



Date	Client #
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Payroll and Tax Processing Agreement

A. Client Information

Client Legal Name		Trade Name (DBA)	
Address, City, State, Zip Code			
()	()		
Telephone Number	Fax Number	E-Mail	Payroll Contact

B. Miscellaneous

Number of Checks per Payroll →		Pay Cycle →		W	BW	SM	M	Q	Other
✓ if Trust:		First Check Date →		/	/	First Input Date →		/	/
Please ✓ Input Type ↓				Please ✓ Entity Type ↓					
Call	E-Mail	Web		Corporation	Limited Liability Corporation (LLC)		Non Profit Organization		
Fax	Auto	PC		Partnership	Sole Proprietorship				
Tax Option * →				Full	Mini	Notice			

**By ✓ing the above "Tax Option", I understand section "I. Tax Filing Options" below.*

Tax Withholding Information:

Fed ID#		-								State Incorporated →	
State ID #		State		2 nd State ID #		State					
OR Applied for (Date):	/	/		OR Applied for (Date):	/	/					
State Unemployment #		State		2 nd State Unemployment #		State					
SUI Total Rate:	% Exempt		Y N	SUI Total Rate:	% Exempt		Y N				
OR Applied for (Date):	/	/		OR Applied for (Date):	/	/					

C. Signature

The Additional Terms and Conditions below and on the reverse side of this agreement are part of the agreement and are incorporated herein by reference. This agreement shall not become effective unless signed by an authorized representative of Flex-Pay Business Services (FPBS) and client.

_____ Authorized (Client Signature)	_____ Authorized (Client Signature)
_____ Print Name	_____ Print Name
_____ Witnessed By (Flex-Pay Signature)	

D. Additional Terms and Conditions

1. **Tax Filing Options: (Full)** Client agrees FPBS will act as the tax filing agent where required for IRS deposits, filings and correspondences on client's behalf as it relates to payroll tax filings. *Client understands that FPBS will not be responsible for penalties or interest due to missing, inaccurate, or incomplete information. Client further understands that FPBS is not responsible for taxes with respect to wages paid prior to our service.* **(Mini)** Checks & Notices – FPBS will provide client Basic Tax Deposit Notices and corresponding Tax Checks. **(Notice)** Basic Notices Only – FPBS will provide client Basic Tax Deposit Notices only. **The following applies to Mini or Notice:** *All Deposit notices and/or payment checks are generated based on the next anticipated processing date as indicated in Item B Pay Cycle. Should a client process a payroll or additional check earlier than the stated processing frequency, FPBS shall not be liable for the accuracy or timeliness of such notices or checks and no special or consequential damages recovered or other damages as provided herein. Payroll tax returns are prepared based on the assumption that checks are made available to employees according to check date. Client assumes responsibility for making timely deposits, including but not limited to "next day deposits" without regard to delivery date and receipt of the payroll.*

D. Additional Terms and Conditions (continued)

2. This agreement may be considered as an application for credit and authorizes FPBS to investigate the credit of the client or its principles, including vendor references, bank account status, and history.
3. Client hereby authorizes client's bank to pay and charge client's account for charges drawn on client's account and payable to the order of FPBS. Client agrees that client's bank's rights in respect to each charge shall be the same as if it were drawn on it, and signed personally by or on behalf of client. This authority is to remain in effect until revoked by client in writing, and until bank receives such notice, agrees that bank shall be fully protected in honoring these charges. Further agree that if any such charge is dishonored, whether with or without cause and whether intentionally or inadvertently, bank shall have no liability whatsoever.
4. Client authorizes FPBS to file original powers of attorney or renewals with payroll taxing authorities utilizing client's signature on file. FPBS agrees to provide services under this agreement in accordance with industry standards. Client agrees to remain responsible for any obligation imposed on Client by law to maintain records regarding clients' business or employees. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THERE ARE NO WARRANTIES EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
5. FPBS agrees to hold in confidence all information relating to client's assets, liabilities, business or affairs which is received by FPBS in the course of rendering service except as provided by law.
6. Client agrees to pay FPBS fees which will be charged to client's account and which are subject to change, in FPBS's sole discretion, on written notice. Bills will be drafted when payroll is processed. FPBS reserves the right to withhold any or all work in process or records in its possession in the event of default of payment. As additional consideration for performance of services under this agreement, the parties understand that FPBS has the use of funds held by FPBS in a separate escrow or custodial account pending final payment of items to employees, taxing authorities or others.
7. Delivery and processing schedules will be as determined by the parties from time to time. Courier and/or mail charges will be charged to client as incurred.
8. Banking services are provided in accordance with the limitations and restrictions of NACHA – the National Automated Clearing House Association. Client agrees to authorize the direct debit of an account by FPBS through ACH and to maintain sufficient funds in the account to cover all amounts due to or payable by FPBS under this Agreement and that sufficient funds will be on deposit and immediately available at least one (1) day prior to anticipated payment dates. FPBS will transfer such funds from client's account to a separate escrow or custodial account maintained by FPBS for the purpose of making all payments hereunder including, without limitation, fees due to FPBS, tax payments, employee paychecks and direct deposits.
9. To secure any obligations and the payment of sums hereafter owed by client to FPBS, client grants FPBS the right of set-off, and a security interest under the Uniform Commercial Code in any funds of client which may now or hereafter be deposited into an escrow or custodial account used by FPBS for the purpose of payment of taxes, payrolls, fees due FPBS or other payments under this Agreement.
10. FPBS shall use due care in processing client work, but shall be responsible only to the extent of correcting errors which are due to the negligence of FPBS's employees, operations or programmers. In any event, FPBS liability with respect to this Agreement is limited to the remittance to appropriate payees of funds held on behalf of the client or other correction of any error due to its own negligence, and FPBS shall not be responsible for any direct, indirect, incidental, special, punitive or consequential damages, loss of profits or other economic loss. FPBS shall not be liable for failure to provide the services herein if due to causes or conditions beyond its control. Client agrees to provide complete, accurate and timely information as necessary to the performance by FPBS of services under this agreement and to verify or correct such information as appropriate, on a timely basis. If the data submitted by the client for processing is incorrect, incomplete or not in proper form, then the client agrees to pay FPBS its standard rate then in effect for any additional work performed to correct such data for processing.
11. Client agrees to indemnify FPBS and to hold FPBS harmless from all loss, damages and expenses (including reasonable attorney fees) in connection with any claim which may arise out of or as a result of this agreement or the performance of FPBS, including, without limitation, any claim arising out of the use of information furnished by client. FPBS accepts both responsibility and liability for the timely payment and report of client payroll taxes but only based on information provided by the client and only to the extent of available funds in client account. If solely on account of error or omission on the part of FPBS with respect to timely payment from escrowed funds, client incurs a penalty or interest charge, then FPBS will pay whatever penalties and interest that result from the error. However, FPBS does not assume liability for the improper payment of taxes due to incorrect claims of tax exemptions, deposit frequency, tax identification number(s) or rate(s), or deductions by the clients or its employees. Client's failure to comply with the terms of this agreement terminate this contract, at the election of FPBS, and releases FPBS of liability for its performance under this Agreement, and client will immediately become solely responsible for any tax or wage payments, penalties or claims.

The accuracy and the integrity of the service FPBS can provide is limited by the nature of information the client provides. Therefore, FPBS cannot be held liable for client errors, wage and hour violations, sex discrimination, or other employment policies, which may violate the law. It is the client's obligation to check the payroll and related documents for accuracy immediately. FPBS's responsibility to perform services under this Agreement will also automatically terminate should client funds be insufficient or otherwise to cover the net payroll, direct deposits, related taxes, and processing fees.
12. All specifications, reports, and programs utilized or developed by FPBS in connection with the Agreement (except those furnished by client) are and shall remain the sole property of FPBS, and the Client agrees to respect the confidentiality and proprietary nature of all such information.
13. This Agreement shall be governed by the laws of the State of North Carolina and constitutes the entire Agreement between the parties and supersedes any prior agreement. The Agreement may be amended only in writing signed by both parties.
14. This Agreement may be terminated by either party with 90 days written notice. This Agreement may be terminated with cause immediately upon written notice to the other party.