BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

○ Award ◉ Contract ○ Grant

Requested Board Meeting Date: June 22, 2021

** = Mandatory, information must be provided*

or Procurement Director Award ☐

***Contractor/Vendor Name/Grantor (DBA):**
Automatic Data Processing Inc. dba ADP, LLC

***Project Title/Description:**
HR/Payroll, Benefits, eTime Management

***Purpose:**
Amendment of Award: Master Agreement No. MA-PO-13-202, Amendment No. 08. This Amendment extends the termination date to 06/21/2024; removes one (1) one-year renewal; increases the contract amount by $6,000,000.00 (including sales tax) for a contract not-to-exceed amount of $21,966,654.00; changes the contractor's legal name from Automatic Data Processing Inc. dba ADP, LLC. to ADP, Inc.; replaces Annex O - ADP Time and Attendance Services in its entirety with Annex O (ADP Time and Attendance Services); adds the services in Annexes K, W-2, X, and GG, with the Pricing and Financial Terms Appendix; adds the Data Privacy Appendix; replaces Annex Z in its entirety with the Pricing and Financial Terms Appendix. Administering Department: Human Resources.

***Procurement Method:**
Pursuant to Pima County Procurement Code 11.24.010, Cooperative procurement authorized, on July 02, 2013, the Board of Supervisors approved an award of contract effective 07/02/2013 to 07/01/2018 and an award amount of $11,975,501.00.

On August 17, 2015, the Board of Supervisors approved Amendment No. 01, which decreased the contract not-to-exceed amount by $108,847.00 for a revised contract not-to-exceed amount of $11,866,654.00. This Amendment discontinued Benefits Call Center Services and Dependent Verification Services; modified ADP Self Service rate from "Per Employee" to "Per Month"; and decreased unit prices for Health & Welfare Services/Core Offering.

On October 18, 2016, the Board of Supervisors approved Amendment No. 02, which increased Unit Prices by 1% for payroll/hosting services, time/labor management and eTime.

On March 07, 2017, the Board of Supervisors approved Amendment No. 03, which increased the unit price for the Health & Welfare Services/Core Offering by 2.1% from $4.41 to $4.50, as allowed by the contract.

On April 18, 2017, the Board of Supervisors approved Amendment No. 04, which extended the termination date to 11/01/9; modified the fee written notices from 30 to 60 days; and replace Annex Z, Section 5.4 in its entirety to document the fee changes as approved in the previous amendment.

On August 21, 2017, the Board of Supervisors approved Amendment No. 05, which changed the contractor's legal name from ADP, Inc. to Automatic Data Processing, Inc. dba ADP, LLC. and replaced Annex Z, Section 5.4 to reflect an increase of 2.2%.

On August 07, 2018, the Board of Supervisors approved Amendment No. 06, which replaced Annex Z, Section 5.4 in its entirety with Annex Z, Section 5.4.1, which increased the Ongoing Service Fees by 2.5%.

On July 02, 2019, the Board of Supervisors approved Amendment No. 07, which extended the termination date to 11/01/2021; added three (3) one-year renewal options; replaced sections of Annex Z, upgraded ADP eTime to Version 8; added ADP Health Compliance Services; allowed for one mass salary update at no charge, and increased the contract amount by $4,100,000.00 for a cumulative not-to-exceed contract amount of $15,966,654.00.

The current version of ADP's enterprise software is scheduled to be sunset by 06/30/2023. This amendment is to upgrade and implement to ADP's Enterprise Platform.

PRCUID: 68249

Attachment: Contract Amendment No. 08.

***Program Goals/Predicted Outcomes:**
Maintain current level of benefit coverage for County employees.

***Public Benefit:**
Maintain the electronic HR and Payroll systems.

***Metrics Available to Measure Performance:**
System availability with minimal downtime.

***Retroactive:**
No.

To: COB 6/17/21
Pgs: 41
Vrs: 30

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e.,15-123): 13-202

Commencement Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

☐ **Expense Amount: $*** _____ ☐ Revenue Amount: $ _____

***Funding Source(s) required:**

_____

Funding from General Fund? ○ Yes ○ No If Yes $ _____ % _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? ☐ Yes ☐ No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☐ No

If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: MA Department Code: PO Contract Number (i.e.,15-123): 13-202

Amendment No.: 08 AMS Version No.: 30

Commencement Date: 06/22/2021 New Termination Date: 06/21/2024

Prior Contract No. (Synergen/CMS): _____

◉ Expense or ○ Revenue ◉ Increase ○ Decrease Amount This Amendment: $ 6,000,000.00

Is there revenue included? ○ Yes ◉ No If Yes $ _____

***Funding Source(s) required:** General Fund

_____

Funding from General Fund? ◉ Yes ○ No If Yes $ _____ % 100

Grant/Amendment Information (for grants acceptance and awards) ○ Award ○ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e.,15-123): _____

Commencement Date: _____ Termination Date: _____ Amendment Number: _____

☐ Match Amount: $ _____ ☐ Revenue Amount: $ _____

***All Funding Source(s) required:**

_____

***Match funding from General Fund?** ○ Yes ○ No **If Yes $** _____ **%** _____

***Match funding from other sources?** ○ Yes ○ No **If Yes $** _____ **%** _____

***Funding Source:** _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** _____

Contact: Troy McMaster, Procurement Officer Troy McMaster Digitally signed by Troy McMaster DN: cn=Troy McMaster, o=Pima County, ou=Procurement Department, email=troy.mcmaster@pima.gov, c=US Date: 2021.06.15 15:18:43 -07'00' Ana Wilber Digitally signed by Ana Wilber Date: 2021.06.15 16:25:51 -07'00'

Department: Procurement Terri Spencer Digitally signed by Terri Spencer Date: 2021.06.15 17:20:38 -07'00' Telephone: 520.724.8728

Department Director Signature/Date: 6/16/2021

Deputy County Administrator Signature/Date: 6/17/2021

County Administrator Signature/Date: 6/17/21

(Required for Board Agenda/Addendum Items)

CONTRACT
NO. 13-202
AMENDMENT NO. 08
This number must appear on all invoices, correspondence and documents pertaining to this contract.

EIGHTH AMENDMENT

TO

MASTER SERVICES AGREEMENT

BETWEEN

ADP, INC.

AND

PIMA COUNTY, ARIZONA

This Eighth Amendment (the "Eighth Amendment"), made as of ("Eighth Amendment Effective Date") between ADP, Inc. ("ADP") and Pima County, Arizona ("Client" or "County") contains changes, modifications, revisions and additions to the terms and conditions of the Master Services Agreement dated July 2, 2013, as amended (the "Agreement"), between Client and ADP.

Now, therefore, in consideration of the mutual covenants contained in the Agreement and herein, and for other good and valuable consideration, ADP and Client hereby agree as follows:

1. Name Change. ADP has legally changed its corporate name from "ADP, LLC" to "ADP, Inc." All references to "ADP, LLC" are hereby replaced with "ADP, Inc." throughout the Agreement and for all purposes under the Agreement.

2. Annex O – ADP Time and Attendance Services. As of the Eighth Amendment Effective Date, Annex O (Time and Labor Management Services) of the Agreement is deleted in its entirety and replaced with Annex O (ADP Time and Attendance Services) attached hereto and incorporated herein by reference. All references in the Agreement to 'Time and Labor Management Services' shall be deemed references to 'ADP Time and Attendance Services.'

3. Additional Services. As of the Eighth Amendment Effective Date, in addition to the Services provided by ADP under the Agreement, ADP is authorized to provide to Client and Client is authorized to receive from ADP, Benefit Services, ADP Wage Garnishment Payment Services, ADP Health Compliance and Employment Verification Services (collectively, the "Additional Services" or "Ongoing Services") in accordance with the terms and conditions set forth in Annex K, Annex W-2, Annex X and Annex GG, respectively, and the Pricing and Financial Terms Appendix, each attached hereto and incorporated herein and into the Agreement by reference.

4. Data Privacy Appendix. As of the Eighth Amendment Effective Date, the Data Privacy Appendix attached hereto is incorporated herein and into the Agreement by reference.

5. Updated Pricing. As of the Eighth Amendment Effective Date, Annex Z, as amended, of the Agreement is deleted in its entirety and replaced with the Pricing and Financial Terms Appendix attached hereto. All references in the Agreement to 'Annex Z' will be deemed a reference to the Pricing and Financial Terms Appendix.

6. Implementation/Migration Activities. The parties will use good faith efforts to finalize an implementation plan for the Client's migration from EPS to Ev6 within 90 days of the Eighth Amendment Effective Date. Additionally, in connection with Client's migration from EPS to Ev6, ADP shall:

a. modify or rewrite the ADP GL system for outbound file / integration to Client's current enterprise resource planning ("ERP") system (CGI Advantage version 3.10.0);

b. provide Client with database access to all of Client's HR, Payroll, Benefits, TLM, and all other related data;

c. ensure that Client can extract all necessary data so that Client may load the data into a Client data warehouse;

d. provide Client access to all of Client's data so that Client may make a final copy of the Client's data when the Agreement terminates.; and

e. provide Client with API access to at least the following Enterprise HR domains of data: Worker Management, General Deduction, Organization Jobs, Company Properties, Payroll Output, Worker Hire, Worker Remuneration, Organization Positions, Worker Custom Fields, State & Federal Tax Withholding, Payroll Data Input, Garnishment Deductions, Corporate Contacts, Worker Termination, Disciplinary Actions, Applicant Onboarding, Benefits and Time Keeping. ADP will also provide Client with API access as ADP progressively increases the APIs available to Client.

7. Implementation Discount for Conversion to New ERP System. Client is currently in the process of issuing a request for proposal for a new Enterprise Resource Planning (ERP) system. As part of implementation of the new ERP system, ADP will provide client with up to 500 hours of GL work at no charge, with any additional hours billed at 50% off ADP's then current rates. The aforementioned work is only for Client's one-time conversion to the new ERP system.

8. General Provisions; Effect of Eighth Amendment. This Eighth Amendment may be executed in multiple original copies, identically worded, and each such executed copy constitutes an original. Facsimile signatures, electronic signatures in connection with the electronic signature delivery system utilized by ADP and signatures transferred in .pdf or a similar format for scanned copies of documents are original signatures for all purposes of this Eighth Amendment and the Agreement. All other terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Eighth Amendment and the terms and conditions of the Agreement, this Eighth Amendment shall prevail. The terms defined in the Agreement and used in this Eighth Amendment shall have the same respective meanings as set forth in the Agreement, unless clearly otherwise defined in this Eighth Amendment.

Signature Page to Follow

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Amendment to be duly executed by its authorized representatives as of the date written below, to be effective as of the Eighth Amendment Effective Date.

PIMA COUNTY

Chairman, Board of Supervisors

Date

ATTEST

Clerk of the Board

Date

APPROVED AS TO FORM

Deputy County Attorney

6/16/2021

Date

ADP, INC

Authorized Officer Signature

Jimmy Adams SVP, HCM Services

Printed Name and Title

06/17/2021

Date

ANNEX K

Benefit Services

Client desires to receive and ADP agrees to provide the Benefit Services to Client in addition to those already provided under the Agreement.

1. **Definitions.** Unless a capitalized term used herein is defined herein, it shall have the same meaning ascribed to that term in the Agreement.

   1.1. **"Client Benefits Liaison"** has the meaning set forth in Section 3.1.

   1.2. **"ERISA"** means Employee Retirement Income Security Act of 1974, as amended.

   1.3. **"Plan"** means Client's Plan, including a group health plan, as identified by Client for the applicable Services.

   1.4. **"Plan Administrator"** means the appropriate plan administrator as defined in Section 3(16)(A) of ERISA and Section 414(g) of the Internal Revenue Code of 1986, as amended.

2. **Service Summaries.** Benefit-related services, which may include the following, to the extent the same are included in the Pricing Appendix attached to this Amendment:

   2.1. **ADP Benefits Administration Services.** Administration of employee benefits, including the following to the extent in scope: calculating eligibility, managing the annual enrollment process, facilitating online enrollment and changes, calculating payroll deductions, providing data to carriers, and with licensed brokers as applicable, supporting employer-sponsored private exchange offerings and/or employer supplemental benefits.

   2.2. **Participant Solution Center Support.** Management of participant benefits-related inquiries through ADP service center locations.

   2.3. **ADP Dependent Verification Services.** One-time and/or ongoing dependent audit services to help verify that only eligible dependents are enrolled in company-sponsored benefits.

   2.4. **ADP Total Absence Management Services.** Services to help facilitate consistent and compliant application of leave policy.

   2.5. **ADP Total Compensation Statements.** Online or hard copy summary of the value of each employee's total compensation package.

   2.6. **ADP Employee Communication Services.** Design, development and production of online and/or printed materials to support employee benefit communication efforts.

3. **Additional Terms.** The following additional terms and conditions apply to the Benefit Services:

   3.1. **Benefits Liaison.** Client shall designate in writing to ADP one or more contacts for the Benefit Services **("Client Benefits Liaison")**, and such Client Benefits Liaison shall have the authority to (i) provide information, instructions and direction on behalf of the Client, each Plan Administrator and, if applicable, each "fiduciary" as defined in Section 3(21) of ERISA) of each separate Plan, and (ii) grant or provide approvals (other than Amendments) required or permitted under the Agreement in connection with the Benefit Services.

   3.2. **Compliance of Benefit Plans.** Client shall furnish to ADP all necessary information and data for each Plan. Client shall be responsible for the final preparation, approval and submission of Plans and related amendments to applicable governmental authorities. Client is responsible for, and shall take measures required under state and federal law to assure the qualification and compliance of the Plans with such laws.

3.3. Disclaimer. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE SCOPE OF SERVICES, CLIENT EXPRESSLY ACKNOWLEDGES THAT ADP IS NOT THE "ADMINISTRATOR" OR "PLAN ADMINISTRATOR" AS DEFINED IN SECTION 3(16)(A) OF ERISA AND SECTION 414(g) OF THE CODE, RESPECTIVELY, NOR IS ADP A "FIDUCIARY" WITHIN THE MEANING OF ERISA SECTION 3(21), NOR IS ADP A "HEALTH CARE CLEARINGHOUSE" WITHIN THE MEANING OF SECTION 1171 OF THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996, AS AMENDED ("HIPAA") AND CLIENT SHALL NOT REQUEST OR OTHERWISE REQUIRE ADP TO ACT AS SUCH. ADP SHALL NOT EXERCISE ANY DISCRETIONARY AUTHORITY OR DISCRETIONARY CONTROL RESPECTING MANAGEMENT OF ANY PLAN OR MANAGEMENT OR DISPOSITION OF ANY PLAN ASSETS. ADP SHALL NOT RENDER INVESTMENT ADVICE FOR A FEE OR OTHER COMPENSATION, DIRECT OR INDIRECT, WITH RESPECT TO ANY MONIES OR OTHER PROPERTY OF ANY PLAN, NOR DOES ADP HAVE ANY AUTHORITY OR RESPONSIBILITY TO DO SO. ADP HAS NO DISCRETIONARY AUTHORITY OR DISCRETIONARY RESPONSIBILITY IN THE ADMINISTRATION OF THE PLAN(S).

ANNEX O

ADP Time & Attendance Services

Client desires to receive and ADP agrees to provide the ADP Time & Attendance Services to Client in addition to those already provided under the Agreement.

1. **Definitions**. Unless a capitalized term used herein is defined herein, it shall have the same meaning ascribed that term in the Agreement.

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

   1.3. **"Client Group"** means Client and (if applicable) Client's Affiliates listed in Pricing and Financial Terms who are authorized to receive the Services.

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

   1.5. **"Improvements"** has the meaning set forth in Section 3.4.

   1.6. **"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.

   1.7. **"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.

   1.8. **"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. **Service Summary.**

   2.1. **ADP Time & Attendance Services.** Administration of time-related services, including time data collection, employee scheduling, timecard reviews and approvals, consistent application of time-related policies and, if Client is receiving Direct Database Access, access to your application production database via a secure, ADP-managed VPN connection (Direct Database Access). Additional options include solutions to assist with more advanced scheduling management, absence management, and activity tracking.

3. **Intellectual Property**

   3.1. **Client IP Rights.** Except for the rights expressly granted to ADP in the 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.

3.2. ADP IP Rights. Except for the rights expressly granted to Client in the 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 and solely up to the maximum number of Users (if any). 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.

3.3. 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.

3.4. 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 3.4 shall be considered part of the ADP Application Programs.

3.5. Third Party Software. Notwithstanding Sections 3.1 through 3.4, ADP Time & Attendance shall be subject to the additional licensing or access terms set forth at www.adp.com/tlmterms.aspx.

4. Additional Terms. The following additional terms apply to the ADP Time & Attendance Services:

4.1. Time & Attendance Hardware. The following applies only if Client is receiving Time & Attendance Hardware.

4.1.1. "Time & Attendance Hardware" means timeclocks and other time collection devices provided to Client by ADP in connection with the ADP Time & Attendance Services. Hardware may be purchased or provided on a subscription basis.

4.1.2. If Client procures Time & Attendance Hardware, then Client shall provide and maintain an installation environment (including all power, wiring and cabling required for installation) as specified in the manufacturer's product documentation and other written instructions provided to Client by ADP.

4.1.3. If Time & Attendance Hardware is provided to Client on a subscription basis, then Client shall not make any alterations or attach any devices thereto that are not provided by ADP, nor shall Client remove same from the place of original installation without ADP's prior consent. All right and title in the Time & Attendance Hardware procured on a subscription basis is, and at all times shall remain, that of ADP and a separate item of personal property of ADP, notwithstanding its attachment to other items or real property, and promptly upon termination of the ADP Time & Attendance Services, for any reason whatsoever, Client shall, at its expense, return such Time & Attendance Hardware in good condition, in accordance with ADP's instructions, normal wear and tear excepted. If such Time & Attendance Hardware is not promptly returned, Client agrees to purchase same at fair market value.

4.2. Biometric Services. Biometric Services are optional. In certain jurisdictions, there are laws and regulations that govern the collection, use, and retention of biometric information, which potentially may apply to Client's use of Biometric Services. To the extent Client elects to use Biometric Services, Client agrees to comply with all such potentially applicable laws and regulations in accordance with this section. In the event Client is unwilling to comply with laws and regulations potentially applicable to Biometric Services. Client will be able to continue to use Time & Attendance Services without Biometric Services. The following terms and conditions apply to Biometric Services to the extent Biometric Services are part of the scope of Services:

4.2.1. **"Biometric Data"** includes the information collected by timeclocks and software that use finger and/or hand scan technology, which potentially may include Biometric Identifiers and Biometric Information.

4.2.2. **"Biometric Identifier"** means a retina or iris scan, fingerprint, voiceprint, or scan of hand or face geometry.

4.2.3. **"Biometric Information"** means any information, regardless of how it is captured, converted, stored, or shared, based on an individual's biometric identifier used to identify an individual.

4.2.4. **"Biometric Services"** means services provided by ADP to Client via the use of timeclocks and software in connection with ADP's provision of Time & Attendance Services, to the extent such timeclocks or software collect, store or use Biometric Data.

4.2.5. **"Biometric User"** means Client's employees or independent contractors who use Biometric Services to record their attendance, hours worked or other work-related data.

4.2.6. If ADP determines that Client has failed to comply with any potentially applicable laws and regulations applicable to the Biometric Services, ADP may, in its sole discretion and upon notice to Client, immediately suspend or terminate the Biometric Services.

4.2.7. **Requirements for Receipt of Biometric Services.** Before any Client or Biometric User is permitted to use any Biometric Services in a jurisdiction where laws and regulations potentially govern such use, Client will comply with the following requirements, in addition to any other requirements imposed by potentially applicable law (to the extent there is a conflict between the requirements below and the requirements of potentially applicable law, Client will comply with potentially applicable law):

4.2.7.1. **Client Biometric Information Policy.** Client will implement, distribute and make available to the public, a written policy establishing Client's policy with respect to the use of Biometric Data. Such policy will include:

4.2.7.1.1. a retention schedule and guidelines for permanently destroying Biometric Data;

4.2.7.1.2. a commitment to destroy Biometric Data when the initial purpose for collecting or obtaining such Biometric Data has been satisfied or within 3 years of the individual's last interaction with Client, whichever occurs first; and

4.2.7.1.3. any additional requirements as required by potentially applicable law.

4.2.7.2. **Biometric User Notice Consent.** Client will provide notice to and procure and retain appropriate consents or release from Biometric Users in the manner and to extent the same are required by potentially applicable law, including:

4.2.7.2.1. notifying Biometric Users in writing that Client, its vendors, and/or the licensor of Client's time and attendance software are collecting, capturing, or

otherwise obtaining Biometric Users' Biometric Data, and that Client is providing such Biometric Data to its vendors and the licensor of Client's time and attendance software; such notice will specify the purpose and length of time for which Biometric User's Biometric Data is being collected, stored, and used;

4.2.7.2.2. obtaining a written release or consent from Biometric Users (or their legally authorized representative) authorizing Client, its vendors, and licensor of Client's time and attendance software to collect, store, and use the individual's Biometric Data for the specific purpose disclosed by Client, and authorizing Client to provide such Biometric Data to its vendors and the licensor of Client's time and attendance software; and

4.2.7.2.3. if requested by ADP, providing to ADP copies of the required consents or releases collected and retained by Client, and/or certifying to ADP that such consents or releases have been obtained.

4.2.7.3. Retention and Purging of Biometric Data. Client will work with ADP to ensure that Biometric Data is retained and purged in accordance with potentially applicable law. To the extent necessary for the purging or deletion of such Biometric Data, Client agrees to provide timely notification to ADP of the termination of the employment, or the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User. ADP is not responsible for Client's failure to provide timely notification of the termination of the employment, or the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User.

4.2.7.4. Storage of Biometric Data in Timeclocks. Client agrees that it shall use a reasonable standard of care consistent with potentially applicable law to store, transmit and protect from disclosure any Biometric Data. Such storage, transmission, and protection from disclosure shall be performed in a manner that is the same as or more protective than the manner in which Client stores, transmits and protects from disclosure other confidential and sensitive information, including personal information that can be used to uniquely identify an individual or an individual's account or property, such as genetic markers, genetic testing information, account numbers, PINs, driver's license numbers and social security numbers.

4.2.8. Third Party Beneficiary. Notwithstanding anything to the contrary in the Agreement, Client agrees that ADP and licensor of any applicable Biometric Services (and their respective successors and assigns) are third party beneficiaries of this Agreement solely as it relates to Biometric Services.

ANNEX W-2

ADP Wage Garnishment Payment Services

Client desires to receive and ADP agrees to provide the ADP Wage Garnishment Payment Services to Client in addition to those already provided under the Agreement.

1. **Definitions.** Unless a capitalized term used herein is defined herein, it shall have the same meaning ascribed to that term in the Agreement.

   1.1. **"ADPCheck"** means checks printed and distributed by ADP to Payees pursuant to Client's direction.

   1.2. **"NACHA"** means the National Automated Clearing House Association.

   1.3. **"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 ADP Wage Payment Services, Payee shall be limited to Client's employees and independent contractors.

   1.4. **"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.

2. **Service Summary.**

   2.1. **Wage Garnishment Payment Services.** Garnishment payment processing and disbursement of payments to appropriate payees as directed by client.

3. **Additional Terms.** The following additional terms and conditions apply to the ADP Wage Garnishment Payment Services:

   3.1. **Description of Services.** ADP will act solely in the capacity of a third party service provider of payment processing.

   3.2. **Client's Use of Services.** Client agrees not to distribute any ADPChecks to Payees in a manner that would allow Payees to access the associated funds before pay date.

   3.3. **Payment Services.** The following Payment Services terms apply to the ADP Wage Garnishment Payment Services.

      3.3.1. **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 Pricing and Financial Terms Appendix as it relates to the applicable Payment Services, or (ii) if Client breaches any rules promulgated by the National Automated Clearing House Association as it relates to ADP conducting ACH 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 this Section, 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, 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.

3.3.2. Client Credentialing. Client understands and acknowledges that the implementation and ongoing provision of Payment Services are conditioned upon Client passing (and continuing to pass) a credentialing process that ADP may deem necessary in connection with the provision of Payment Services.

3.3.3. Additional Requirements. Payment Services may be subject to the rules and standards of any applicable clearing house, payment and/or card networks or associations. Client and ADP each agree to comply with all such rules and standards applicable to it with respect to the Payment Services.

3.3.4. Funding Obligations. Client acknowledges that ADP is not a lender. As such, as a condition to receiving services, Client will remit or otherwise make available to ADP sufficient, good and available funds within the agreed-to deadline and via the agreed-to method of delivery to satisfy all of Client's third-party payment obligations covered by the Agreement. ADP will apply such funds to satisfy such third-party payment obligations. ADP will not be required to provide Payment Services if ADP has not received all funds required to satisfy Client's third-party payment obligations. Client will immediately notify ADP if it knows or should know that it will not have sufficient funds to satisfy the amounts required in connection with the Payment Services. If Client has a material adverse change in its condition, ADP may modify the funding method or deadline by which funds must be made available to ADP for payment to Payees. Client agrees to pay to ADP upon demand any amounts that have been paid by ADP to satisfy Client's third party payment obligations prior to receiving such amounts from Client.

3.3.5. Investment Proceeds; Commingling of Client Funds. IF ADP RECEIVES CLIENT'S FUNDS IN ADVANCE OF THE TIME ADP IS REQUIRED TO PAY SUCH FUNDS TO THIRD PARTIES, ALL AMOUNTS EARNED ON SUCH FUNDS, IF ANY, WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP. ADP may commingle Client's funds with similar funds from other clients and with similar ADP and ADP-administered funds. ADP utilizes a funds control system that maintains general ledger entries by client and/or by jurisdiction.

3.3.6. Recovery of Funds; Stop Payment Requests. Client agrees to cooperate with ADP and any other third parties to recover funds erroneously issued or transferred to any Payee or credited to any Payee's account. If Client desires to stop payment on any check or to recall or reverse any electronic payment, Client will provide ADP with a stop payment request in the form required by ADP. Client acknowledges that ADP's placement of a stop order request is not a guarantee that such stop payment will occur.

ANNEX X

ADP Health Compliance

Client desires to receive and ADP agrees to provide the following services to Client in addition to those already provided under the Agreement.

1. **Definitions**. Unless a capitalized term used herein is defined herein, it shall have the same meaning ascribed that term in the Agreement.

   1.1. **"Client ACA Liaison"** has the meaning set forth in Section 4.1.

   1.2. **"ERISA"** means Employee Retirement Income Security Act of 1974, as amended.

   1.3. **"NACHA"** means the National Automated Clearing House Association.

   1.4. **"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.

   1.5. **"Plan"** means Client's plan, including a group health plan, as identified by Client for the applicable Services.

   1.6. **"Plan Administrator"** means the appropriate plan administrator as defined in Section 3(16)(A) of ERISA and Section 414(g) of the Internal Revenue Code of 1986, as amended.

2. **Service Summary.**

   2.1. **ADP Health Compliance.** A technology, software, and service solution to assist in managing the compliance needs related to the employer shared responsibility provisions of the Affordable Care Act (ACA), including eligibility calculations, affordability determinations, and regulatory management (provision of notices of coverage; management of exchange notices; preparation, delivery, and filing of annual IRS Forms 1094-C and 1095-C; preparation of state health coverage filings as specified by ADP; and penalty management).

3. **Additional Termination Provisions for ADP Health Compliance.** If ADP reasonably determines that it can no longer provide all or any portion of ADP Health Compliance due to changes in applicable law or application of existing law, ADP may, in its sole discretion and upon notice to Client, immediately terminate the applicable portion of ADP Health Compliance. Client may upon written notice to ADP terminate the ADP Health Compliance if Client reasonably determines that it can no longer, or no longer has a need under current law, to receive all or any portion of the type of service provided by ADP Health Compliance due to a change in applicable law or application of existing law.

4. **Additional Terms.** The following additional terms and conditions apply to the ADP Health Compliance services:

   4.1. **Client ACA Liaison.** Client shall designate in writing to ADP the name of one person who shall serve as ADP's principal designated contact for the ADP Health Compliance services (the "Client ACA Liaison"), and such Client ACA Liaison shall have the authority to (i) provide information, instructions and direction on behalf of Client, and (ii) grant or provide approvals (other than Amendments) required or permitted under the Agreement in connection with the ADP Health Compliance services. Client shall designate an alternate Client ACA Liaison in the event the principal Client ACA Liaison is not available.

   4.2. **Disclaimer.** NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE SCOPE OF SERVICES, CLIENT EXPRESSLY ACKNOWLEDGES THAT ADP IS NOT THE "ADMINISTRATOR" OR "PLAN ADMINISTRATOR" AS DEFINED IN SECTION 3(16)(A) OF ERISA AND SECTION 414(g) OF THE CODE, RESPECTIVELY, NOR IS ADP A

"FIDUCIARY" WITHIN THE MEANING OF ERISA SECTION 3(21). ADP SHALL NOT EXERCISE ANY DISCRETIONARY AUTHORITY OR DISCRETIONARY CONTROL RESPECTING MANAGEMENT OF ANY BENEFIT PLANS SPONSORED OR OFFERED BY CLIENT. ADP HAS NO DISCRETIONARY AUTHORITY OR DISCRETIONARY RESPONSIBILITY IN THE ADMINISTRATION OF THE CLIENT'S BENEFIT PLAN(S). ADP EXPRESSLY DISCLAIMS ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS WITH RESPECT TO THE ADP HEALTH COMPLIANCE SERVICES, THE APPLICATION PROGRAMS OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP.

4.3. Client Vendors. Client will at its own cost make all necessary arrangements with its third party vendors to cause such vendors to send data to and receive data from ADP as required for ADP to provide the ADP Health Compliance services. Client shall reimburse ADP for any costs ADP is required to bear in connection with or arising out of any such transmissions of data from and/or to such third party vendors.

4.4. Important Tax Information (IRS Disclosure). Notwithstanding Client's engagement of ADP to provide the ADP Health Compliance services, please be aware that Client remains responsible for the timely filing of all required reports and filings, and the timely payment of Client penalty obligations. The Internal Revenue Service recommends that employers enroll in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor their accounts and ensure that timely tax payments are being made for them, and that online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477.

4.5. Additional Requirements. Client further understands that the ADP Health Compliance services may be modified as ADP may deem appropriate to assist ADP in complying with its obligations.

5. Payment Services. The following additional terms and conditions apply to the Payment Services.

5.1.1. 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 Appendix 1 as it relates to the applicable Payment Services, or (ii) if Client breaches any rules promulgated by the National Automated Clearing House Association as it relates to ADP conducting ACH 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 this Section, 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, 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.

5.1.2. Client Credentialing. Client understands and acknowledges that the implementation and ongoing provision of Payment Services are conditioned upon Client passing (and

continuing to pass) a credentialing process that ADP may deem necessary in connection with the provision of Payment Services.

5.1.3. Additional Requirements. Payment Services may be subject to the rules and standards of any applicable clearing house, payment and/or card networks or associations. Client and ADP each agree to comply with all such rules and standards applicable to it with respect to the Payment Services.

5.1.4. Funding Obligations. Client acknowledges that ADP is not a lender. As such, as a condition to receiving services, Client will remit or otherwise make available to ADP sufficient, good and available funds within the agreed-to deadline and via the agreed-to method of delivery to satisfy all of Client's third-party payment obligations covered by the Agreement. ADP will apply such funds to satisfy such third-party payment obligations. ADP will not be required to provide Payment Services if ADP has not received all funds required to satisfy Client's third-party payment obligations. Client will immediately notify ADP if it knows or should know that it will not have sufficient funds to satisfy the amounts required in connection with the Payment Services. If Client has a material adverse change in its condition, ADP may modify the funding method or deadline by which funds must be made available to ADP for payment to Payees. Client agrees to pay to ADP upon demand any amounts that have been paid by ADP to satisfy Client's third party payment obligations prior to receiving such amounts from Client.

5.1.5. Investment Proceeds; Commingling of Client Funds. IF ADP RECEIVES CLIENT'S FUNDS IN ADVANCE OF THE TIME ADP IS REQUIRED TO PAY SUCH FUNDS TO THIRD PARTIES, ALL AMOUNTS EARNED ON SUCH FUNDS, IF ANY, WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP. ADP may commingle Client's funds with similar funds from other clients and with similar ADP and ADP-administered funds. ADP utilizes a funds control system that maintains general ledger entries by client and/or by jurisdiction.

5.1.6. Recovery of Funds; Stop Payment Requests. Client agrees to cooperate with ADP and any other third parties to recover funds erroneously issued or transferred to any Payee or credited to any Payee's account. If Client desires to stop payment on any check or to recall or reverse any electronic payment, Client will provide ADP with a stop payment request in the form required by ADP. Client acknowledges that ADP's placement of a stop order request is not a guarantee that such stop payment will occur.

Annex GG
Employment Verification Services

Client desires to receive and ADP agrees to provide the following Services to Client in addition to those already provided under the Agreement.

1. **Definitions.** Unless a capitalized term used herein is defined herein, it shall have the same meaning ascribed that term in the Agreement.

   1.1. "FCRA" means the Fair Credit Reporting Act, 15 U.S.C. §1681 et seq.

   1.2. "Verification Agent" has the meaning set forth in Section 3.1.1.

   1.3. "Verification Data" has the meaning set forth in Section 3.1.1.

   1.4. "Verifiers" has the meaning set forth in Section 3.1.1.

2. **Service Summary.**

   2.1. Employment Verification Services. Management of employment and income verification requests.

3. **Additional Terms.** The following additional terms and conditions apply to the Employment Verification Services:

   3.1. Employment Verification Services. Client authorizes ADP and its subcontractors through which Employment Verification Services are performed ("**Verification Agents**") to disclose, on Client's behalf, employment information and income ("**Verification Data**"), to commercial, private, non-profit and governmental entities and their agents (collectively, "**Verifiers**"), who wish to obtain or verify any of Client's employees' (or former employees') Verification Data. Verification Data will be disclosed to Verifiers who certify they are entitled to receive such data (as described below) pursuant to the FCRA, and, in the case of income information requests, who additionally certify they have a record of the employee's consent to such disclosure or who utilize a salary key. In accordance with FCRA, Verification Data may be provided to Verifiers where (i) the employee has applied for a benefit (such as credit, other employment or social services assistance); (ii) the employee has obtained a benefit and the Verifier is seeking to (a) determine whether the employee is qualified to continue to receive the benefit; and/or (b) collect a debt or enforce other obligations undertaken by the employee in connection with the benefit; or (iii) the Verifier is otherwise entitled under FCRA to obtain the Verification Data. In certifying they have a record of the employee's consent, Verifiers generally rely on the employee's signature on the original application as authorization for the Verifier to access the employee's income data at the time of the application and throughout the life of the obligation. Client understands that Verifiers are charged for commercial verifications processed through ADP or its Verification Agents.

      3.1.1. Data Quality. If requested by ADP, Client agrees to work with ADP during implementation to produce a test file and validate the Verification Data included in the Verification Services database using validation reports made available by ADP or its Verification Agents. If Client uses ADP's hosted payroll processing services, ADP will update the Verification Services database with the applicable Verification Data available on ADP's payroll processing system.

3.1.2. Notice to Furnishers of Information: Obligations of Furnishers of Information ("Notice to Furnishers"). Client certifies that it has read the Notice to Furnishers provided to Client at the following URL: http://www.adpselect.com/lgldocs/FCRANotices.pdf. Client understands its obligations as a data furnisher set forth in such notice and under FCRA which includes duties regarding data accuracy and investigation of disputes and certifies it will comply with all such obligations. Client further understands that if it does not comply with such obligations, ADP may correct incorrect Verification Data on behalf of Client or terminate the Employment Verification Services upon 90 days prior written notice to Client.

3.1.3. Archival Copies. Notwithstanding anything to the contrary in Annex A, Client agrees that, after the termination of this Agreement, ADP and its Verification Agents may maintain archival copies of the Verification Data as needed to show the discharge and fulfillment of obligations to Client's employees and former employees and the provisions of Section 6.3 of Annex A will continue to apply during the time that ADP and its Verification Agents maintain any such archival copies.

3.2. Additional Termination Provisions for Employment Verification Services. ADP may, in its sole discretion, terminate the Employment Verification Services at any time upon 90 days prior written notice to Client should a Verification Agent notify ADP that it is no longer willing to provide the Employment Verification Services and ADP, after taking commercially reasonable steps, cannot engage a successor Verification Agent.

Data Privacy Appendix

This Appendix (as defined below) constitutes a data processing agreement for the purposes of the GDPR (as defined below) and supplements the Agreement.

In the event of any conflict or inconsistency between this Appendix and the Agreement, this Appendix will prevail.

1. **Definitions.** Unless otherwise defined in this Appendix, all capitalized terms used herein shall have the meaning given to such terms in the Agreement and, if not defined in the Agreement, then based on definitions as set out in the GDPR.

1.1 **"ADP Subprocessor"** for the purposes of the Appendix and the provision of the Services under the Agreement subject to this Appendix, means any Group Company engaged by another Group Company as a Subprocessor for Client Data.

1.2 **"Appendix"** means the present Data Privacy Appendix.

1.3 **"Applicable Data Controller Law"** means any privacy or data protection laws that apply to Client as the Data Controller of such Client Data.

1.4 **"Applicable Law"** means any privacy or data protection laws that are applicable to any particular Processing activities.

1.5 **"Applicant"** means any Individual who provides Personal Data to ADP in the context of applying for a position with ADP as an Associate.

1.6 **"Archive"** means a collection of Personal Data that is no longer necessary to achieve the purposes for which the Data was originally collected, or that is no longer used for general business activities but is potentially used only for historical, scientific, or statistical purposes, dispute resolution, investigations, or general archiving purposes. Access to an Archive is limited to system administrators and others whose jobs specifically require access to the archive.

1.7 **"Associate"** means an Applicant, a current ADP employee, or a former ADP employee.

1.8 **"Client Data"** means Personal Data pertaining to Client Employees (including prospective employees, past employees, and dependents of employees) Processed by ADP in connection with providing Client Services.

1.9 **"Client Employee"** means any Individual whose Personal Data is Processed by ADP as a Data Processor for Client pursuant to the Agreement.

1.10 **"Client Support Activities"** means those Processing activities undertaken by ADP to support the delivery of its products and services. Client Support Activities may include, for example, training professionals, responding to questions about the services, opening and resolving support tickets, providing product and service information (including updates and compliance alerts), quality control and monitoring, and related activities that facilitate effective use of ADP's products and services.

1.11 **"Contingent Worker"** means a person who provides services to ADP (and who is subject to ADP's direct supervision) on a provisional or non-permanent basis, such as a temporary worker, contract worker, independent contractor, or consultant.

1.12 **"Data Controller"** means the entity or natural person which alone, or jointly with others, determines the purposes and means of the Processing of Personal Data.

1.13 "**Data Processor**" means the entity or natural person which Processes Personal Data on behalf of a Data Controller.

1.14 **"Data Security Breach"** means any incident that impacts the confidentiality, integrity, or availability of Personal Data, such as unauthorized use or disclosure of Personal Data, or unauthorized access to Personal Data, that compromises the privacy or security of the Personal Data.

1.15 **"EEA"** or "European Economic Area" means all Member States of the European Union, plus Norway, Iceland, and Liechtenstein and, for the purposes of the present Appendix, Switzerland.

1.16 **"EEA Data Transfer Restriction"** means any restriction regarding cross-border transfers of Personal Data under the data protection laws of a country of the EEA.

1.17 **"GDPR"** means Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

1.18 **"Group Company"** means any legal entity that is an affiliate of Automatic Data Processing, Inc. and/or ADP, Inc., if either Automatic Data Processing, Inc. or ADP, Inc. directly or indirectly owns more than 50% of the issued share capital, has 50% or more of the voting power at general meetings of shareholders, has the power to appoint a majority of the directors, or otherwise directs the activities of such legal entity.

1.19 **"Individual"** means any identified or identifiable natural person whose Personal Data is Processed by ADP.

1.20 **"Personal Data"** means any information relating to an identified or identifiable Individual. Personal Data may also be referred to as personal information.

1.21 **"Processes, Processed or Processing"** means any operation that is performed on Personal Data, whether or not by automatic means, such as collection, recording, storage, organization, alteration, use, disclosure (including the granting of remote access), transmission, or deletion of Personal Data.

1.22 **"Special Categories of Data"** means Personal Data that reveal an Individual's racial or ethnic origin, political opinions or membership in political parties or similar organizations, religious or philosophical beliefs, membership in a professional or trade organization or union, physical or mental health including any opinion thereof, disabilities, genetic code, addictions, sex life, criminal offenses, criminal records, or proceedings with regard to criminal or unlawful behavior.

1.23 **"Staff"** means, collectively, currently-employed ADP Associates and those Contingent Workers who are currently working for ADP.

1.24 **"Subprocessor Contract"** means a written or electronic agreement between ADP and a Third Party Subprocessor for the provision of the services to ADP´s Clients.

1.25 **"Subprocessors"** means, collectively, the ADP Subprocessors and Third Party Subprocessors.

1.26 **"Third Party"** means any person, private organization, or government authority that is not a Group Company.

1.27 "**Third Party Subprocessor**" means any Third Party engaged by ADP as a Subprocessor.

2. Scope of this Appendix and Purpose of Processing

2.1 This Appendix addresses the Processing of Personal Data of Client Employees by ADP in its role as a Data Processor for Clients in the course of delivering the Services under the Agreement that are subject to this Appendix, where such Personal Data is:

a. collected originally in the context of the activities of an EEA establishment of a Client, subject to EEA Data Transfer Restrictions and Processed by ADP outside the EEA in a country which has not been deemed to provide an adequate level of data protection by competent EEA institutions; or

b. collected originally in the context of the activities of an EEA establishment of a Client and Processed by ADP within the EEA or a country that has been deemed to

provide an adequate level of data protection by competent EEA institutions.

2.2 ADP shall Process Client Data (including Special Categories of Data) pertaining to Client Employees as needed to provide the Services in accordance with and for the duration of the Agreement, the Client Support Activities, pursuant to any documented instructions received from the Client, the Legitimate Business Purposes set out below, or as needed to comply with Applicable Law.

2.3 Other Legitimate Business Purposes. ADP may Process Client Personal Data pertaining to Client Employees for the following additional purposes:

a. Hosting, storage, and other Processing needed for business continuity and disaster recovery, including making back-up and Archive copies of Personal Data;

b. System and network administration and security, including infrastructure monitoring, identity and credential management, verification and authentication, and access control;

c. Monitoring and other controls needed to safeguard the security and integrity of transactions (e.g. financial transactions and money movement activities) including for due diligence (such as verifying the identity of the Individual, and the Individual's eligibility to receive products or services (such as verifying employment or account status);

d. Enforcing contracts and protecting ADP, its Associates, Clients, Client Employees, and the public against theft, legal liability, fraud, or abuse including: (i) detecting, investigating, preventing, and mitigating the harm from actual and attempted financial fraud, identity fraud, and other threats against financial and physical assets, access credentials, and information systems; (ii) participating in external cybersecurity, anti-fraud and anti-money laundering initiatives; and (iii) as needed to protect the vital interests of Individuals, such as by alerting Individuals to an observed security threat;

e. ADP internal business process execution and management leading to incidental Processing of Client Data for:

(1) Internal auditing and consolidated reporting;

(2) Legal compliance, including mandatory filings, uses, and disclosures of information that are required by Applicable Law;

(3) Data de-identification and aggregation of de-identified data for data minimization and services analyses;

(4) Use of de-identified and aggregated data, as permitted by Clients, to facilitate analytics, continuity and improvement of ADP products and services; and

(5) Facilitating corporate governance, including mergers, acquisitions, divestitures, and joint ventures.

2.4 Client represents that any and all Personal Data transferred by Client or at Client's direction to ADP has been collected in accordance with Applicable Law. ADP shall notify Client if ADP considers a Client instruction to be in violation of Applicable Laws. ADP shall not be obliged to perform a comprehensive legal examination with respect to a Client instruction.

3. Security Measures and Security Incident Notification

3.1 ADP shall employ commercially reasonable and appropriate technical, physical, and organizational measures to protect Client Data from misuse or accidental, unlawful, or unauthorized destruction, loss, alteration, disclosure, acquisition, or access during the Processing, which will meet the requirements of EEA Applicable Law, or any stricter requirements, as imposed under the Agreement. ADP shall, in any event, take the measures specified in the document titled

"Security Measures, North America, EMEA and MNC", published on the appropriate ADP website or Client-facing portal, which measures may be modified by ADP, provided that such changes do not materially diminish the level of security provided to Client Data.

3.2 Staff shall be authorized to access Client Data only to the extent necessary to serve the applicable data processing purposes set out herein. ADP shall impose confidentiality obligations on Staff who have access to Client Data.

3.3 ADP shall provide training on the obligations and principles set forth in this Appendix, and other privacy and data security obligations to all Staff with access to Client Data or responsibilities associated with Processing Client Data.

3.4 ADP shall notify the Client of a Data Security Breach as soon as reasonably possible following determination that such a breach has occurred, unless a law enforcement official or supervisory authority determines that notification would impede a criminal investigation, or cause damage to national security or a breach of trust in the relevant industry sector. In this case, notification shall be delayed as instructed by such law enforcement official or supervisory authority. ADP shall respond promptly to Client inquiries relating to said Data Security Breach.

4. Client Audit

4.1 ADP will address Client audit requests as described in this Section 4.1. ADP will answer questions asked by the Client regarding the Processing of Client Data by ADP. In the event the Client reasonably considers that the answers provided by ADP justify further analysis, ADP shall, in agreement with the Client, either:

a. provide a statement to the Client issued by a qualified independent third party assessor certifying that the ADP business processes and procedures that involve the Processing of Client Data comply with this Appendix; or,

b. make the facilities it uses for the Processing of Client Data available for an audit by Client and/or a qualified independent third party assessor reasonably acceptable to ADP and bound by confidentiality obligations satisfactory to ADP, and engaged by the Client. The Client will provide a copy of the audit report to the Global Chief Privacy Officer which shall be treated as ADP Confidential Information. Audits shall be conducted no more than once per year, per Client, during the term of the Agreement, during regular business hours, and shall be subject to (i) a written request submitted to ADP at least 45 days in advance of the proposed audit date; (ii) a detailed written audit plan reviewed and approved by ADP's security organization; and (iii) ADP's on-site security policies. Such audits will take place only in the presence of a representative of ADP's Global Security Office, ADP's Office of Privacy & Data Governance, or such person designated by the appropriate representative. The audits shall not be permitted to disrupt ADP's Processing activities or compromise the security and confidentiality of Personal Data pertaining to other ADP clients. ADP may charge Client a reasonable fee for such audit.

The present Section 4.1 supplements or clarifies the audit rights which Client may have under Applicable Law. Solely as it relates to the Client's audit provisions, in case of contradiction with the Agreement, the provisions of the Agreement shall prevail.

5. International Transfers of Personal Data & Subprocessing

5.1 ADP uses Subprocessors, both ADP Subprocessors and Third Party Subprocessors, in the regular performance of the Services. The provisions of the Agreement with respect to subcontracting continue to apply mutatis mutandis.

5.2 ADP shall publish a list of the Subprocessors involved in the performance of the relevant Client Services on the appropriate ADP website or Client-facing portal. This list shall be promptly updated in case of changes.

5.3 Third Party Subprocessors may only Process Client Data pursuant to a Subprocessor

Contract. The Subprocessor Contract shall impose similar data protection-related Processing terms on the Third Party Subprocessor as those imposed on ADP by the Agreement and this Appendix, and such terms will be not less protective than those imposed by the Agreement or this Appendix.

5.4 ADP shall provide notice to the Client of any new Subprocessors engaged by ADP for the delivery of the Services. Within 30 days of receiving such notice, the Client may object to such Subprocessor by providing written notice to ADP alleging objective justifiable grounds related to the inability of such Subprocessor to protect Client Data. In the event that the parties cannot reach a mutually acceptable solution, ADP shall, at its option, refrain from allowing the Subprocessor to access the Client Data, or enable the Client to terminate the relevant Services in accordance with the terms of the Agreement. The provisions of the present Section 5.4 shall not apply to the extent the Client instructs ADP to allow a Third Party to Process Client Data pursuant to a contract that the Client has directly with the Third Party.

5.5 In order for ADP to provide the Services pursuant to the Agreement, Client Data may be Processed by an ADP Subprocessor or Third Party Subprocessor outside the EEA, including but not limited to, entities based in the USA, Canada, Australia, Tunisia, the Philippines and India. ADP shall provide Client with all reasonable information necessary to allow Client to obtain any applicable data transfer authorization in connection with the Services.

5.6 ADP has received approval of its BCR Processor Code and as a result Client acknowledges and accepts that such BCR Processor Code shall apply instead of any previously agreed to Standard Contractual Clause or data privacy appendix. The BCR Processor Code is located at https://www.adp.com/privacy.aspx.

6. Requests from Client Employees or Authorities; Cooperation and Assistance

6.1 ADP shall respond promptly and appropriately to requests for assistance from the Client, as legally required, including providing information so that the Client may respond to Client Employee requests, to enable the Client to comply with its obligations under the Applicable Data Controller Law, in accordance with the Agreement. In the event such cooperation and assistance requires significant resources on the part of ADP, this effort will be chargeable upon prior notice to Client.

6.2 If ADP receives a request for disclosure of Client Data from a law enforcement authority or state security body or regulatory authority (collectively, an "Authority"), it will first assess on a case-by-case basis whether this request is legally valid and binding on ADP. Any request that is not legally valid and binding on ADP will be resisted in accordance with Applicable Law. Subject to the following paragraph, ADP shall promptly inform the Client and any required Authority of any such request which is legally valid and binding on ADP, and will request the Authority who issued the request to put such request on hold for a reasonable period, in order to enable Client and ADP to liaise and agree on appropriate next steps.

If the notification to Client of a legally valid and binding disclosure request is prohibited, such as in the case of a prohibition under criminal law to preserve the confidentiality of a law enforcement investigation, ADP will request the Authority who issued the request to waive this prohibition and will document that it has made this request.

7. Data Return, Data Destruction

7.1 Upon termination of the Agreement, ADP shall fulfill its obligations to the Client in the Agreement with regard to the return of Client Data by providing to the Client the Client Data required for the continuity of the business activities of the Client (if the data has not been previously provided or made accessible to the Client via relevant product functionality, such as the ability to download the Client Data).

7.2 When ADP's obligations under the Agreement have been fulfilled, ADP shall securely destroy remaining copies of the Client Data, and (upon request of the Client) certify to the Client

that it has done so. ADP may maintain a copy of Client Data on Archives (a) to the extent required under Applicable Law, (b) as authorized by the Client, or (c) as needed for dispute resolution purposes. ADP shall no longer Process that Client Data, except to the extent required for the aforementioned purposes. ADP's obligations of confidentiality under the Agreement will persist for as long as ADP maintains a copy of such Client Data.

8. Notice to ADP for Special Circumstances

8.1 In the event that Client receives a notice of any claim, proceeding or investigation relating to the Processing of Client Data undertaken by ADP pursuant to the Agreement, whether it be instigated by a Client Employee or an Authority, then Client shall immediately notify ADP in writing of such circumstances.

8.2 ADP may participate, at its own expense, in such claim, proceeding or investigation and in any related settlement discussions (where applicable) directly or through counsel of its choice. Furthermore, in such circumstances, Client agrees that it shall not make any admission, settlement or other communication regarding such claim, proceeding or investigation without the prior written consent of ADP, which consent shall not be unreasonably withheld.

8.3 In case of failure by ADP to comply with this Appendix, ADP will be liable to Client or Client Affiliate(s) (where applicable) under the conditions set out in the Agreement.

9. Miscellaneous

9.1 Prior to ADP Processing Client Data and upon reasonable request, ADP will make available to Client information related to ADP's implementation of GDPR. After ADP begins Processing Client Data, such information will be available to Client in ADP's Service Center located at https://adp4me.adp.com, which will be updated by ADP from time to time.

9.2 This Appendix is co-terminus with the Term of the Agreement and will automatically terminate when the Agreement terminates, provided that the obligations under the present Appendix shall continue until the relevant retention period pursuant to Section 7.2 ends.

9.3 This Appendix is governed by the law governing the Agreement.

9.4 This Appendix may not be modified, supplemented or amended, except by a writing signed by the authorized representatives of ADP and Client.

Pricing and Financial Terms Appendix

PROPRIETARY AND CONFIDENTIAL TO ADP, LLC

I. Financial Detail

The fees set forth in the table(s) below are based on the Services and volumes in the assumptions set forth in Section III (Assumptions).

One-time Fees	Quantity	One-time Cost
ADP HR and Payroll Services		**$0.00**
ADP Enterprise HR		$0.00
Time & Attendance Services		**$0.00**
ADP Enterprise eTIME		$0.00
Hosting		$0.00
ADP Enterprise eTIME Web Time Entry		$0.00
ADP Benefits Administration Services		**$0.00**
ADP Benefits Enrollment Access		$0.00
ADP Benefits Administration Services		$0.00
Voluntary Benefits Intake File	1	$0.00
Wellness Credits		$0.00
ADP Electronic I-9 Services		**$0.00**
ADP Electronic I-9 Services Implementation		$0.00
ADP Health Compliance Services		**$0.00**
ADP Health Compliance Services Implementation		$0.00
Employment Verification Services		**$0.00**
Employment Verification Services		$0.00
Total One-time Fees		**$0.00**

OnGoing Service Fees	Units Assumed	Rate	Frequency	Estimated Annual Cost	Based On
ADP HR and Payroll Services	**9,663**			**$963,244.56**	

OnGoing Service Fees	Units Assumed	Rate	Frequency	Estimated Annual Cost	Based On
ADPR	14	$0.00		$0.00	
Tax Jurisdictions	1	$21.16	12	$253.92	
Custom Maintenance	1	$2,310.00	12	$27,720.00	
ADP Enterprise HR *	1	$17,097.70	month	$205,172.40	Includes: Hosting, Self Service, iPay, iReports, iArchive, Tax Filing, Banking, Split Wraps, ADP GL, I-9, and New Hire Reporting
ADP Onboarding	1	$3,382.00	month	$40,584.00	
iPay	695	$0.22	12	$1,834.80	
Wisely Pay by ADP	5	$0.00	per transaction	$0.00	Card issuance
Self Service	1	$10,195.40	12	$122,344.80	
Document Cloud	1	$5,895.00	month	$70,740.00	
Wage Garnishment	618	$1.70	12	$12,607.20	
Market and People Insights	1	$7,247.00	month	$86,964.00	
Payroll Processing	9,663	$1.45	per pay	$364,295.10	Includes processing, printing, check stuffing & signing, direct deposit, and check reconciliation
Year End Processing - W-2	9,663	$3.18	per form	$30,728.34	Includes W-2's and Earnings Summary Statements
Time & Attendance Services**				**$595,500.84**	
ADP Enterprise eTIME	9,663	$1.48	ee/month	$171,614.88	Minimum $4500.00
ADP Enterprise eTIME Web Time Entry	9,663	$1.48	ee/month	$171,614.88	
Additional Managers above 10:1 ratio	496	$5.29	mgr/month	$31,486.08	Price per additional manager over the included 10:1 employee/manager ratio

OnGoing Service Fees	Units Assumed	Rate	Frequency	Estimated Annual Cost	Based On
ADP Enterprise Accruals	9,663	$0.42	ee/month	$48,701.52	
Leave Management	9,663	$0.63	ee/month	$73,052.28	Requires Enterprise Accruals
Hosting	1	$8,252.60	month	$99,031.20	Includes test database
Subscription Timeclocks and Other Devices				**$267,749.64**	
InTouch Timeclock Proximity Reader	159	$124.85	clock/mo	$238,213.80	
InTouch Quick Punch Peripheral	159	$15.48	clock/mo	$29,535.84	
ADP Benefits Administration Services*				**$331,920.00**	
CORE APPLICATION					* The monthly fee for the Benefits Administration Services shall become payable by Client as of the date on which the Benefit Services administration system is made available to Client in a production environment (regardless of whether the Client has opened the system to its employees or whether any employees are actually processed through the system). There shall be no proration of the first month's fees.
ADP Benefits Enrollment Access	6,000	$0.00	PBEPM	$0.00	
ADP Benefits Enrollment Services	6,000	$4.61	PBEPM	$331,920.00	Monthly Minimum $24,894.00 Pricing is based upon the fact that Client offers benefits through certain carriers who have partnered with ADP to improve the enrollment experience
Voluntary Benefits Intake File	6,000	$0.00	PBEPM	$0.00	
Wellness Credits	6,000	$0.00	PBEPM	$0.00	
Twice Weekly Batch Census Data Load	6,000	$0.00	PBEPM	$0.00	Enterprise and HWSE are integrated in real time. Census data will flow in real time.

OnGoing Service Fees	Units Assumed	Rate	Frequency	Estimated Annual Cost	Based On
ADP Electronic I-9 Services				**$1,600.00**	
ADP Electronic I-9 Services	800	$2.00	new hire	$1,600.00	*Minimum monthly fee: $100.00 includes first 50. Any I-9 forms processed over 50 are priced at $2.00 per form
ADP I-9 Retroactive Paper to Electronic Data Conversion		$7.50	per form	$0.00	Per paper I-9 form processed (re-processing of the same form is treated as a new form) using the scan/verify/report/store solution, specific to employees hired prior to the Effective Date
ADP Health Compliance Services				**$85,807.44**	
Health Compliance Services - Comprehensive	9,663	$0.74	PEPM	$85,807.44	Includes eligibility calculation, affordability determination, notices of coverage, annual IRS Forms 1094-C and 1095C, exchange notice management, and penalty management
Employment Verification Services				**$0.00**	
Social Services Verification	9,663	$0.00	PEPM		
Commercial Employment & Income Verification	9,663	$0.00	PEPM		
Total Ongoing Service Fees				**$2,245,822.48**	

ADP will continue to charge Client at the current rates for any components of Services received by Client that are not specifically listed in this appendix.

II. Additional Services

Subject to the Fee Adjustments set forth in Section IV, the fees for certain additional services are set forth in the table below. These fees are based on the scope of work outlined, including the roles and responsibilities outlined in Exhibit A – EPS to Enterprise Ev6 High Level Timeline and Resource Allocation, and will be charged at the applicable rates as they occur or exceed the volume included in the "Units Included in fees" column below.

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Frequency	Based on
ADDITIONAL SERVICES					
Payroll Processing					
Pays/ Distribution	ADPCheck Early Check Cashing Fee	0	$35.00	Per transaction	
	Direct Mail Services	0	First Class Postage plus $0.10	Per item	- Per item mailed
	Management Reports	0	$30/ regular processing $80 / quarterly or annual	Per processing	
	Adjustment Payrolls	0	$75 plus	Per processing	- $75 per processing plus Client's per pay rate for each pay adjustment
	Wisely Now by ADP Void/Stop Payment	0	$10.00	Per transaction	- $10 Per Void/Stop payment
	Wire Fees, Voids, Stop Payments, recalls and reversals	0	$12.00	Per wire	Applies to: - Reverse wire - Direct wire
ADP Wage Payment Services					
Pay Cards	Wisely Pay by ADP	5	$0.00	Per card	Card issuance
	ALINE Card	0	Not Included	Per card	Card issuance
Hosting Services					
Hosting	Additional Client Requested Databases - Temporary or Permanent	0	$1575.00	Monthly	- Per database per month (excluding the one (1) production instance included in base hosting fee)
	Additional SQRs > 3	-3	$210.00	Monthly	- Per SQR per month - Includes stated volume of SQRs over the 3 included
ADP Employment Tax Services					
State/Local Fees	Tax Jurisdictions in Applied For Status	0	$50.00	Per occurrence	- Per state per month
	Tax Registration Services	0	$150.00	Per transaction	

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Frequency	Based on
Amendments	Amended Return	0	$105.00	Per occurrence	- Applies to all Federal, State, Local, SIT, SUI returns
SSN Changes	Social Security Number Change	0	$55.00	Per occurrence	- Applies to SUI, State Recon, Local Recon
Exceptions	Exception Return	0	$150.00	Per occurrence	Applies to: - Federal 941, 942, 944, 945, 1086, W-3C - FUTA, SIT and SUI - CA - NJ SIT/SUI - State Recon and State 1096 - Local, Local Recon and Local 1096
	Re-close Fee	0	$50.00	Per occurrence	
ADP Electronic I-9 Services					
Other	Manual I-9 Transactions	0	$7.50	Per form	- Per manual or paper I-9 form reviewed (re-reviews of forms are counted as a new review) in connection with new hires outside of the electronic I-9 process as of the Effective Date
	Import of Electronic I9 Data and Images	0	$5.50	Per form	
	I-9 and Federal Retro/Conversion Section 3 Forms Processing	0	$1.00	Per form	- Name Change, RE-Hire or Updating Expired Documents
	I-9 and Federal Retro/Conversion Documentation Fee	0	$1.00	Per page	
Employment Verification Services					
	Client Access Calls to Place and/or Remove Employee Information Holds		Included		
	Periodic File Updates		Included		
	Electronic Management Reports		Included		
	Employee File Transmissions		Included		

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Frequency	Based on
	Electronic Files		Included		
	Standard PIN Administration		Included		
	Wage Type Details		Included		

III. Assumptions

The fees presented were calculated based upon the assumptions set forth below, and the funding requirements set forth in Section IV (Financial Terms) of this Appendix and if Client's actual requirements vary from what is stated, the parties shall negotiate in good faith to adjust the fees based on such changes. The fees do not include any customizations to any Service.

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
VOLUME ASSUMPTIONS				
Implementation Services				
Data Conversion	Payroll Data Conversion Sources	1	Included	
	Payroll Data Mapping	2	Included	- Mapping support will be provided by ADP
	Employee Pay Check History (years)	3	Included	3 years of Check History conversion included
	Tax Conversion Sources	1	Included	- Tax Conversion included for current year - Client to provide company and employee Controls Totals for taxes and taxables by Federal Employer Identification Number (EIN) jurisdiction for federal, state, and applicable local taxes
	Balance Conversion Sources	1	Included	- Included only for mid-year start (other than January 1) - Client to provide employee level balances and control totals in ADP-defined format

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
	Conversion of Current Employee Election and Dependent Data	1	Included	- Convert current election and dependent data from single file provided by Client in ADP Standard format - Does not include beneficiary data
	Historical I-9 Form Conversion	0	Not Included	- Includes conversion of 0.00 existing I-9 forms
System Configuration	Payroll	Included	Included	- Assumes defined pay practices, no significant changes during implementation of pay practices and policies
	Payroll - Development of TLM and Other Paydata Files	Not Included	Not Included	- Client (or Client's vendor) is responsible for developing any External Paydata Input (EPIP) file(s), in ADP's format, for any time and labor data collection for non-ADP systems (e.g., hours and earnings from third party source)
Validation	Parallel Testing - Test Files	2	Included	- Client will perform up to two full parallel tests based on the standard ADP methodology - Full parallel tests assume end-to-end testing of entire populations, processes and interfaces - Client will be responsible for data integrity and will perform data cleansing prior to each conversion with a final signoff procedure before Go Live
General Ledger	GL Charts of Account	1	Included	
Reporting	Payroll Management Reports	4	Included	- Includes up to 4 of Autopay MRs
Payroll Processing				
Populations	Pay Frequencies	1	Included	
	Company Codes / Pay Groups	1	Included	
	Employees Paid Bi-Weekly	9,663	Included	-Processing for up to 9,663 employees paid bi-weekly included

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
Pays/ Distribution	Payment Transactions	251,238	Included	
Time and Labor Management - Enterprise eTime				
Populations	TLM Users	9,663	Included	
	Enterprise Leaves Users	9,663	Included	
	Accruals	9,663	Included	
ADP Benefits Administration Services				
Populations	Benefit Eligible Employees	6,000	Included	
	Benefit Eligible Retirees	N/A	Not Included	
	Turnover	15%	Included	-Assumes 15% benefit eligible employee turnover
Client Practitioners	Client Named Contacts	5	Included	- Client representatives will provide direction to ADP in the form of business requirements, participant concerns, reporting needs and day to day support
Administration	Retiree Administration	Not Included	Not Included	
Solution Center	Participant Solution Center Support	Not Included	Not Included	- Monday through Friday 8AM - 8PM EST
Data Import	Convert beneficiary data provided by Client in ADP standard format	N/A	Not Included	
	Census/Indicative Data Load	1	Included	- Demographic census data
	Wellness Credits	1	Included	-Standard ADP format; up to 3 benefit options from single data source
	Voluntary Benefits			

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
	Inbound Voluntary Benefits	1	Included	Standard ADP format; up to 3 benefit options from single data source
	CoreStream	Not Included	Not Included	Service to access additional voluntary carriers
Data Export / Interfaces	Healthcare Vendor Exports in HIPAA Compliant 834/5010A Format	8	Included	
	Affordable Care Act (ACA) Output File	N/A	Not Included	ADP will provide Client with an output file in standard ADP format for reporting of benefits data elements required for annual filing
System Configuration	Unique Pay Schedules/ Calendars	4	Included	
	Annual Open Enrollment Periods	1	Included	
	Centralized Administration	Included	Included	Client decision making and processing rules governed by single centralized group
	Benefit Eligibility Groups	4	Included	Includes retiree eligibility groups if applicable
	Health Plan Options	10	Included	- Health Plans include medical, dental, vision, prescription and do not include welfare or flexible spending accounts. - In the event Client (or Client vendor) requires employees to sign an arbitration agreement in order to obtain benefits coverage, Client (or Client vendor) is responsible for such administration.
	Coverage Tiers	5	Included	Coverage tiers are defined as EE only, EE + One, EE + Family, etc.
	Retiree Administration	Not Included	Not Included	
	Additional Rate Structures	0	Not Included	

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
	Work / Life Events	33 types	Included	Available work / life event types are: - New hire - Newly eligible - Rehire with benefit reinstatement - Rehire without benefit reinstatement - Address change - Leave of absence - Return from leave of absence - Salary change - Change to participation group - Termination - Retirement - Death of employee - Pay frequency change - Reduction of hours - no longer benefit eligible - Full Time to Part Time / PT to FT - Newly benefits eligible (ACA) - Dependent age out - Annual Enrollment - Turning 65 / newly Medicare eligible - Age Banded Events (i.e. life insurance crossing 5 yr age bad) - Marriage or civil union - Divorce or annulment - Birth or adoption of dependent - Add a domestic partner (DP) - Dissolution of domestic partnership - Death of spouse / DP - Death of child / DP's child - Spouse becomes benefit eligible - Spouse becomes benefit ineligible - Dependent child becomes benefit eligible - Dependent child becomes benefit ineligible - Loss of Coverage Elsewhere, Gain of Coverage Elsewhere - Spouses Open Enrollment
Employee Web Access	Single Sign-on (SSO) to Third Party Site	0	Not Included	
ADP Health Compliance Services				
Populations	Total Employees	9,663	Included	Includes Employees in Active or Leave of Absence status.
	Benefit Eligible Employees	4,000	Included	

IV. Financial Terms

A. **Initial Term**: The Initial Term shall expire on the third anniversary of the date of the first invoice issued for the Ongoing Services provided hereunder. After the Initial Term, County will have the option to renew this

agreement for two (2) one-year periods ("Renewal Terms") by providing Contractor with sixty (60) days' advance written notice prior to the end of the Initial Term or Renewal Term.

B. **Client Group and Approved Countries**: The Client Group includes the following entities:

Client and its Affiliates (if any) in the country(ies) identified in Section I (Financial Detail) above, and any Affiliates (if applicable) as may be agreed from time to time.

The Approved Country is the United States of America.

C. **Invoicing**:

1) Except to the extent otherwise stated below, Client will pay the amount on each invoice in full within 30 days after the invoice date. All amounts not paid when due are subject to a late payment charge of one and one-half percent (1½%) per month or eighteen percent (18%) per annum (not to exceed the maximum allowed by applicable law) of the past due amount from the due date until the date paid.

2) The Ongoing Services fees billed on a monthly basis shall commence effective on the first day of the month in which the environment is made available.

D. **Currency:** All fees set forth herein are shown in USD and all payments relating to the Services shall be made in USD .

E. **Taxes:** Unless Client provides ADP a valid tax exemption or direct pay certificate, Client will pay directly, or will pay to ADP, an amount equal to all applicable taxes or similar fees levied or based on the Agreement or the Services, exclusive of taxes based on ADP's net income.

F. **Cost Reimbursement Fee:** In order for ADP to recoup certain costs associated with the Services provided under the Agreement in the event of an early termination by Client, if Client terminates Services in any country or the Agreement in whole or in part for convenience pursuant to Section 12.2(ii) of the Global Master Terms and Conditions, Client will:

- If termination occurs during the implementation of Services:
  - pay ADP for the Implementation Services at ADP's labor rates set forth in this Appendix or, if such rates for a particular Service are not set forth herein, at ADP's prevailing labor rates (and not at the set implementation price set forth in the "Financial Detail" table), and
  - reimburse ADP for any license fees or other costs incurred by ADP in connection with the Implementation Services
- If termination occurs after the Go-Live Date for the applicable Services, reimburse ADP for its costs (including unamortized investments and any costs incurred that have not been recovered from fees charged) associated with the termination of the Services as set forth in the chart below:

	Year 1	Year 2	Year 3
Percentage of Initial Estimated Client Billing Fees as of the Effective Date	25%	22%	17%

In the event new Services are added, the Cost Reimbursement Fee is subject to change.

G. **Postage, Shipping, Travel and other Out-of-Pocket Expenses:** ADP will invoice Client for postage charges, delivery charges, other third party charges incurred on behalf of Client, and reasonable travel and out-of-pocket expenses will be billed in accordance with the standards set forth in Annex Y, Travel and Expense Policy.

H. **Funding Requirements and Disbursement Disclosure:**

a) For ADP Employment Tax Services

Tax Liability Impounding Schedule

- All tax liabilities will be provided to ADP via reverse wire.
- Federal, state and local withholding, Social Security/Medicare (FICA) employee withholding and employer contribution, and FUTA and SUI contributions will be provided to ADP one business day prior to the associated payroll check date.
- For reverse wire clients, funds must be available by 6:00 a.m. Pacific time.

b) For ADP Wage Payment Services

Net Pay Impounding Schedule

- All net pay will be provided to ADP via reverse wire.
- All net pay funding will be provided to ADP two business days prior to associated payroll check date.
- For reverse wire clients, funds must be available by 6:00 a.m. Pacific time.

I. **Fee Adjustments:**

1) The fees set forth in this Appendix will remain fixed during the first year following the Effective Date. After the Initial Term, Client may renew the services for two (2) one year periods. During this time, ADP may increase the fees for the Services on an annual basis by 1.8% with 30 days' prior written notice.

J. **Change Control:**

In the event either party requests a change in the scope of the Services (including Implementation Services) (each a "**Change Control Item**"), the parties shall address such change request via ADP's change control process. Change Control Items and the cost associated with such changes (if any) to the Services shall be mutually agreed to by the parties, with the exception of Change Control Items that are required to be made by law or regulation applicable to the Services or to the duration of Implementation Services, which ADP will notify Client of prior to making such change.

1) The standard rate for a Change Control Item is $185.00 per hour; provided, however, that such rate may be increased by ADP as follows:

- By 50% for Change Control Items requested by Client after October 1st which ADP agrees to deliver by January 31st;

- By 25% if, after receiving a Change Control Notice, the Client requests an expedited timeframe for completion of the Change Control Item.

2) **Change Control Procedure.** If a Change Control Item is requested or needed, the Parties will follow the change control procedures set forth in this Section 5.7 before ADP devotes resources, expends time or incurs costs. ADP will also notify the County in advance of any impact that a

Change Control Item will have to the Ongoing Services Fees, which fee impact (which impact could be upward, downward, or neutral) will also be subject to the mutual agreement of the Parties. ADP will not unreasonably request adjustment to fees, nor will the County unreasonably withhold agreement to equitable fee adjustments commensurate with the additional work effort required as a result of a Change Control Item.

"Change Control Item" means a change to the Services as defined in this Agreement (including the SOW) that is requested by County, or that is due to the discovery that information provided by the County, on which the Implementation Fees or Ongoing Service Fees was based, is incorrect, which requires ADP to devote additional resources or otherwise incur costs not contemplated by this Agreement, or that reduces ADP's work or results in increased efficiencies. Events that may cause Change Control Items include but are not limited to the following:

- The County changes a project deliverable;
- ADP must perform additional work or devote additional resources to the project in order to mitigate the impact of a delay by the County that, if not mitigated, will cause the initial Implementation Services described to exceed 58 weeks;
- The County fails to provide an environment necessary to support ADP associates during the Implementation Services when on-site at County premises including workspace, access to printers, administrative support, and connection to the internet, unless ADP has not defined in reasonable detail the additional environmental items required to the County at least 60 days in advance of requiring these additional environmental items; and
- Any change that must be enacted in connection with Benefits Services (not due solely to ADP's actions or omissions) in order for ADP to continue to perform the Services.

Certain Change Control Items are required in order for ADP to continue to perform the Implementation Services or the Ongoing Services, as the case may be, and such Change Control Items (each, a "Required Change Control Item") shall not require the County's consent, except that the fees associated with any such Required Change Control Item shall be as mutually agreed, provided that neither party may unreasonably withhold its agreement.

3) **Change Control Documentation.** Upon the occurrence of a Change Control Item, whether initiated by ADP or the County, ADP will deliver to the County a notice (a "**Change Control Notice**") setting forth (**i**) the details of the Change Control Item, (**ii**) an analysis of the impact of the Change Control Item on the Implementation Services or the Ongoing Services, as applicable, including whether the Change Control Item may result in changes to expected or target completion dates, (**iii**) an estimate of the time, materials, and aggregate costs required to address the Change Control Item, and (iv) whether the Change Control Item is a Required Change Control Item. The County will notify ADP in writing within 10 Business Days whether or not the Change Control Item is approved as submitted. If the County does not respond to the Change Control Item within the specified period, the Change Control Item will be deemed to be rejected by the County. If the County rejects a Change Control Item, ADP may proceed to provide the Implementation Services or the Ongoing Services, as applicable, without implementing the Change Control Item or ADP may dispute the rejection of the Change Control Item. The immediately preceding three sentences will not apply to a Required Change Control Item.

4) **Change Control Dispute Resolution.** If ADP and the County disagree as to whether an event or request constitutes or necessitates a Change Control Item, or dispute the amount of any fee associated with that Change Control Item, the appropriate individuals for ADP and the County will meet (in person or by telephone), within five Business Days of discovery of such disagreement, and make a good faith effort to resolve the disagreement. If the parties are unable to resolve the dispute, the parties will summarize the dispute in writing and forward it to a senior executive of ADP and a senior executive (Functional Area Project Sponsor) of the County. Such executives will meet (in person or by telephone) within five Business Days of delivery of the dispute summary and make a good faith attempt to resolve the dispute. If a good faith

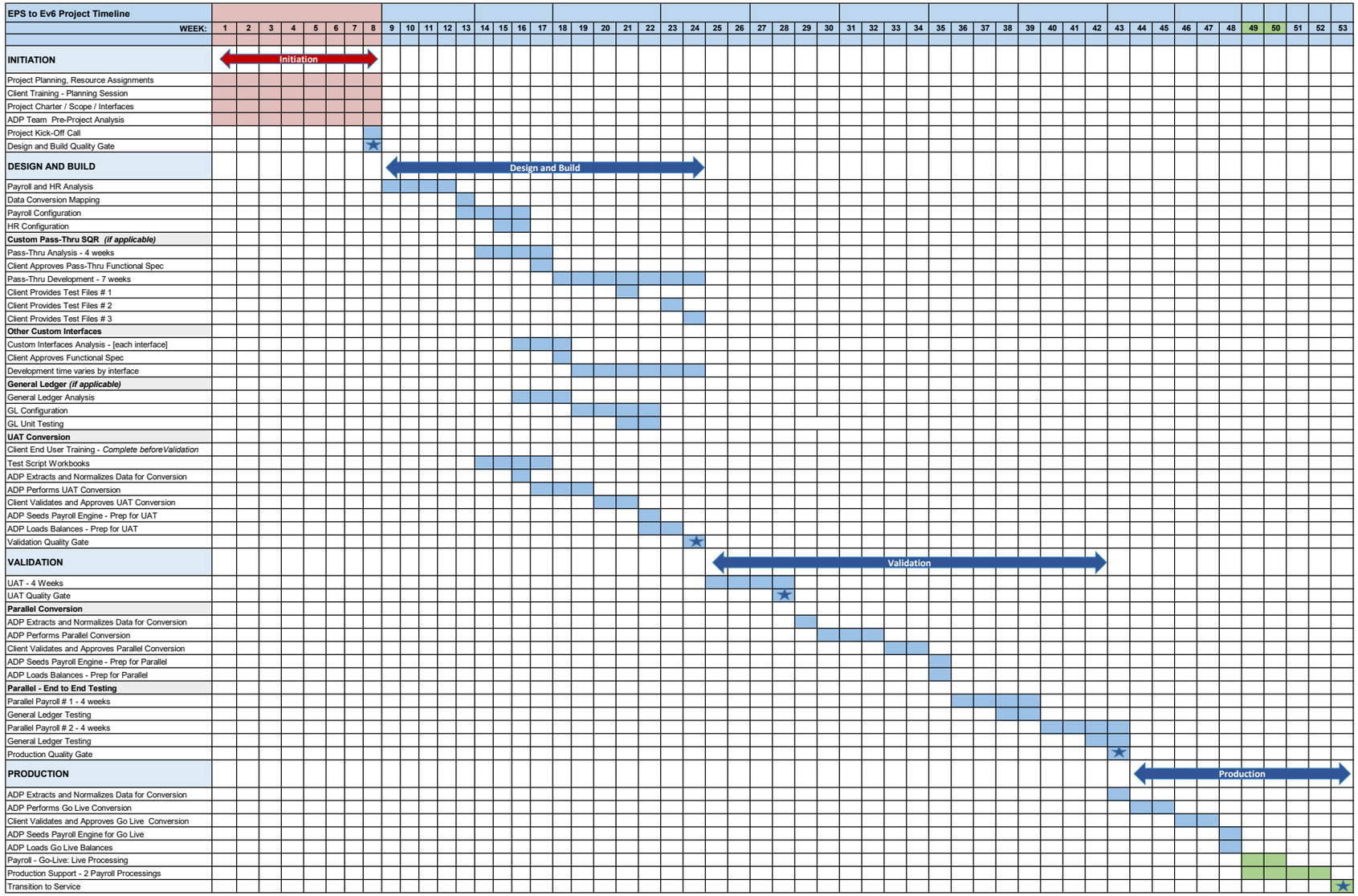
compromise cannot be reached at that meeting a further good faith meeting shall be convened, within 5 Business Days thereafter at which ADP's senior executive and a representative from ADP's legal department will meet (in person or by telephone) with the County's Functional Area Project Sponsor, Chief Information Officer and County legal department. If these individuals are unable to resolve the dispute, the dispute will be mediated as soon as practicable by a third-party mediator knowledgeable in software development and support and reasonably acceptable to ADP and the County. The cost of the mediation will be shared equally by ADP and the County.

K. Application Program Maintenance, Support and Modifications:

ADP will provide maintenance and support of the Application Programs as described in the SOW. ADP will provide the County at least one (1) year's notice before sun-setting the version of an Application Program in use by the County. During the Initial Term, ADP will not require the County to pay for an Upgrade or Update unless such Upgrade or Update is requested by the County. Any fee for the County to Upgrade or Update an Application Program will be mutually agreed through Change Control Item based on the hourly rates described in this Appendix.

The County may request modifications to the System (alteration to core system functionality, SQRs, interfaces, payroll management reports and/or ADP Reporting customizations). Such modifications will be agreed to through the Change Control procedure above. In addition to the one-time fee for ADP to develop such system modification, ADP may charge the County an annual maintenance fee for such System modification developed for the County not to exceed 15% of the total one-time fee in the Change Control Item for such modification. Such annual maintenance fee will be invoiced on a monthly basis beginning the month following the first live payroll processing utilizing such system modification.

Exhibit A - EPS to Enterprise (Ev6) High Level Timeline and Resource Allocation (2 pages)



Client Role	Initiation	Design and Build	Validation - UAT	Validation - PAT	Production
Project Sponsor	15%	10%	10%	10%	10%
Project Manager	20%	75%	75%	75%	75%
HR Lead	5%	75%	75%	75%	80%
Payroll Lead	5%	75%	75%	75%	80%
Finance Lead - GL	5%	20%	10%	20%	15%
Technical Lead - Interfaces/Report	5%	40%	40%	40%	45%
Change Champion	5%	15%	15%	15%	15%