

Dedicated Payroll Solutions, Inc.

## PAYROLL AND TAX IMPOUNDING AGREEMENT

Dedicated Payroll Solutions, Inc. (hereafter referred to as "DPS"), and

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(hereafter referred to as "Client") agree to the following: Client shall provide DPS with complete and accurate payroll data no later than 4:00pm three (3) business days prior to payroll check date (ex. Client must provide payroll data to DPS by 4pm est. on Tuesday for a check date of Friday). Client shall also provide in a timely manner copies of all correspondence received from Federal, State or Local tax authorities with respect to any tax or tax filing made by DPS. Client authorizes DPS to have Limited Power of Attorney to deposit payroll taxes; prepare, sign and file all applicable payroll tax returns; receive copies of tax authority correspondence. Client also authorizes DPS to enter into an ACH agreement with Intercept EFT, or a successor designated by DPS in order to facilitate the transfer of payroll tax funds, the disbursement of fees and the net payroll amount for all direct deposits. Client further authorizes DPS to apply to tax authorities for refunds or transfers to DPS of funds advanced on behalf of client and appoints DPS as its agent for said purpose. DPS takes full liability and responsibility for making all tax deposits on time and in full.

Client's bank account shall be debited for the total tax liability, the total of direct deposits, DPS's fees and any other pre-authorized amounts on or before each payroll check date. Such impound shall be in the form of an electronic funds transfer or wire transfer at the discretion of DPS. All impounded funds shall be held in a DPS account designated for such purpose until disbursed as required.

Client acknowledges and agrees that any amounts earned on impounded funds between the date of impound and the date said funds are disbursed shall be for the sole benefit of and is the sole property of DPS. For services rendered herein, Client shall pay DPS its current schedule of fees, which has been provided to Client. Client acknowledges and agrees that DPS may commingle Client funds with other client funds in accounts maintained for this purpose.

Client agrees to have appropriate funds available for impound three (3) days prior to payroll check date. If funds are not available or if Client's bank does not honor an electronic funds transfer or wire transfer for any reason, DPS shall not be responsible for penalties or interest assessed for late tax deposits or failure to make tax deposits.

If DPS terminates this agreement because of Client's failure to comply with the terms hereof, DPS shall not be responsible for making any payroll tax deposits, filing any tax returns, or for not giving notice thereof. Client shall be responsible for all fees, costs and expenses, including, but not limited to, penalties and interest, legal fees and court costs that arise from collection of funds paid on Client's behalf for which DPS did not receive timely payment from Client. DPS shall not be responsible for penalties and interest assessed for late filing of tax deposits or monthly/quarterly/annual tax returns if such funds or payroll data are not received in a timely manner or if Client has not provided DPS with all tax authority notices, tax deposit coupons, filing forms, unemployment rates, deposit frequency change notices, or other necessary correspondence.

Client agrees that upon the reconciliation of Client's tax account with DPS, any funds due to DPS for fees, check or electronic rejection charges, expenses, collection or legal fees and all other costs necessary to render DPS whole, shall be debited from Client's account.

DPS shall be responsible for any penalties or interest assessed by Federal, State or Local tax authorities provided that complete and accurate payroll data and adequate funds were properly and timely provided to DPS by Client. DPS shall have adequate opportunity to contest the assessment of any such penalties and interest with assessing tax authority. DPS shall not be liable for any consequential damages resulting from Client having insufficient funds when DPS attempts to impound said taxes.

Except as otherwise stated herein, either party may terminate this agreement by giving seven (7) days written notice of such termination. DPS shall not be responsible for filing of prior tax returns, depositing any and all previously withheld and or undeposited payroll taxes, until and unless specifically retained for such purpose.

This agreement shall commence upon acceptance by DPS and continue until terminated by either party as provided herein. The parties agree that this agreement shall be construed in accordance the Laws of the State of Rhode Island and that any legal actions between the parties may only be brought in the State of Rhode Island.

By:

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Client Signature and Title

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Date

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Dedicated Payroll Solutions, Inc.

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Date