

Bank Phone Number

Authorized Signer (printed name)

Bank Fax Number

Account Authorization:

The above-mentioned financial institution is authorized to share and confirm the information set forth above regarding our firm's deposit account.

Signature

Title Date Signed

Printed Name

Bank Confirmation:

To be completed by authorized bank personnel only.

Year Account Was Open

Signature

Average Balance

Printed Name

Fax back to Custom Payroll at 847-676-8346

If you should have any questions, contact our credit department toll-free at 1-800-216-9522.

Title Date Signed

Office Use: AE _____