



FIRST AMENDMENT
TO
GLOBAL MASTER SERVICES AGREEMENT
BETWEEN
ADP, INC.
AND
COUNTY OF TULARE

This First Amendment (the "First Amendment"), made as of 12-01-2020 ("First Amendment Effective Date") between ADP, Inc., formerly known as ADP, LLC ("ADP") a Delaware Corporation, and County of Tulare ("Client") contains changes, modifications, revisions and additions to the terms and conditions of the Global Master Services Agreement dated January 1, 2018 (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 completed a corporate conversion on July 1, 2020. Therefore, all references to "ADP, LLC" in the Agreement are hereby changed to "ADP, Inc."

2. **Term.** Section 12.1 of the Agreement is amended to delete the first sentence in its entirety and replace it with the following:

"This Agreement is effective upon the Effective Date and shall remain in effect until the fifth (5th) anniversary of the First Amendment Effective Date (the "Initial Term")."

3. **Appendix 1.** As of the First Amendment Effective Date, "Appendix 1: Pricing and Financial Terms" to the Agreement is hereby replaced in its entirety with "Appendix 1A: Pricing and Financial Terms," attached hereto as "Amendment 1 Exhibit 2" and made a part hereof. All references in the Agreement to "Appendix 1: Pricing and Financial Terms" shall be deemed to refer to the attached "Appendix 1A: Pricing and Financial Terms."

4. **Data Privacy.** As of the First Amendment Effective Date, the Agreement is hereby amended to add the Data Privacy Appendix, attached hereto as "Amendment 1 Exhibit 1" and made a part hereof.

5. **General Provision; Effect of Amendment.** 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 First Amendment and the terms and conditions of the Agreement, this First Amendment shall prevail. The terms defined in the Agreement and used in this First Amendment shall have the same respective meanings as set forth in the Agreement, unless clearly otherwise defined in this First Amendment. This First 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 First Amendment and the Agreement.

TULARE COUNTY AGREEMENT NO. 28440-A



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

ADP, Inc.

COUNTY OF TULARE

By:

Name:

Jimmy Adams

Title:

SVP/HCM Services

Date:

10/21/20

By:

Name:

PETE VANDER POEL

Title:

CHAIRMAN, BOARD OF SUPERVISORS

Date:

11/17/2020





Amendment 1 Exhibit 1

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.



Amendment 1 Exhibit 2

Appendix 1A

Pricing and Financial Terms



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).

OnGoing Service Fees	Units Assumed	Rate	Frequency	Based On
ADP HR and Payroll Services	4,685			
Payroll Processing	4,685	\$1.98	pay	Includes Pays, PQV Net, Check View, W-2/1099 Reports, Labor Distribution, Multi Jurisdiction Feature, Payroll QuickView, Benefit Accruals
Enterprise HR	1	\$4,762.70	month	-Premise based
Paperless Payroll Service Bundle	4,685	\$0.00	included	
Full Service Direct Deposit (FSDD)	4,685	\$0.00	included	
ADP Check	4,685	\$0.00	included	
ADP iPayStatements	4,685	\$0.00	included	
iReports	4,685	\$0.00	included	
New Hire Reporting Service	648	\$0.00	No charge	
Quarterly Earning Records	4,879	\$0.23	ee/qtr	Minimum \$31.50
Multi-Jurisdiction Reporting	4	\$13.50	report	
Employment Tax Services	4,685	\$0.00	included	
Split Wrap	1	\$0.00	No charge	
Year End Processing - W-2	5,380	\$3.61	form	Includes W-2's and Earnings Summary Statements
Wage Garnishments Processing Service (WGPS) - Service	223	\$1.80	Per lien	
iArchive	4,685	\$0.00	included	
Wisely Paycard	1	\$2.00	transaction	Card issuance
PREPAID/MANUAL CHECKS	3	\$27.00	Per processing	



OnGoing Service Fees	Units Assumed	Rate	Frequency	Based On
CTO / FAMILY SICK / ADMIN REPORT	1	\$45.00	Per processing	
WORKERS COMPENSATION REPORT	1	\$45.00	Per processing	
VACATION / SICK REPORT	1	\$63.00	Per processing	
DEDUCTION REGISTER	19,982	\$0.00	No charge	
JOB FILE FOR CUSTOM GL	21,256	\$0.00	No charge	
MASTER FILE FOR CUSTOM GL	17,958	\$0.00	No charge	
MF DATA EXCHANGE	18,702	\$0.00	No charge	
PAY DATA EXCHANGE	86,935	\$0.00	No charge	
PAY FILE FOR CUSTOM GL	17,089	\$0.00	No charge	
Time & Attendance Services				
ADP Enterprise eTIME	1,757	\$1.73	ee/month	-Minimum \$0.00 -Premise based
ADP Enterprise eTIME Web Time Entry	1,753	\$1.73	ee/month	
Additional Managers above 10:1 ratio	222	\$5.45	mgr/month	Price per additional manager over the included 10:1 employee/manager ratio
ADP Enterprise Accruals	1,757	\$0.56	ee/month	
ADP Employment Verification Services				
Employment Verification Services	5,108	\$0.00	PEPM	
Social Services Verification Services	5,108	\$0.00	PEPM	

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 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	ADP Check 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	\$10.00	Per wire	Applies to: - Reverse wire - Direct wire
ADP Wage Payment Services					
Pay Cards	Wisely Card	1	\$2.50	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)
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	
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



Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Frequency	Based on
	Re-close Fee	0	\$50.00	Per occurrence	
Employment Verification Services					
Other	Implementation Fee (Wage Type Details and/or Job Titles)	0	\$2500.00	One-Time	ADP can provide detail wage breakdowns (Regular, Bonus, Commissions, Overtime) and actual job titles

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 1A 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. ADP will continue to charge Client at the current rates for any components of Services that are itemized in Client's previous pricing appendix that are not specifically listed in this Appendix 1A.

Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
VOLUME ASSUMPTIONS				
Payroll Processing				
Populations	Pay Frequencies	3	Included	
	Company Codes / Pay Groups	4	Included	
	Employees Paid Bi-Weekly	4,542	Included	-Processing for up to 4,542 employees paid bi-weekly included
	Employees Paid Semi-Monthly	35	Included	-Processing for up to 35 employees paid semi-monthly included
	Employees Paid Monthly	108	Included	-Processing for up to 108 employees paid monthly included
Pays/ Distribution	Payment Transactions	120,228	Included	
Time & Attendance Services - Enterprise eTime				
Populations	TLM Users	1,757	Included	
	Accruals	1,757	Included	



Category	Item Description	Units Included in Fees	Rate per Unit (or ADP Prevailing Rate)	Based on
Employment Verification Services				
Verifications	Non-Public Sector Requests			- Non-Public Sector requests are paid for by the requestor; examples of non-public sector requestors include mortgage lenders, property managers, and pre-employment firms

IV. Financial Terms

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

County of Tulare.

The Approved Country is the United States of America.

B. **Implementation:** Not applicable.

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 (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 to Client for transaction processing.

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. **Early Termination Fee:** If Client terminates any or all of the Services prior to the expiration of the Term for any reason, except for ADP's material breach pursuant to Section 12.2 of the Agreement, Client will pay to ADP an Early Termination Fee equal to A multiplied by B multiplied by C, where A equals the number of months remaining prior to the expiration of the Term at the effective date of termination, and B equals the average monthly fee for the terminated Services during the twelve-month period immediately preceding the termination (or a shorter period of time if monthly fees have been payable for less than 12 months at the termination date), and C equals thirty percent (30%). If monthly fees for Services have not yet been payable at the time of termination, B will equal the estimated monthly fees that would have been payable under this Agreement. In the case of a partial termination, ADP may equitably adjust the fees for the remaining Services, and Client will be responsible for



any reconfiguration work. Client will also pay the Early Termination Fee in the event of any reduction in Client's volume or usage of the Services by more than fifty percent (50%).

G. **Hiring Personnel:** "Intentionally Omitted."

H. **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.

I. **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.
- Net pay funding for ALINE Cards will be provided by Client to the Issuing Bank within the deadline and via the method of delivery established by the Issuing Bank to satisfy Client's Payee obligations.
- For reverse wire clients, funds must be available by 6:00 a.m. Pacific time.

c) For ADP Wage Garnishment Services and Fees

Funding

Client will transmit wage garnishment information, deductions and liabilities to ADP one business day prior to the associated payroll check date via reverse wire.

- For reverse wire clients, funds must be available by 6:00 a.m. Pacific time.

J. **Fee Adjustments:**

- 1) The fees set forth in this Appendix 1A will remain fixed during the first three years following the First Amendment Effective Date. During year four following the First Amendment Effective Date, ADP may increase the fees for the Services on an annual basis by 3% with 30 days' prior written notice. Year five following the First Amendment Effective Date shall have a zero percent (0%) increase. Thereafter, ADP may modify the fees on an annual basis upon 30 days' prior written notice to Client.

K. **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.



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