

1 Payroll Services Agreement

Phone: 1.866.329.2391 • Fax: 1.866.269.0817
 Fax to above number or call us at 1.866.329.2391 should you need help



Your Information

Please complete in full to ensure accurate account processing.

My company is a: Sole Proprietor Partnership Corp. Non-Profit LLC • Target First Payroll Date: _____

Federal Tax I.D. Number: New Business | Existing Business

Payroll Frequency Weekly Bi-weekly Semi-monthly Monthly • Number of Employees: _____

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Company's Legal Name Print this name on check? Yes | No Company DBA (Doing Business As) Print this name on check? Yes | No

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Business Address (To be printed on payroll checks) City State Zip

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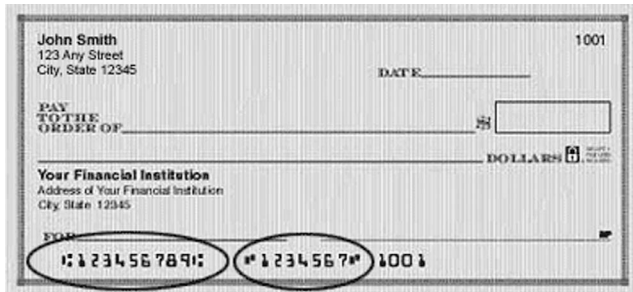
Street Address (No P.O. Box) if different from above City State Zip

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Delivery Address (if different from above) City State Zip

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Company Payroll Contact Email Address Phone Number Fax Number Best time to contact



Bank Routing Number

Account Number

Bank Routing Number (9 Digits): _____

Account Number: _____

Include Zeroes Before Your Account Number.

Signature

The signature of a principal, partner or duly authorized officer of Company indicates that you have read and understood this Payroll Services Agreement, including the terms and conditions on the reverse side, and agree Company is to be bound by them. The Payroll Services are offered by Newtek Business Services, Inc. and will be processed by PAI Services, LLC. Your signature also serves as your Company's credit/debit preauthorization for PAI Services, LLC. to transfer funds pertaining to direct debit billing for Payroll Services, direct deposit of employee funds, tax filings, pre-tax deductions or other debit options selected by Company. It also acknowledges your understanding that online payroll input must occur by (3 pm EST /12 pm PST), 48 hours prior to your actual pay day.

Signature: _____

Print Name: _____

Title: _____ Date: _____

TERMS AND CONDITIONS

In this Agreement, "Client" refers to the company for whom services are being provided and whose authorized representative's signature appears on the reverse side of this Agreement, "Newtek" refers to Newtek Business Services, Inc. and "PAI" refers to PAI Services, LLC.

1. **AUTHORIZED SERVICE:** Client authorizes Newtek and PAI to process payroll, perform the services selected on the set-up forms and for PAI to act as its reporting agent for the limited purpose of signing and filing payroll tax reports and returns and remitting payroll taxes to the Federal, State and local taxing authorities specified by Client and appearing on Client's set-up forms. Client authorizes PAI to debit Client's deposit account through electronic funds transfers ("EFT") in such amounts as necessary to pay for the services it provides two banking days prior to Client's check date, fund the selected services and for the payment of such taxes and to hold such amounts in accounts established by PAI until these payments are due to the taxing authorities.

2. **TERM:** This Agreement shall become effective upon acceptance at PAI's office and Client's completion of all required set-up forms and it shall continue until terminated by PAI, Client or Newtek upon 30 days' written notice or until terminated as otherwise provided for by this Agreement.

3. **PRICE AND PAYMENT:** The fee for these services are as set forth on the current price sheet as it may be modified by PAI from time to time. PAI may change the fee for this service upon 30 days' written notice to the Client. PAI's fee for providing these services is in addition to the value of the use of funds held in PAI's account pending payment. Client agrees to reimburse PAI for any costs, including reasonable attorney's fees, associated with collecting delinquent payments. Client authorizes PAI or Newtek to perform a credit check on it.

4. **CLIENT'S RESPONSIBILITIES:** The Client hereby agrees: a) To have sufficient funds in Client's bank account and to provide sufficient information to allow PAI to make the EFTs contemplated by this Agreement and if such funds are not available, PAI may take such action as necessary to collect amounts due, including reissuance of the EFT or reversing transfers previously made; b) To provide PAI with accurate payroll and tax information at least two banking days prior to payroll check date and to reimburse PAI for all costs resulting from its submission of inaccurate information; c) To have available in Client's bank account sufficient funds in collectible form to cover the transactions necessary to provide the Services d) To send immediately to PAI all correspondence (rate notices, penalty notices, pre addressed forms, inquiries, etc.) received from any taxing authority which Client has authorized PAI to file; e) To review and confirm for accuracy all reports, documents and payments forwarded to Client within three business days of receipt and e) To execute any documents, and to provide any additional information, which may be required for PAI to perform its responsibilities under this Agreement.

5. **TERMINATION:** This Agreement may be terminated by any party, with or without cause, upon thirty (30) days written notice or by PAI immediately upon written notice if the Client: a) Fails to perform any of its responsibilities under this Agreement or any other agreement with PAI or Newtek; b) Fails to pay any fee due to PAI or Newtek; or c) Becomes insolvent or there is a filing of a petition for bankruptcy or has appointed a trustee, liquidator or receiver or has a substantial portion of its property become subject to levy, execution or assignment. If PAI so terminates this Agreement, PAI's and Newtek's obligations under this Agreement shall end and the Client will immediately be responsible for all tax payments and filings due then and thereafter, and any related interest and penalties. The Client agrees to hold harmless and indemnify PAI and Newtek for any losses, charges, expenses or other damages, including attorneys' fees, incurred as a result of the Client's default, including interest at the rate of 1.5% per month on overdue amounts.

6. **EXCLUSIVE REMEDIES AND LIMITATIONS OF LIABILITY:** PAI's and Newtek's entire liability, and the Client's exclusive remedy, for PAI's and Newtek's performance or non performance under this Agreement shall be for PAI to reimburse Client the total charge for services provided during the previous twelve months and for any interest or penalties levied by a taxing authority resulting from PAI's negligent performance of its duties hereunder. NEITHER PAI NOR NEWTEK WILL, UNDER ANY CIRCUMSTANCES, BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR FOR LOST PROFITS, SAVINGS OR REVENUES WHICH THE CLIENT MAY INCUR AS A RESULT OF PAI'S OR NEWTEK'S FAILURE TO PERFORM ANY TERM OR CONDITION OF THIS AGREEMENT (EVEN IF IT HAS BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES). Client shall indemnify PAI and Newtek against, and hold each of them harmless from, any and all liabilities, claims, costs, expenses and damages of any nature (including reasonable attorneys fees and costs) in any way arising out of or relating to disputes or legal actions with third parties concerning the provision of the services under this Agreement. Client's obligations under the preceding sentence shall survive termination of this Agreement.

7. **ALTERNATIVE DISPUTE RESOLUTION:** It is agreed that all disputes, claims, and controversies between PAI and Newtek, on the one hand, and Client, on the other, arising from this Agreement or any related documents or instruments, or otherwise, including without limitation, contract, tort, and other claims, shall be determined by a single arbitrator pursuant to the Commercial Arbitration Rules, and under the auspices, of the American Arbitration Association in New Jersey; provided, however, that no arbitrator shall have the power to enjoin or restrain any act of PAI, Newtek or Client. Judgment upon any award rendered by the arbitrator(s) may be entered in any court having jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by PAI, Newtek or Client shall be applicable in any arbitration proceeding and the commencement of any arbitration proceeding shall be deemed the commencement of an action for these purposes.

THIS IS THE ENTIRE AGREEMENT AMONG PAI, NEWTEK AND THE CLIENT WITH RESPECT TO THE SERVICES PROVIDED HEREUNDER AND SUPERSEDES ALL PRIOR AGREEMENTS, PROPOSALS OR UNDERSTANDINGS, WHETHER WRITTEN OR ORAL.

8. **OTHER PROVISIONS:** a) This Agreement shall be construed in accordance with and governed by the laws of the State of New Jersey without reference to that state's principles of choice of law. b) If any portion of this Agreement is held to be invalid or unenforceable, the remainder will remain in full force and effect. c) PAI and Newtek will not be responsible for any failure or delay in performance due to circumstances outside of their control including natural disasters, acts of war, riot, terrorism, strikes or other labor disputes, fires, failure of computers, equipment or communication devices, or acts of government authorities. d) PAI may modify any term of the Agreement by thirty (30) days written notice to Client of such change and the effective date thereof and such shall become effective unless Client terminates the Agreement before the end of the notice period.