

## SERVICE PARTICULARS DAYFORCE PAYROLL TERMS (US)

(APPLICABLE ONLY TO DAYFORCE BUNDLES WHICH CONTAIN DAYFORCE PAYROLL)

### 1. CAPITALIZED AND DEFINED TERMS

1.1 All capitalized terms used herein and not defined shall have the same meaning as in the other documents that form part of the Agreement (as defined in the MSA) or the Dayforce General Terms (the Service Terms applicable to all Dayforce bundles), as applicable.

1.2 As used herein:

1.2.1 "ACA" means the Affordable Care Act;

1.2.2 "ACA Forms" means IRS Forms 1094-C and 1095-C;

1.2.3 "Funding Authorization" means such written authorization, power of attorney or other form executed by Client from time to time as reasonably required by Ceridian to authorize and permit Ceridian to withdraw money, forward payments or take other steps to facilitate the movement of payments as part of the Services;

1.2.4 "Funds" means those funds to be received by Ceridian from Client, in an amount equal to the Payments to be made for a particular Payroll;

1.2.5 "Payments" means the payments to be made by Ceridian on Client's behalf hereunder, in respect of wages to its Employees, statutory remittances, tax filing liabilities and other third party payments as directed by Client and agreed to by Ceridian;

1.2.6 "Payroll" means the payroll of Client processed or to be processed by Ceridian with which the Services are associated;

1.2.7 "Tax Forms" means those forms, as supported by Ceridian's Software, as prescribed by Taxing Authorities from time to time which are required to be provided by Client to the Employees in connection with the remuneration paid or payable to the Employees;

1.2.8 "Taxing Authorities" means those government agencies to which tax remittances are made relating to compensation paid by Client to Employees, and any successors to such agencies; and

1.2.9 "Trust" means the trust established pursuant to a written declaration of trust for the purposes of receiving Funds from its clients, or such additional or replacement trust as may hereafter be established by Ceridian for the purposes of receiving Funds from its clients.

### 2. ONGOING SERVICES

#### 2.1 Funds Transfer (Ceridian Bank Account)

2.1.1 Ceridian's Obligations for Ceridian Direct Deposit and Ceridian Check. Where Ceridian is responsible for issuing Payments using the Trust, Ceridian will:

- (i) issue the Payments in accordance with the Payroll and Payment processing schedule, as agreed upon by the Parties, to meet Client's Payroll obligations, by way of: (a) submitting Payment information to the appropriate funds transfer network(s) in the form required for the electronic crediting/direct deposit of payment to the designated bank accounts of Employees; and/or (b) create negotiable paychecks to the order of Employees drawn on the Trust account. Each paycheck will be printed on Ceridian check stock with Ceridian officer's signature and Ceridian logo;
- (ii) process file reversals, request stop payment orders and request direct deposit reversals upon Client's written request;
- (iii) process stop payments and direct deposit reversals upon Client's written request (subject to any time restrictions reasonably prescribed by Ceridian);
- (iv) at the request of Client or at Ceridian's option, provide Client a report identifying un-cashed paychecks considered stale dated, and pay to Client an amount equivalent to any Payroll Funds held on account of Payments against which stop payments have been placed, or which are, according to banking practice, considered to be stale-dated (less a reasonable administration fee; or at the request of Client, such Payroll Funds may be credited to Client's next Payroll);
- (v) notify Client of exceptions related to paychecks processing and pre-notification rejections, bank requested notification of change requests, and returned credits related to direct deposit services ("Exceptions");
- (vi) notify Client of any errors or other circumstances in the event Ceridian is unable to provide Payments and either re-performs Services (when possible) or arrange return of unpaid funds to Client. Unpaid Payroll Funds will be returned only after verification of available and sufficient fund balances (with time allowances for returned items) by the bank in which such funds are held; and
- (vii) monitor and interpret changes to those laws and regulations in the Territory pertaining to payroll gross-to-net calculations (including tax tables / tax rates), and modifying the Software and Services as required to incorporate such changes and ensure the Software performs all such calculations in compliance with the applicable laws and regulations.

2.1.2 Client's Obligations for Ceridian Direct Deposit and Ceridian Check. Where Ceridian is responsible for issuing Payments using the Trust, Client will:

- (i) enter, maintain and transmit (via the Software) Payroll data to Ceridian, such number of days as established by Ceridian (acting reasonably) prior to the date the paychecks are to be issued and deposits are to be made, as required to meet agreed upon processing schedules, as set forth in the Funding Authorization;
- (ii) review and audit all Payroll data, reports and other materials prior to committing the Payroll. Client shall correct any discrepancies or errors in such materials prior to the next scheduled processing;
- (iii) monitor changes to those laws specifically applicable to Client's business, interpreting applicable laws and regulations, determining the requirements for compliance with such laws and regulations, and notifying Ceridian of any changes to the Payroll processing required as a result of such laws;
- (iv) correct Exceptions before transmitting Payroll data for Client's next Payroll (otherwise Client could be in breach of applicable laws or regulations);
- (v) be responsible for contacting payees to resolve payment of any voided paychecks and reimburse Ceridian for any losses and fees incurred by Ceridian in circumstances where Ceridian honors Client's request to initiate a stop payment order and issues a replacement check, but the check originally issued is subsequently presented for payment by a holder in due course (including fraud or misconduct on the part of Employees);

- (vi) require Employees to complete, sign and maintain any account funding authorizations or other documents or authorizations necessary for Ceridian to provide Services, including authorizations for the initiation of credit entries. Without limitation, Client shall ensure that each Employee utilizing Ceridian's direct deposit service has authorized the initiation of credit entries and the crediting of the Employee account, as well as the debiting of the Employee account through a file reversal in the event of a returned item from Client's account or any funding deficiency by Client (to extent permitted by law). Client must ensure that such authorizations are operative at the time of transmittal and crediting/debiting of the Employee accounts;
- (vii) hereby grant to Ceridian the authority to issue Payments on behalf of Client, and to take such other action as may be necessary from time to time in connection with the provision of the Services, which might authorize to instruct its bank to stop payment and authorize to refuse payment as required to provide the Services;
- (viii) forward the Funds to an account established by the Trust as directed by Ceridian. The Funds will be provided by Client in a manner satisfactory to Ceridian (acting reasonably) and where Ceridian is debiting Client's account, Client will fully fund such account and authorize the initiation of debit entries and the debiting of the account in the amount and on the date specified, and ensure that such authorization is operative at the time of transmittal and debiting of Client account. Ceridian shall not be obliged to release any Payroll documents or to make or honor any Payments until it has received confirmation that Client's financial institution upon which the Funds have been drawn has irrevocably honored such request for advance of funds. In this regard, Ceridian reserves the right, at its option, to implement such procedures as may reasonably be required to guarantee the irrevocable receipt by it of the Funds prior to Ceridian paying out any such funds; and
- (ix) provide Ceridian with Funds in an amount equal to the tax liability Payments to be made for a particular Payroll.

## 2.2 Payment Solutions (Client Bank Account)

- 2.2.1 Ceridian's Obligations. Where Client elects to issue Payments using its own checks and / or drawn on its own bank account, Ceridian will:
  - (i) issue the Payments in accordance with the Payroll and Payment processing schedule, as agreed upon by the Parties, to meet Client's Payroll obligations, by way of: (a) submitting Payment information to the appropriate funds transfer network(s) in the form required for the electronic crediting/direct deposit of payment to Client's bank account; and/or (b) create negotiable paychecks to the order of Employees drawn on the Client's bank account. Each paycheck will be printed on standard check stock with Client officer's signature and, if selected, Client's logo using the check data and account provided by Client;
  - (ii) process file reversals, and request direct deposit reversals upon Client's written request;
  - (iii) notify Client of exceptions related to paychecks processing and pre-notification rejections, bank requested notification of change requests, and returned credits related to direct deposit services ("Exceptions");
  - (iv) notify Client of any errors or other circumstances in the event Ceridian is unable to provide payments and either re-performs Services (when possible) or arrange return of unpaid funds to Client. Unpaid Funds will be returned only after verification of available and sufficient fund balances (with time allowances for returned items) by the bank in which such funds are held; and
  - (v) monitor and interpret changes to those laws and regulations in the Territory pertaining to payroll gross-to-net calculations (including tax tables / tax rates), and modifying the Software and Services as required to incorporate such changes and ensure the Software performs all such calculations in compliance with the applicable laws and regulations.
- 2.2.2 Client's Obligations. Where Client elects to issue Payments using its own checks and / or drawn on its own bank account, Client will:
  - (i) enter, maintain and transmit (via the Software) Payroll data to Ceridian, such number of days as established by Ceridian (acting reasonably) prior to the date the paychecks are to be issued and deposits are to be made, as required to meet agreed upon processing schedules, as set forth in the Funding Authorization;
  - (ii) review and audit all Payroll data, reports and other materials prior to committing the Payroll. Client shall correct any discrepancies or errors in such materials prior to the next scheduled processing;
  - (iii) monitor changes to those laws specifically applicable to Client's business, interpreting applicable laws and regulations, determining the requirements for compliance with such laws and regulations, and notifying Ceridian of any changes to the Payroll processing required as a result of such laws;
  - (iv) correct Exceptions before transmitting Payroll data for Client's next Payroll (otherwise Client could be in breach of applicable laws or regulations);
  - (v) be responsible for contacting payees to resolve payment of any voided paychecks and reimburse Ceridian for any losses and fees incurred by Ceridian in circumstances where Ceridian honors Client's request to initiate a stop payment order and issues a replacement check, but the check originally issued is subsequently presented for payment by a holder in due course (including fraud or misconduct on the part of Employees);
  - (vi) require Employees to complete, sign and maintain any account funding authorizations or other documents or authorizations necessary for Ceridian to provide Services, including authorizations for the initiation of credit entries. Without limitation, Client shall ensure that each Employee utilizing Ceridian's direct deposit service has authorized the initiation of credit entries and the crediting of the Employee account, as well as the debiting of the Employee account through a file reversal in the event of a returned item from Client's account or any funding deficiency by Client (to extent permitted by law). Client must ensure that such authorizations are operative at the time of transmittal and crediting/debiting of the Employee accounts;
  - (vii) hereby grant to Ceridian the authority to issue Payments on behalf of Client, and to take such other action as may be necessary from time to time in connection with the provision of the Services, which might authorize to instruct its bank to stop payment and authorize to refuse payment as required to provide the Services;
  - (viii) pay for all reasonable expenses incurred by Ceridian as a result of Client errors or omissions; and
  - (ix) ensure the Funds are available in the account from which Ceridian is drawing the Client Checks and/or initiating the Payments, and authorize the initiation of debit entries and the debiting of the account in the amount and on the date specified, and ensure that such authorization is operative at the time of transmittal of Client account.

## 2.3 Tax Filing Services

- 2.3.1 Ceridian's Obligations. Ceridian will:
  - (i) prepare, deposit, and file Client's Payroll tax returns for those federal, state and local jurisdictions supported by Ceridian and reflected on Client's Tax jurisdictional profile;
  - (ii) remit Client's tax liabilities to Taxing Authorities as supported by Ceridian;
  - (iii) provide Client with a regular tax statement for each Client tax registration number processed by Ceridian;
  - (iv) provide, prepare and file employer Tax Forms in the formats required by each Taxing Authority provided that Ceridian has provided tax filing Services for Client for the entire calendar year or Client has provided year to date or quarterly tax filing data in accordance with Section 2.3.2(vii);
  - (v) respond to all Taxing Authorities inquiries pertaining to jurisdictions processed by Ceridian for periods of services provided by Ceridian. Ceridian shall provide Client with copies of correspondence sent to Taxing Authorities in the resolution of the inquiry; and
  - (vi) provide Client with online access to account information, including tax deposit history.

- 2.3.2 Client's Obligations. Client will:
- (i) prior to the first Payroll date, provide Ceridian with such information, forms, Powers of Attorney, written authorizations and other documentation as reasonably required by Ceridian in order to enable Ceridian to determine paid and accrued taxes and tax liabilities, and to remit Client's tax liabilities and otherwise act on Client's behalf in this regard;
  - (ii) provide accurate account numbers, remittance frequency and all other information required from time to time to permit accurate and timely remittance by Ceridian;
  - (iii) notify Ceridian in writing immediately of any changes to the frequency with which it must make its statutory remittances, and provide Ceridian with any notices it receives from the Taxing Authorities relating to the frequency of such remittances or any other reporting requirements. Client shall continue to receive, review and be the contact for all correspondence and all other communications with the Taxing Authorities, but Client authorizes Ceridian to discuss matters relating to remittance of Client's source deductions with such Taxing Authorities;
  - (iv) communicate in writing any changes in services or changes that affect the information provided by Client to Ceridian ten (10) Business Days prior to the desired effective date of such change. Any penalty or other charges that result from incorrect, incomplete, or changed tax information provided by Client is Client's sole and exclusive liability and responsibility. Ceridian is not responsible for any matters existing prior to Ceridian's first Payroll date;
  - (v) review and compare the transmitted liabilities with Ceridian posted liabilities and notify Ceridian of any discrepancies within one (1) Business Day of initial receipt (or such other time period as reasonably established by Ceridian in accordance with its processing schedule);
  - (vi) enter, maintain and transmit (via the Software) Payroll data to Ceridian, such number of days as established by Ceridian (acting reasonably) prior to the date the paychecks are to be issued and deposits are to be made, as required to meet agreed upon processing schedules;
  - (vii) provide mid quarter data within two (2) weeks of the Service Start Date, or by the 15th day of March, June, September, or December, whichever comes first, if Client's Service Start Date is after tax liabilities have been paid by Client in the quarter of service (or by such other deadlines as reasonably established by Ceridian from time to time in accordance with its processing schedule);
  - (viii) assist Ceridian in responding to inquiries or in processing amendment requests by providing the information necessary to meet Tax Authority requirements. Client shall provide Ceridian with written approval for amendments or inquiries resulting in additional tax, penalty and/or interest due, and agrees to fund these amounts in full prior to completion and submission;
  - (ix) retain records according to the schedules established by Taxing Authorities for Client. Ceridian has no responsibility or liability for maintaining or retaining records on behalf of Client;
  - (x) submit any necessary changes to the year end tax file in accordance with the time frames reasonably established by Ceridian (such time frames will be established based on the time required, after receipt of such information by Ceridian, for Ceridian to perform its responsibilities within the time prescribed by the Taxing Authorities); and
  - (xi) provide Ceridian with Funds in an amount equal to the tax liability Payments to be made for a particular Payroll.

## 2.4 Year End Employee Tax Forms

- 2.4.1 Ceridian's Obligations. Ceridian will:
- (i) deliver the Tax Forms to Client no later than five (5) Business Days (or such other deadline as reasonably established by Ceridian from time to time in accordance with its processing schedule) after Client has committed/released to print (through the Software functionality) the Tax Forms in the year immediately following the calendar year for which the Tax Forms are being prepared (subject to Client's obligations to provide data and review output as contemplated herein, in a timely fashion);
  - (ii) provide support services via Ceridian's designated support portal for Client's technical personnel and primary users of the Services;
  - (iii) annually publish the Tax Forms production schedule;
  - (iv) print and/or post the type(s) and quantity of Tax Forms specified by Client and as the data appears in the file transmitted by Client; and
  - (v) package Tax Forms for shipment within five (5) Business Days (or such other deadline as reasonably established by Ceridian from time to time in accordance with its processing schedule) after Client has committed (through the Software application) to print/release the Tax Forms. Additional charges will apply for any Client requested (a) sorting and/or splitting, or (b) printing of Tax Forms.
- 2.4.2 Client's Obligations. Client will:
- (i) review Tax Forms upon receipt of same and notify Ceridian of any errors in such materials within two (2) Business Days (or such other deadline as reasonably established by Ceridian from time to time in accordance with its processing schedule) of receipt of printed Tax Forms; and
  - (ii) adhere to the annually published Tax Forms production schedule provided by Ceridian including: (a) completion of any necessary adjustments in the timeframe designated by Ceridian; and (b) committing the Tax Forms to print.

## 2.5 Wage Attachment Disbursements

- 2.5.1 Ceridian's Obligations. Ceridian will:
- (i) timely prepare and deposit Client's wage garnishment liabilities for those federal, state, and local payment processing units and individual third parties supported by Ceridian to which an Employee owes a debt and has agreed or is compelled by appropriate governmental authority to resolve via garnishment of Employee's wages;
  - (ii) collect funds to cover the total amount of wage garnishment liabilities transmitted by Client in accordance with the terms set forth in the Funding Authorization; and
  - (iii) provide a statement of account activity to Client summarizing funds collection and disbursement transactions. Ceridian is not responsible for providing additional administrative services including agency research, account reconciliation, and wage garnishment data input and adjustments except where Ceridian has agreed in writing to provide such services.
- 2.5.2 Client's Obligations. Client will:
- (i) provide wage garnishment data including wage order data, wage garnishment amounts, payee addresses, bank account information in a Ceridian approved format as outlined in user manuals, client communications and service advisories within the timeframes as required in respect of the Payroll data generally;
  - (ii) provide funds to cover the total amount of wage garnishment liabilities transmitted by Client in accordance with the terms set forth in the Funding Authorization;
  - (iii) notify Ceridian of any unscheduled and/or special Payroll runs that will impact wage garnishment data including void, manual, and/or adjustment transactions;
  - (iv) correct any errors before transmitting Client's next Payroll or wage garnishment data transmission. Any penalty or other charges that result from incorrect, incomplete, and/or changed wage garnishment data received by Ceridian from Client, or from Client's changed

information or signatures and documents in Client's possession that are not provided to Ceridian in a timely manner are Client's sole and exclusive responsibility; and

(v) compensate Ceridian for any applicable late or miscellaneous fees related to the services. Any penalty or other charges that result from incorrect, incomplete, and/or changed wage garnishment data received by Ceridian from Client, or from Client's changed information that it has not disclosed to Ceridian in a timely manner is Client's sole and exclusive responsibility.

## **2.6 ACA Forms Filing Services (APPLIES ONLY IN THE UNITED STATES WHEN ACA MANAGEMENT IS PURCHASED)**

2.6.1 Ceridian will, upon receipt of complete, accurate and properly coded data in the format specified by Ceridian, annually file Client's ACA Forms in the format required by the Taxing Authority.

2.6.2 Client's Obligations. Client will:

- (i) prior to the Service Start Date and at appropriate intervals thereafter, provide Ceridian with such information, forms, written authorizations and other documentation as reasonably required by Ceridian to file ACA Forms;
- (ii) provide complete and accurate data to Ceridian in a Ceridian specified manner, and promptly review and validate data and correct any incomplete, inaccurate and improperly coded data. Taxing Authorities will not accept a data file that is incomplete or improperly formatted;
- (iii) adhere to the annually published ACA Forms production schedule provided by Ceridian including: (a) completion of any validation and necessary adjustments in the timeframe designated by Ceridian; and (b) committing the ACA Forms to Ceridian for processing; and
- (iv) respond to Taxing Authority inquiries related to the ACA Forms.

## **2.7 ACA Forms Print and Image Services (APPLIES ONLY IN THE UNITED STATES WHEN ACA MANAGEMENT IS PURCHASED)**

2.7.1 Ceridian's Obligations. Ceridian will:

- (i) annually publish the ACA Forms production schedule;
- (ii) subject to Client's obligations to provide complete, accurate and properly coded data, in a timely fashion, print and package ACA 1095-C Forms for shipment in accordance with its processing schedule. Employees may opt-out of receiving a printed form using the self service functionality in the Software. Additional charges will apply for printing as well as any Client requested splitting of ACA Forms;
- (iii) make available a copy of ACA Forms within the Software for review and approval by Client administrators. Upon approval, ACA Forms may be printed from the system; and
- (iv) provide support services via telephone, electronic mail and/or access to Ceridian's designated web site for Client's technical personnel and primary users of the Services.

2.7.2 Client's Obligations. Client will:

- (i) complete web setup provided by Ceridian;
- (ii) provide complete and accurate data to populate ACA Forms, and promptly review and validate data (including any codes auto-populated by the Software), and correct any incomplete, inaccurate and improperly coded data. Taxing Authorities will not accept a data file that is incomplete or improperly formatted; and
- (iii) adhere to the annually published ACA Forms production schedule provided by Ceridian including: (a) completion of any validation and necessary adjustments in the timeframe designated by Ceridian; and (b) committing the ACA Forms to Ceridian for processing.

## **3. ADDITIONAL PROVISIONS**

**3.1 Client's Acknowledgement Regarding Trust Funds.** Ceridian has established and shall maintain the Trust for the purpose of holding and keeping Funds and other trust funds received from its clients separate from Ceridian's own property. For clarity, the principal amount of the Funds received by Ceridian from Client shall at all times while in the possession or control of Ceridian, be held in the Trust. Client acknowledges that Ceridian is entitled to invest monies held by the Trust in accordance with the investment guidelines established from time to time by Ceridian, and that Ceridian, in its own capacity, is entitled as income beneficiary to all income and gains derived or realized from such investments and is not accountable to Client, the Employees, or any other person for such income or gains. The Trust is entitled to pledge such investments for borrowings of the Trust to facilitate the Payments, rather than converting the investments into cash. Notwithstanding any limitation of liability contained in the MSA, Ceridian shall fully and completely indemnify and save Client and Client's Affiliates harmless from and against any and all loss of any portion of the principal amount of the Funds (including any losses of principal resulting from the investment of the Funds) caused by Ceridian, to the extent such Funds were actually received by Ceridian.