# GLOBAL MASTER SERVICES AGREEMENT

Effective Date: _____

As between:

**ADP, Inc.**                                   -and-    **[Client]**

(Referred to in this agreement as "ADP")          (Referred to in this agreement as "Client")
One ADP Boulevard                                 **[Client Address]**
Roseland, NJ 07068

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

- [ADP Services to be Added]

## Appendices

- Pricing and Financial Terms

**ADP, Inc.**                                   **[Client]**

_____      _____
Signature of Authorized Representative            Signature of Authorized Representative

_____      _____
Printed Name                                      Printed Name

_____      _____
Title                                             Title

_____      _____
Date                                              Date

# Global Master Terms and Conditions

1. **Definitions**

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

   <mark>1.1.1. **[ADP Services Definitions to be Added]**</mark>

   1.2. **General**

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

   1.2.2. **"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.

   1.2.3. **"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 action of an entity by means of ownership, contract or otherwise.

   1.2.4. **"Agreement"** means this Global Master Services Agreement, consisting of the signature pages, the Global Master Terms and Conditions, all exhibits, annexes, appendices and schedules, and each Amendment, if any.

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

   1.2.6. **"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 appendix.

   1.2.7. **"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.

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

   1.2.9. **"Client Content"** means all information and materials provided by Client, its agents or employees, regardless of form.

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

   1.2.11. **"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).

**1.2.12.** **"Confidential Information"** means all trade secrets, processes, proprietary data and documentation and any pricing and product information, Personal Information, 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.

**1.2.13.** **"Cost Reimbursement Fee"** means those amounts set forth in the Pricing and Financial Terms appendix 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.

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

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

**1.2.16.** **"Global Master Terms and Conditions"** means the terms and conditions contained in the main body of this document following the signature pages.

**1.2.17.** **"Go-Live Date"** means the date of commencement of the first "live" processing of a given Service.

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

**1.2.19.** **"Incident"** has the meaning set forth in Section 10.1.

**1.2.20.** **"Indemnitee"** has the meaning set forth in Section 6.3.

**1.2.21.** **"Indemnitor"** has the meaning set forth in Section 6.3.

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

**1.2.23.** **"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.

**1.2.24.** **"Internal Business Purposes"** means the usage of the Services solely 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, to any party outside the Client Group, unless expressly contemplated by this Agreement.

**1.2.25.** **"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 Wage Payment Services, Payee shall be limited to Client's employees and independent contractors, and (ii) WorkMarket, Payee shall be limited to independent contractors.

**1.2.26.** **"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.

**1.2.27.** **"Personal Information"** 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.

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

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

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

**1.2.31.** **"Tax Locator"** has the meaning set forth in Section **Error! Reference source not found.**.

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

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

**1.2.34.** **"User"** means any single natural person who, subject to the terms of this Agreement, is 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 is responsible for the accuracy and completeness of the Client Content provided to ADP.

**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 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 the implementation of the 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 Protection Laws.** Client represents that Personal Information transferred by Client or at Client's direction to ADP has been collected in accordance with applicable privacy laws, and ADP agrees that it shall only process the Personal Information as needed to perform the Services, or as required or permitted by law.

## 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'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'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. 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 appendix. 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 6.3 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**.  Subject to Sections 6.3 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 limit on monetary damages 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) or Section 9.3 (Data Security), 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 limit on monetary damages 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 6.2;

**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 10.2

**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, or (ii) 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 Section 7.5(ii) 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 Information) 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, ADP may suspend access to the Services to the extent ADP deems necessary to preserve the security of the Client's data.

## 10. Data Security Incident

**10.1.** **Notification**. If ADP becomes aware of a security breach (as defined in any applicable law) or any other event that compromises the security, confidentiality or integrity of Client's Personal Information (an "**Incident**"), ADP will take appropriate actions to contain, investigate and mitigate the Incident. ADP shall notify Client of an Incident as soon as reasonably possible and without undue delay.

**10.2.** **Other ADP Obligations**. In the event that an Incident 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 appendix.

## 12. Term; Termination; Suspension

**12.1.** **Initial Term**. This Agreement is effective upon the Effective Date and will remain in effect until the date set forth in the Pricing and Financial Terms Appendix (the **"Initial Term"**). After the Initial Term expires, this Agreement will automatically renew for additional one year periods (each a **"Renewal Term"**) unless terminated by either party upon at least 90 days prior written notice to the other party prior to the end of the Initial Term or Renewal Term, as applicable.

**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 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 appendix.

**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 appendix 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 terminated or suspended 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 terminated by ADP, Client understands that it will (x) 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 remains suspended for 30 days, the affected Payment Service 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 an Amendment, 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,

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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 appendix.

**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. [Additional Service-Specific Terms to be Added]**

## 15. Miscellaneous

**15.1. Amendment.** Except as set forth in the Change Control Procedures set forth in the Pricing and Financial Terms appendix, 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 New York 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 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 New York, New York.  The parties hereby irrevocably consent to the exclusive jurisdiction of the state and federal courts of New York, New York 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

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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 delivery, if sent via an internationally recognized overnight courier service with signature notification requested to Client at the address indicated on the signature page 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 4400 University Dr Ms 3c3, Fairfax, VA 22030, Attention: General Counsel.

**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.