

MAJOR ACCOUNTS AGREEMENT

This Major Accounts Agreement (“**Agreement**”) dated May 1, 2018 (the “**Effective Date**”), is by and between the County Of Cochise with offices at 1415 W. Melody Lane Building, Bisbee, AZ 85603 (“**Client**”), and ADP, LLC, with its principal office at One ADP Boulevard, Roseland, New Jersey 07068 (“**ADP**”) for the procurement of Services (defined in Section 1A) from ADP in accordance with this Agreement. All references herein to “**Client**” shall refer to Client and its affiliates receiving the ADP Products and Services (defined in section 1A) pursuant hereto. For purposes of this Agreement “**affiliate**” of Client shall mean any individual, corporation or partnership or any other entity or organization (a “**person**”) that controls, is controlled by or is under common control with Client. For purposes of the preceding definition, “**control**” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through ownership of voting securities or by contract or otherwise.

1. GENERAL TERMS

A. Services. ADP shall provide the services described elected by Client under this Agreement or amendment to this Agreement and any other services offered pursuant to this Agreement and that ADP provides to Client at Client’s request (the “**Services**”), and such equipment, computer programs, software (other than pre-packaged third-party software), and documentation (the “**ADP Products**”) required for such Services in accordance with sales order(s) between Client and ADP (the “**Sales Order(s)**”). A general description of the Services, including ADP Workforce Now, ADP’s web-based portal which provides a single point of access to ADP online solutions and employee-facing websites and resources related to payroll, HR, benefits, talent, and time and attendance, is found at www.productdescription.majoraccounts.adp.com (which may be modified from time to time provided, however, that any such modifications will not have a material adverse impact on any of the Services Client is receiving). The ADP Products and Services are hosted in the United States and are for use in the United States only, except for the HR and/or Talent modules of ADP Workforce Now (but specifically excluding document cloud services and any other modules/tools that ADP, in its sole discretion, determines shall not be accessible to Client employees located outside the United States) approved for use and access by Client from the countries specified on the Approved Country List listed on www.productdescription.majoraccounts.adp.com or ADP otherwise consents in writing. ADP will provide the Services in a good, diligent and professional manner in accordance with industry standards, utilizing personnel with a level of skill commensurate with the Services to be performed.

B. Errors; Review of Data. All Services provided hereunder will be based upon information provided to ADP by Client, any person authorized by Client to use, access or receive the Services. Client will promptly review all documents and reports produced by ADP and provided or made available to Client in connection with the Services and promptly notify ADP of any error, omission, or discrepancy with Client’s records. ADP will promptly correct such error, omission, or discrepancy, and if such error, omission, or discrepancy was caused by ADP, then such correction will be done at no additional charge to Client. To help prevent employee fraud, ADP recommends that Client has someone other than its designated payroll contact, promptly and thoroughly review Client’s disbursement reports to enable Client to spot and correct errors and inconsistencies.

C. Records. ADP does not serve as Client’s record keeper and Client will be responsible for retaining copies of all documentation received from or provided to ADP in connection with the Services to the extent required by Client or applicable law.

D. Use of ADP Products and Services. ADP Products and Services include confidential and proprietary information. Client shall use the ADP Products and Services only for its internal business purposes. Client shall not provide, directly or indirectly, any of the ADP Products or Services or any portion thereof to any other party. Client shall not provide service bureau or other data processing services that make use of the ADP Products or Services or any part thereof without the express written consent of ADP. Client shall be responsible for the use of the Services by its employees, plan participants and any other persons authorized by Client to access or use the Services in accordance with the terms of this Agreement. Client is responsible for the accuracy, completeness and use of all information and materials provided by Client, its agents or employees, regardless of form (“**Client Content**”).

E. Compliance.

i. **Applicable Laws.** Each party will comply with applicable laws and regulations that affect its business generally, including any applicable anti-bribery, export control and data protection laws and rules and regulations promulgated by the United States Department of Treasury, Office of Foreign Assets Control (“**OFAC**”) regarding export controls and trade with prohibited parties. For clarity, Client represents that Personal Information (as defined in Section 7C) transferred by Client or at Client’s direction to ADP has been collected in accordance with applicable privacy laws, and ADP agrees that it shall only process the Personal Information as needed to perform the Services, or as required or permitted by law.

ii. **Design of the Services.** ADP will design the Services, including the functions and processes applicable to the performance of the Services, to assist the Client in complying with its legal and regulatory requirements applicable to the Services, and ADP will be responsible for the accuracy of such design. Client and not ADP will be responsible for (i) how it uses the Services to comply with its legal and regulatory requirements and (ii) the consequences of any instructions that it gives or fails to give to ADP, including as part of the implementation of the Services, provided ADP follows such instructions. Services do not include any legal, financial, regulatory, benefits, accounting or tax advice.

iii. **Online Statements.** If Client instructs ADP to provide online pay statements, Forms W2, or Forms 1099 without physical copies thereof, Client will be exclusively responsible for determining if and to what extent Client’s use of online pay statements, Forms W2 or Forms 1099 satisfies Client’s obligations under applicable laws and the consequences resulting from such determinations.

iv. **Links to Third-Party Sites.** Certain ADP Products or Services may be accessed by Client and its authorized employees and plan participants through the Internet at a website provided by ADP or on behalf of ADP, including those hosted by ADP on behalf of Client (a “**Site**”). Links to sites do not constitute an endorsement by ADP or any of its subsidiaries or affiliates of such third-party sites or the acceptance of responsibility for the content on such sites. Client’s business dealings with any third-party advertiser found on the Site(s) are solely between Client and such advertiser and ADP shall not be responsible or liable for any loss or damage of any sort incurred as the result of such dealings or as the result of the presence of such advertisers on ADP Workforce Now.

F. Transmission of Data. In the event that Client elects to use an application programming interface (“**API**”) to provide, or requests that ADP provide any Client Content or employee or plan participant information to any third party or to any non-U.S. Client location, Client represents that it has acquired any consents or provided any notices required to transfer such content or information and that such transfer does not violate any applicable international, federal, state or local laws and/or regulations. Additionally, ADP shall not be responsible for any services or data provided by any such third party.

2. FEES, PAYMENTS, AND TAXES

A. Fees. Client shall pay ADP for the ADP Products and Services at the rates specified in the Sales Order (assuming no changes in requirements, specifications, volumes or quantities) for the first six (6) months after the Effective Date, or, if there is a Price Agreement for certain ADP Products or Services, for the term set forth therein (the "Initial Period"). Client shall pay ADP for any ADP Products and Services added by Client after the Effective Date at ADP's then prevailing prices for such ADP Products and Services. Subject to any Price Agreement, ADP may increase prices for the ADP Products and Services at any time after the Initial Period upon at least thirty (30) days prior written notice to Client if such change is part of a general price change by ADP to its clients for affected items.

B. Billing. Commencement of billing for Services shall be set forth in the respective sections governing the Services. Client will pay all invoices in full within thirty (30) days of the invoice date. Client shall reimburse ADP for any expenses incurred, including interest and reasonable attorney fees, in collecting amounts due ADP hereunder that are not under good faith dispute by Client. Fees for implementation services, if any, shall be billed upon "go live" of the respective Service(s); provided, however, in the event this Agreement of any Services(s) is terminated after the commencement but prior to the completion of such implementation, ADP will invoice, and Client will pay, for any implementation services and expenses incurred by ADP until such date of termination (a minimum of 30% of quoted implementation fees), not to exceed the implementation fees quoted on the Sales Order.

C. Taxes. Client shall be responsible for payment of all taxes (excluding those on ADP's net income) relating to the provision of ADP Products and Services, except to the extent a valid tax exemption certificate or other written documentation acceptable to ADP to evidence Client's tax exemption status is provided by Client to ADP prior to the delivery of Services.

3. WARRANTIES AND DISCLAIMER

A. Warranties. Each party warrants that (i) it has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and (ii) this Agreement has been duly and validly executed and delivered and constitutes the valid and binding agreement of the parties, enforceable in accordance with its terms. Further, ADP warrants that, for one year after acceptance by Client, the Services shall be (i) of a quality that is industry standard and as described in this Agreement, and (ii) within the variations permitted under this Agreement. To the extent the Services do not meet these standards, ADP shall rectify any deviations or error with no additional cost to the Client.

B. DISCLAIMER. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL EQUIPMENT PROVIDED BY ADP OR ITS SUPPLIERS IS PROVIDED "AS IS" AND ADP AND ITS LICENSORS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS, VIRUSES OR ANY OTHER MALICIOUS CODE WITH RESPECT TO THE SERVICES, THE ADP PRODUCTS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP. ADP AND ITS LICENSORS FURTHER DISCLAIM ANY WARRANTY THAT THE RESULTS OBTAINED THROUGH THE USE OF THE SERVICES, THE ADP PRODUCTS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP WILL MEET CLIENT'S NEEDS.

4. INTELLECTUAL PROPERTY

A. Client IP Rights. Except for the rights expressly granted to ADP in this Agreement, all rights, title and interests in and to Client Content, including all Intellectual Property Rights (as hereinafter defined) inherent therein and pertaining thereto, are owned exclusively by Client or its licensors. Client hereby grants to ADP for the term of this Agreement 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. For the purposes of this Agreement, "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.

B. ADP IP Rights. Except for the rights expressly granted to Client in this 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 of this Agreement a personal, non-exclusive, non-transferable, royalty-free license to use and access the ADP Products or Services in accordance with the terms of this Agreement. The ADP Products or Services 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, decompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, such ADP materials.

C. 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 except to its affiliates, employees, plan participants and any other persons authorized by Client to access or use the Services.

D. ADP Indemnity. Subject to the remainder of this Section 4D, ADP shall defend Client in any suit or cause of action, and indemnify and hold Client harmless against any damages payable to any third party in any such suit or cause of action, alleging that the ADP Products as used in accordance with this Agreement infringe any U.S. patent, copyright, trade secret or other proprietary right of any third party. The foregoing obligations of ADP are subject to the following requirements: Client shall take all reasonable steps to mitigate any potential damages which may result; Client shall promptly notify ADP of any and all such suits and causes of action; ADP controls any negotiations or defense of such suits and causes of action; and Client assists as reasonably required by ADP. The foregoing obligations of ADP do not apply to the extent that the infringing ADP Product or portions or components thereof or modifications thereto were not supplied or directed by ADP, or were combined with other products, processes or materials not supplied or directed by ADP (where the alleged infringements relates to such combination).

5. NONDISCLOSURE

All Confidential Information (defined below) disclosed hereunder will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose the Confidential Information of the disclosing party and will use at least the same degree of care, discretion and diligence in protecting the Confidential Information of the disclosing party as it uses with respect to its own confidential information, but in no case less than reasonable care. The receiving party will limit access to Confidential Information to its affiliates, employees and authorized representatives with a need to know and will instruct them to keep such information confidential. Notwithstanding the foregoing, the receiving party may disclose Confidential Information of the disclosing party (a) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it, (b) as appropriate and with prior notice where practicable, to respond to any summons or subpoena or in connection with any litigation, (c) relating to a specific employee, to the extent such employee has consented to its release, and/or (d) in order to provide the Services under this Agreement. Upon the request of the disclosing party, the receiving party will return or destroy all Confidential Information of the disclosing party that is in its possession. Notwithstanding the foregoing, (x) ADP may retain information for regulatory purposes or in back-up files, provided that ADP's confidentiality obligations hereunder continue to apply; (y) ADP may use the Client's and its employees' and participants'

information for purposes other than the performance of the Services but only in an aggregated, anonymized form, such that neither Client nor its employees or participants may be identified, and Client will have no ownership interest in such aggregated, anonymized data. For purposes of this Section, "**Confidential Information**" shall mean: all information of a confidential or proprietary nature, including pricing and pricing related information and all personally identifiable payroll and employee-level data, provided by the disclosing party to the receiving party for use in connection with ADP Products or Services, or both, but does not include (i) information that is already known by the receiving party, (ii) information that becomes generally available to the public other than as a result of disclosure by the receiving party in violation of this Agreement, and (iii) information that becomes known to the receiving party from a source other than the disclosing party on a non-confidential basis. The obligations of ADP set forth in this Section 5 shall not apply to any suggestions and feedback for product or service improvement, correction, or modification provided by Client in connection with any present or future ADP product or service, and, accordingly, neither ADP nor any of its clients or business partners shall have any obligation or liability to Client with respect to any use or disclosure of such information. Notwithstanding any other provision of the agreement, the parties understand that Cochise County is a public entity and, as such, is subject to Arizona's public records law, A.R.S. § 39-121 et. seq.

6. LIMIT ON LIABILITY

A. Limit on Monetary Damages. Notwithstanding anything to the contrary contained in this Agreement, ADP's aggregate liability under this Agreement during any calendar year for damages (monetary or otherwise) under any circumstances for claims of any type or character made by Client or any third party arising from or related to ADP Products or Services, will be limited to the lesser of (i) the amount of actual damages incurred by Client or (ii) the average monthly charges for twelve (12) months for the affected ADP Products or Services during such calendar year. ADP will issue Client a credit(s) equal to the applicable amount and any such credit(s) will be applied against subsequent fees owed by Client. The foregoing limit on liability shall not apply to (i) ADP's willful, criminal or fraudulent misconduct; (ii) the infringement indemnity set forth in Section 4D (iii) loss or misdirection of Client funds in possession or control of ADP due to ADP's error or omission; and (iv) in connection with the Tax Filing Services as provided in Section 9A, (a) interest charges imposed by an applicable tax authority on Client for the failure by ADP to pay funds to the extent and for the period that such funds were held by ADP and (b) all tax penalties, in each case resulting from ADP's error or omission in the performance of such Service. The provisions of Section 6A(iv) shall only apply if (x) Client permits ADP to act on Client's behalf in any communications and negotiations with the applicable taxing authority that is seeking to impose any such penalties or interest and (y) Client assists ADP as reasonably required by ADP.

B. No Consequential Damages. NEITHER ADP NOR CLIENT WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR OTHER SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY LOST PROFITS OR DAMAGES FOR BUSINESS INTERRUPTION OR, LOSS OF INFORMATION) THAT THE OTHER PARTY MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES OR ADP PRODUCTS, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. SECURITY AND CONTROLS

A. Service Organization Control Reports. Following completion of implementation of any applicable Services, ADP will, at Client's request and at no charge, provide Client with copies of any routine Service Organization Control 1 reports ("SOC 1 Reports") (or any successor reports thereto) directly related to the core ADP Products utilized to provide the Services provided hereunder for Client and already released to ADP by the public accounting firm producing the report. SOC 1 Reports are ADP Confidential Information and Client will not distribute or allow any third party (other than its independent auditors) to use any such report without the prior written consent of ADP. Client will instruct its independent auditors or other approved third parties to keep such report confidential and Client will remain liable for any unauthorized disclosure of such report by its independent auditors or other approved third parties.

B. Business Continuity; Disaster Recovery. ADP maintains a commercially reasonable business continuity and disaster recovery plan and will follow such plan.

C. Data Security. ADP has an established information security program containing appropriate administrative, technical and physical measures to protect Client data (including any Personal Information therein) against accidental or unlawful destruction, alteration, unauthorized disclosure or access consistent with applicable laws and data processing industry standards. For purposes of this Agreement, "**Personal Information**" means information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such person's physical, physiological, mental, economic, cultural or social identity. In the event ADP suspects any unauthorized access to, or use of, the Services, ADP may suspend access to the Services to the extent ADP deems necessary to preserve the security of the Client's data.

D. Data Security Incident Notification. If ADP becomes aware of a security breach (as defined in any applicable law) or any other event that compromises the security, confidentiality or integrity of Client's Personal Information (an "**Incident**"), ADP will take appropriate actions to contain, investigate and mitigate the Incident. In the event that applicable law requires notification to individuals and others of such an Incident, ADP will take additional mitigation steps including providing assistance with the drafting and mailing of such notifications. ADP and Client shall mutually agree on the content and timing of any such notifications, in good faith and as needed to meet applicable legal requirements.

8. TERM AND TERMINATION; DEFAULT BY CLIENT; REMEDIES UPON DEFAULT

A. Termination/Suspension. Subject to the terms of any Price Agreement and except as set forth herein, this Agreement may be terminated for any reason upon sixty (60) days' written notice by either party or by mutual agreement of the parties. Notice of termination must be in writing and delivered personally to the designated representative or sent by certified mail. Provided, however, that in the event that Client reasonably believes that security of its system/data is endangered by any of the arrangements or conditions of this Agreement, which cannot be remedied in a timely manner, in its sole discretion Client may terminate the Agreement immediately upon notice to ADP.

B. Either party may also suspend performance and/or terminate this Agreement immediately upon written notice at any time if: (i) the other party is in material breach of any material warranty, term, condition or covenant of this Agreement and fails to cure that breach within thirty (30) days after written notice thereof; (ii) the other party ceases business operations; or (iii) the other party becomes insolvent, generally stops paying its debts as they become due or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other (and not dismissed within ninety (90) days after commencement of one of the foregoing events). ADP may also suspend performance immediately without prior notice in the event Client, its employee(s) or any other third party (i) includes in any Site any Client Content which is obscene, offensive, inappropriate, threatening, or malicious; which violates any applicable law or regulation or any contract, privacy or other third party right; or which otherwise exposes ADP to civil or criminal liability or (ii) wrongfully uses or accesses the ADP Products or any other systems of ADP used in the performance of its obligations under this Agreement. ADP may also immediately terminate this Agreement or the Services if Client has violated or, if conducting business with Client, a payee of Client, or Client subsidiary is in violation of, any of the rules or regulations promulgated by OFAC.

C. Termination/Suspension of Payment Services. Without limiting the foregoing, the parties agree that any Services that involve electronic or check payments being made by ADP to third parties on Client's behalf and at its direction (collectively, "**Payment Services**") involve a credit risk to ADP. Payment Services may be immediately suspended or terminated by ADP without prior notice if (i) ADP has not received timely funds

from Client; (ii) a bank notifies ADP that it is no longer willing to originate debits from Client's account(s) and/or credits for Client's behalf for any reason; (iii) the authorization to debit Client's account is terminated or ADP reasonably believes that there is or has been fraudulent activity on the account; (iv) ADP reasonably determines that Client no longer meets ADP's credit/financial eligibility requirements for such Services; (v) Client has any material adverse change in its financial condition; (vi) Client's violation of any applicable operating rules of the National Automated Clearing House association ("NACHA"); or (vii) with respect to the ADP Wage Payments Card Services, the Issuing Bank (as defined in an applicable addendum relating to ADP Wage Payments Card Services) cancels the Cards issued on behalf of Client. ADP shall not be required to provide such Payment Services if ADP reasonably determines that Client presents an undue credit risk to ADP or in the event of any other termination right. If Payment Services are not terminated despite the occurrence of any of the events described above, ADP may require Client to pay its outstanding and all future third-party payment amounts covered by Payment Services and/or ADP's fees and charges for Payment Services to ADP (x) by bank or certified check, (y) by wire transfer of immediately available funds, and/or (z) in advance of the then current schedule, as a condition to receiving further Payment Services.

D. Post-Termination. If use of any ADP Products or Services is or may be terminated by ADP pursuant to Section 8A and 8B, ADP shall be entitled to allocate any funds remitted or otherwise made available by Client to ADP in such priorities as ADP (in its sole discretion) deems appropriate (including reimbursing ADP for payments made by ADP hereunder on Client's behalf to a third party). If any ADP Products or Services are terminated by either party hereto, Client will immediately (i) become solely responsible for all of its third-party payment obligations covered by such ADP Products or Services then or thereafter due; (ii) reimburse ADP for all payments made by ADP hereunder on Client's behalf to any third party; and (iii) pay any and all fees and charges invoiced by ADP to Client relating to the ADP Products or Services. Any license or right to access the ADP Products shall automatically terminate upon ADP ceasing to provide Client with the related Services. At any time prior to the actual termination date, Client may download Client's information or reports available to it in conjunction with all of the Services provided to Client by ADP. Upon termination of this Agreement, Client may order from ADP any data extraction offered by ADP, at the then prevailing hourly time and materials rate. ADP shall continue to perform, in accordance with the requirements of this Agreement, up to the date of termination identified in the termination notice.

9. PAYROLL PROCESSING, TAX FILING & PAYMENT SERVICES

The terms of this Section 9 shall apply only to the extent Client is receiving Payroll Processing products and services hereunder.

A. Payroll Processing, Tax Filing & Payment Services. ADP will process payroll for Client's employees and payees, deliver pay checks and related reports to Client, process direct deposits to those employees electing such service, remit payroll taxes on Client's behalf to those federal, state, and most local taxing jurisdictions designated by Client (not including the filing or depositing of excise, sales, use, corporate, or similar taxes), and file related tax returns (such as remitting of payroll taxes and filing of related tax returns, the "Tax Filing Services"). For an additional fee, ADP will also process calendar year-end Forms W-2 for Client's employees and Forms 1099-MISC for payments to individuals that provide services to Client as independent contractors. Client shall be liable for, and shall indemnify ADP against, any loss, liability, claim, damage or exposure arising from or in connection with any fraudulent or criminal acts of Client's employees or payees.

B. Billing. Payroll processing services and any other ADP Products and/or Services bundled into the pricing for the Payroll Processing services are billed immediately following Client's first payroll processing. The billing count is based on the number of pays submitted each payroll processing period, therefore total billing may fluctuate.

C. Funding. If Client is receiving Payment Services (as defined in Section 8B), Client shall have sufficient funds in Client's account within the deadline established by ADP to satisfy Client's third-party payment obligations in their entirety. A mandatory credit check will be performed prior to the provision of any Payment Services. ADP may commingle Client's impounded funds with other clients', ADP's or ADP-administered funds of a similar type. ALL AMOUNTS EARNED ON SUCH FUNDS WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP.

D. Debits. Client shall be liable for debits properly initiated by ADP hereunder. Client unconditionally promises to pay to ADP the amount of any unfunded payroll file (including any debit returned to ADP because of insufficient or uncollected funds or for any other reason), plus any associated bank fees or penalties, upon demand and interest on the unfunded payroll amount at the rate of 1.5% per month (or the maximum allowed by law, if less). Also, if any debit to an employee's or other payee's account reversing or correcting a previously submitted credit(s) is returned for any reason, Client unconditionally promises to cooperate with ADP and pay the amount of such debit upon demand and interest thereon. Client agrees to cooperate with ADP and any other parties involved in processing any transactions hereunder to recover funds credited to any employee as a result of an error made by ADP or another party processing a transaction on behalf of ADP.

E. Full Service Direct Deposit (FSDD). Prior to the first credit to the account of any employee or other individual under FSDD services, Client shall obtain and retain a signed authorization from such employee or individual authorizing the initiation of credits to such party's account and debits of such account to recover funds credited to such account in error.

F. ADPCheck™. Client shall not distribute any ADPChecks to payees prior to the check date. If Client distributes any ADPChecks prior to the check date, ADP may impose an early cashing fee against Client. If Client desires to stop payment on any ADPCheck, Client shall provide ADP with a stop payment request in such form required by ADP. ADP shall then place a stop payment order with ADP's bank within twenty-four (24) hours of ADP's receipt of such stop payment request. Client shall not request ADP to stop payment on any ADPCheck that represents funds to which the applicable payee is rightfully entitled. Client agrees to indemnify, defend, and hold harmless ADP and its affiliates and their successors and assigns from and against any liability whatsoever for stopping payment on any ADPCheck requested by Client and from and against all actions, suits, losses, claims, damages, charges, and expenses of every nature and character, including attorney fees, in any claims or suits arising by reason of stopping payment on said check, including claims made by a "holder in due course" of such check.

G. Important Tax Information (IRS Disclosure). Notwithstanding Client's engagement of ADP to provide ADP Tax Services, Client is responsible for the timely filing of payroll tax returns and the timely payment of payroll taxes for its employees. 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. Online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477. State tax authorities generally offer similar means to verify tax payments. Client may contact appropriate state offices directly for details.

H. State Unemployment Insurance Management. Subject to Section 13C below, Client's compliance with its obligations in Sections i and ii of this Section 9H, and any delays caused by third parties (e.g., postal service, agency system and broker delays) and events beyond ADP's reasonable control, ADP will deliver the State Unemployment Insurance Management Services ("SUI Management Services") within the time periods established by the relevant unemployment compensation agencies.

i. **Provision of Information; Contesting Claims.** Client will on an ongoing basis provide ADP and not prevent ADP from furnishing all information necessary for ADP to perform the SUI Management Services within the timeframes established or specified by ADP. The foregoing information includes without limitation the claimants' names, relevant dates, wage and separation information, state-specific required information, and other documentation to support responses to unemployment compensation agencies.

ii. **Transfer of Data.** Client may transfer the information described in Section 9.H.i to ADP via: (i) on-line connection between ADP and Client's computer system, or (ii) inbound data transmissions from Client to ADP. Client will provide the data using mutually

acceptable communications protocols and delivery methods. Client will promptly notify ADP in writing if Client wishes to modify the communication protocol or delivery method.

Client acknowledges that ADP is not providing storage or record keeping of Client records as part of the SUI Management Services, and that if the SUI Management Services are terminated, ADP may, in conformity with Section 5, dispose of all such records. If the SUI Management Services are terminated, any access Client has to ADP websites containing Client's data will expire and Client will be responsible for downloading and gathering all relevant data prior to expiration of any such access that may have been granted.

10. TIME AND ATTENDANCE

The terms of this Section 10 shall apply only to the extent Client is receiving time and attendance products and services (including Enhanced Time) hereunder. ADP Enhanced products are available for use in a limited number of countries outside the United States, although certain restrictions and requirements may apply.

A. Time and Attendance Products. ADP agrees to provide Client with the data collection devices (e.g. Timeclock, HandPunch, etc.) (the "Timeclock Equipment"), time and attendance module or application, and related services (collectively, the "Time Products") described in the Sales Order. For the hosted Enhanced Time (also known as Enterprise eTIME) product only, additional license terms are available at www.adp.com/tlmlicenseterms.

B. Billing for Services. If Client is purchasing Enhanced Time (also known as Enterprise eTIME) counts will be based on all 'non-termed' in the time module and services billing will begin on the earlier of (i) the date that ADP Products and Services are available for use by Client in a production environment OR (ii) one hundred forty (140) days from the Effective Date. If the Services Client is purchasing pursuant to this Section 10 is bundled with payroll processing services, then billing for such services shall commence in accordance with the terms of Section 9B.

C. Installation. Client shall provide and install all power, wiring and cabling required for the installation of any Timeclock Equipment. Client shall also pay an installation and setup fee for each unit of Timeclock Equipment if such equipment is installed on Client's premises by ADP.

D. Use of Timeclock Equipment and Right to Inspect. Regarding Timeclock Equipment provided on a subscription basis only, Client shall not make any alterations or attach any device not provided by ADP to the Timeclock Equipment, nor shall Client remove the Timeclock Equipment from the place of original installation without ADP's prior consent. Upon reasonable written notice to Client, ADP shall have the right to enter Client's premises to inspect the Timeclock Equipment during normal business hours. Title to the Timeclock Equipment shall at all times remain in ADP unless Client has chosen the purchase option and has paid ADP in full the purchase price. Except if so purchased and paid for by Client, the Timeclock Equipment is and at all times shall remain, a separate item of personal property notwithstanding its attachment to other Timeclock Equipment or real property.

E. Return of Timeclock Equipment. Upon termination or cancellation of this Agreement, Client shall, at its expense, return the Timeclock Equipment to ADP in accordance with ADP's instructions. The Timeclock Equipment shall be returned in as good condition as received by Client, normal wear and tear excepted. In the event the Timeclock Equipment is not returned within ninety (90) days, Client agrees to purchase it at the prevailing manufacturer's suggested retail price. If timely payment for the Timeclock Equipment is not made by Client, ADP shall have the right to take immediate possession of such equipment. The terms of this Section 5 shall not apply if prior to the time of such termination or cancellation Client already purchased and paid for the Timeclock Equipment in full.

F. Warranty. ADP warrants to Client that the Timeclock Equipment shall be free from defects in material and workmanship at the date such Timeclock Equipment is shipped and for ninety (90) days thereafter. ADP's sole obligation in case of any breach of any warranty contained herein shall be to repair or replace, at ADP's option, any defective items. The foregoing is the extent of ADP's liability with respect to all claims related to Timeclock Equipment, including without limitation, contract and negligence claims and shall constitute Client's sole remedy.

G. Maintenance Fees. Maintenance services for the Timeclock Equipment (set forth below in Section 8) apply automatically to Timeclock Equipment obtained under the subscription option (and any charges therefore are already included in the monthly time and attendance subscription fees). The costs for maintenance services for Timeclock Equipment under the purchase option are not included in the purchase price for such equipment; a separate annual maintenance fee applies. Client, under the purchase option, may terminate its receipt of maintenance services by providing written notice to ADP no less than thirty (30) days prior to the end of the then current annual coverage period. ADP is not required to rebate to Client any maintenance fees relating to a current or prior coverage period. (NOTE: If Client selects the purchase option but opts not to receive (or terminates) maintenance services hereunder by executing a waiver of maintenance services, any such services provided by ADP at Client's request will be subject to ADP's then current charges for such services.) No Timeclock Equipment maintenance is done at the Client site. Client shall bear all delivery/shipping costs and all risk of loss during shipment/delivery of Timeclock Equipment relating to maintenance services.

H. Maintenance Services. ADP will maintain the Timeclock Equipment to be free from defects in material and workmanship as follows: Any parts found to be defective (except as specifically excluded below) shall be replaced or repaired, at ADP's or its designee's option, without charge for parts or labor, provided that the Timeclock Equipment has been properly installed and maintained by Client and provided that such equipment has been used in accordance with this Agreement and any online or shrink-wrap terms or license, or other accompanying documentation including, but not limited to, Client's Sales Order provided by ADP or its designee and has not been subject to abuse or tampering. The foregoing repairs and replacements may be made only by ADP or its designee, and will be made only after ADP or its designee is notified of a problem, receives delivery from Client of the Timeclock Equipment at issue and determines that it results from defective materials or workmanship. Notwithstanding the foregoing, ADP may deliver a temporary replacement item for Client's use while such determination is being made with respect to the Timeclock Equipment in question. Repairs and replacements required as a result of any of the following shall not be included in the foregoing maintenance services and shall be charged at ADP's then current rates: (i) damage, defects, or malfunctions resulting from misuse, accident, neglect, tampering, unusual physical, or electrical stress, or causes other than normal or intended use; (ii) failure of Client to provide and maintain a suitable installation environment; (iii) any alterations made to or any devices not provided by ADP attached to the Timeclock Equipment; and (iv) malfunctions resulting from use of badges or supplies not approved by ADP.

I. Upgrades. In order to keep the Time Products current, ADP may from time to time perform maintenance fixes and other upgrades to the Time Products Client is then receiving. ADP will perform these upgrades on Client's behalf for all hosted products. For non-hosted products, Client will be required to install the upgrade provided by ADP in accordance with the written notice provided to Client.

11. HR AND BENEFITS

The terms of this Section 11 shall apply only to the extent Client is receiving HR and Benefits products and services hereunder.

A. Billing for Services. If Client is purchasing HR and Benefits services and the pricing for such Services is not bundled with Client's pricing for payroll processing services, billing for such Services will begin on the earlier of (i) the date that the services are available for use by Client in a production environment OR (ii) ninety (90) days after the Effective Date. The billing count for HR and Benefits services and the pricing for such Services is not bundled with Client's pricing for payroll processing services and is based on all unique lives in the database paid in the previous calendar month. If the Services Client is purchasing pursuant to this Section 11 are bundled with payroll processing services, then billing for such Services shall commence in accordance with the terms of Section 9B.

B. Initial Setup Services. Client shall promptly deliver to ADP the Client Content required by ADP to perform initial setup services. Such information and materials shall be in an electronic file format acceptable to ADP.

C. Additional Configuration. After completion of initial setup services, any subsequent changes Client requests to the configuration of the Client Content in the HR and/or Benefits module will be charged at ADP's then current benefits maintenance fees.

D. ADP Carrier Connection®. If Client is receiving the Benefits products and services and elects the ADP Carrier Connection service, ADP, or its authorized agent(s), will electronically transmit employee data, including employee benefits enrollment data, to Client's carriers or other third parties authorized by Client, and Client authorizes ADP and its authorized agent(s), to provide such transmission on Client's behalf. Additionally, commencement of the Carrier Connection service is subject to Client completing the configuration setup of Client Content and the format of such transmission to the designated carriers. ADP's ability to transmit Client's employee benefits enrollment data is subject to the provision by the designated carriers of a current functional interface between the benefits module and the designated carriers' systems. ADP will not be obligated to transmit Client's data to the designated carriers if at any time Client's designated carriers fail to provide the proper interface as described above. If Client requires the development of any special interfaces in order to transmit such data to the designated carriers, all work performed by ADP to create such interfaces will be at ADP's then current fees for such services. Client is responsible for promptly reviewing all records of carrier transmissions and other reports prepared by ADP for validity and accuracy according to Client's records, and Client will notify ADP of any discrepancies promptly after receipt thereof. In the event of an error or omission in the Carrier Connection services caused by ADP, ADP will correct such error or omission, provided that Client promptly advises ADP of such error or omission. Client shall remain responsible for transmission of all enrollment/disenrollment data to Client's carriers other third parties authorized by Client until ADP confirms that carrier connection implementation is complete.

E. Talent Management Services. Talent Management Services includes Performance and Compensation Management products and services. If Talent Management Services are purchased, the following additional provisions will apply.

i. **Hiring Practices.** Client represents and warrants that it will use Talent Management Services for its own hiring and/or HR management purposes only. Client acknowledges and agrees that ADP will not be deemed to be involved in any hiring decisions or evaluation of candidates in connection with the recruitment services, or with any compensation decisions in connection with the compensation management services.

ii. **Customized Content.** Client understands and agrees that to the extent it chooses to customize any content or documents made available to job candidates through Talent Management Services, including but not limited to job descriptions, online application instructions and questions, Client is responsible for the content of any such customization. Client acknowledges that any content provided by the Talent Management Services may not be suitable for all situations or in all locations. Client should review applicable laws in the jurisdictions in which Client operates and should consult with its own legal counsel prior to utilizing the services.

iii. **Sensitive Data.** If Client implements the Talent Management Services to collect any sensitive data elements (or special categories of data), Client shall comply with any additional requirements for the processing of these data elements, and it shall be responsible for respecting all individual rights of access, correction or deletion and for responding to any individual or regulatory inquiries.

12. ADP WORKFORCE NOW® HCM HACKETT-CERTIFIED™ BEST PRACTICE ADVISORY PROGRAM

The terms of the attached Appendix 1 shall apply only to the extent Client receives the ADP Workforce Now® HCM Hackett-Certified™ Best Practice Advisory Program services hereunder.

13. MISCELLANEOUS

A. Inducement; Entire Agreement; Modification. Client has not been induced to enter into this Agreement by any representation or warranty not set forth in this Agreement. This Agreement contains the entire agreement of the parties with respect to its subject matter and supersedes and overrides all prior agreements on the same subject matter, and shall govern all disclosures and exchanges of Confidential Information made by the parties previously hereto. This Agreement shall not be modified except by a writing signed by ADP and Client.

B. Third-Party Beneficiaries. With respect to the ADP Products and Services, ADP suppliers, vendors and referral partners may enforce the same disclaimers and limitations against Client as ADP may under Sections 3 and 6 of this Agreement. Other than ADP suppliers, vendors, and referral partners who are intended third-party beneficiaries with respect to Sections 3 and 6 of this Agreement, nothing in this Agreement creates, or will be deemed to create, third-party beneficiaries of or under this Agreement. ADP has no obligation to any third party (including Client's employees and/or any taxing authority) by virtue of this Agreement.

C. Force Majeure. Any party hereto will be excused from performance under this Agreement for any period of time that the party is prevented from performing its obligations hereunder as a result of an act of God, war, utility or communication failures, or other cause beyond the party's reasonable control. Both parties will use reasonable efforts to mitigate the effect of a force majeure event.

D. Non-Hire. During the term of this Agreement and for the twelve (12) months thereafter, neither Client nor the ADP regions providing the Services, shall knowingly solicit or hire for employment or as a consultant, any employee or former employee of the other party who has been actively involved in the subject matter of this Agreement.

E. Waiver. The failure of either party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure by the other party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other party.

F. Headings. The headings used in this Agreement are for reference only and do not define, limit, or otherwise affect the meaning of any provisions hereof.

G. Severability. If any of the provisions of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of Client and ADP shall be construed and enforced accordingly.

H. Relationship of the Parties. The parties hereto expressly understand and agree that each party is an independent contractor in the performance of each and every part of this Agreement, is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith.

I. Governing Law. This Agreement shall be governed by the laws of the State of Arizona. Jurisdiction and venue for any action under this Agreement shall be in Cochise County.

J. Arizona Limitation of Claims. No action arising under or in connection with this Agreement, regardless of the form, may be brought by Client more than six (6) years after Client becomes aware of or should reasonably have become aware of the occurrence of events giving rise to the cause of action. (A.R.S. § 12-548)

K. Regulatory Notice. No state or federal agency monitors or assumes any responsibility for the financial solvency of third-party tax filers.

L. Use of Agents. ADP may designate any agent or subcontractor to perform such tasks and functions to complete any services covered under this Agreement. However, nothing in the preceding sentence shall relieve ADP from responsibility for performance of its duties under the terms of this Agreement.

M. Conflicts Clause. In the event of a conflict between the terms of this Agreement and any additional terms, the terms of this Agreement shall control, unless an Addendum to this Agreement is executed simultaneously herewith or subsequently hereto, in which case the terms of such Addendum shall control.

N. Counterparts. This Agreement may be executed in one or more counterpart copies. Each counterpart copy shall constitute an agreement and all of the counterpart copies shall constitute one fully executed agreement. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

O. Assignment. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party. However, ADP may assign its rights and obligations under this Agreement to a commonly controlled affiliate of ADP without the prior written notice or consent of Client in order for such affiliate to perform any or all of the Services, provided that ADP will remain responsible for the performance of such Services.

P. Notices. All notices, including any notices of termination in accordance with Section 7 herein, shall be in writing and shall be delivered or sent by recognized courier or registered or certified mail, return receipt requested, to Client at the address indicated on the face hereof and to ADP, General Counsel – Major Accounts, One ADP Boulevard, Roseland, NJ 07068, or to such other addresses as the parties shall specify by notice given pursuant hereto.

Q. Cancellation for Conflict of Interest. This Agreement may be canceled pursuant to A.R.S. § 38-511, the pertinent provisions of which are fully incorporated herein by reference.

R. Non-Discrimination. To the extent applicable, the parties shall comply with all laws and regulations, including, but not limited to, Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and any State law that mandates that all persons, regardless of race, religion, handicap, color, age, sex, political affiliation, veteran's status, genetic code or national origin shall have equal access to employment and educational opportunities.

S. Inspection and Audit. The parties agree to keep all books, accounts, reports, files and other records relating to this Agreement for five (5) years after completion of the Agreement and, in addition, agree that such books, accounts, reports, files and other records shall be subject to audit pursuant to A.R.S. § 35-214. Notwithstanding the foregoing, any such audits or inspections shall not take place at ADP facilities and shall not include inspection of ADP's data centers or require disclosure of ADP Confidential Information.

T. Immigration Laws. The parties hereby warrant that they will at all times during the term of this Agreement comply with all federal immigration laws applicable to the parties' employment of its employees, and with the requirements of A.R.S. § 23-214(A) (together the "State and Federal Immigration Laws"). The parties shall further ensure that each sub-consultant who performs any work for the party under this Agreement likewise complies with the State and Federal Immigration Laws.

U. Approval of this Agreement. Before the Agreement shall become effective and binding upon the parties, it must be approved by the Client's Board of Supervisors. This Agreement may be executed in counterparts and with electronic signatures, which shall have the same effect as though signed in pen and ink.

IN WITNESS WHEREOF, this Agreement is hereby executed by an authorized representative of each party hereto and shall be effective on the Effective Date set forth above.

ADP, LLC	CLIENT
ADP Representative _____	Client Signature _____
Name _____ (type or print)	Name _____ (type or print)
Title _____ Date _____	Title _____ Date _____

ADDENDUM
to
MAJOR ACCOUNTS AGREEMENT
between
ADP, LLC
and
County Of Cochise

This Addendum, made as of the 1st day of May, 2018 ("Effective Date"), by and between ADP, LLC ("ADP") with its principal office at One ADP Boulevard, Roseland, New Jersey 07068, and County of Cochise, having a principal place of business at 1415 W. Melody Lane Building, Bisbee, Arizona 85603, ("Client"), contains changes, modifications, revisions and additions to the Major Accounts Agreement between ADP and Client (the "Agreement").

WHEREAS, Client desires to receive Essential ACA services from ADP; and

WHEREAS, ADP is willing to provide such services;

NOW THEREFORE, in consideration of the mutual covenants contained in the Agreement and in this Addendum, and for other good and valuable consideration, notwithstanding anything to the contrary in the Agreement, ADP and Client agree as follows:

The following new terms shall be added to the Agreement:

- 1. Description.** ADP will provide the Essential ACA solution specified in the Sales Order (and any applicable service specification) (collectively, the "Essential ACA solution") to Client in accordance with the terms of this Agreement. Essential ACA is a technology and software solution to assist in managing compliance needs related to the Affordable Care Act (ACA), including eligibility calculations and affordability determinations, preparation and electronic filing of 1094c and 1095c forms, access to evidence of benefit offering information and benefit offering audit reports. Client must use ADP Workforce Now payroll, HR and benefits services in order to receive the Essential ACA solution. The Essential ACA services will commence for the 2016 filing period.. ADP will not assist with the 2015 filing period. For the avoidance of doubt, all Forms filed by ADP with the IRS on behalf of Client will be filed electronically; any Forms sent to Client for its employees by ADP shall be sent in paper form, and, if Client has ADP's iPay functionality, ADP will also make Forms accessible to Client employees electronically. It will then be Client's responsibility to distribute the Forms directly to its employees.
- 2. Billing for Services.** If Client is purchasing Essential ACA Services and the pricing for such Services is not bundled with Client's pricing for payroll processing services, billing for such Services will begin on the earlier of (i) the date that the services are available for use by Client in a production environment OR (ii) ninety (90) days from the Effective Date. If the Services Client is purchasing pursuant to this Addendum are bundled with payroll processing services, then billing for Essential ACA Services shall commence in accordance with the billing for those Services.
- 3. Delivery of Client Content.** Client shall promptly deliver to ADP the Client Content as required by ADP in an electronic file format specified by and accessible to ADP and will include any materials relating to Client and necessary for incorporation in the Essential ACA solution, including, but not limited to, any Human Resources, Payroll, Time and Labor, Benefits, Form I-9, and/or financial data.
- 4. Client ACA Liaison.** Prior to the commencement of ADP's provision of the Essential ACA solution, Client shall designate in writing to ADP the name of one person who shall serve as ADP's principal designated contact for the Essential ACA solution (the "Client ACA Liaison"). Client hereby represents and warrants to ADP that the Client ACA Liaison has, and shall at all times have, the requisite authority to transmit information, directions and instructions on behalf of Client. The Client ACA Liaison also shall be deemed to have authority to issue, execute, grant, or provide any approvals (other than amendments to this Agreement), requests, notices, or other communications required or permitted under this Agreement or requested by ADP in connection with the Essential ACA solution. Client shall designate an alternate Client ACA Liaison in the event the principal Client ACA Liaison is not available.
- 5. Client Instructions.** In the event ADP shall have any questions relating to a particular set of facts or Client directions, then ADP shall request clarification from the Client ACA Liaison. The Client ACA Liaison shall have the responsibility to obtain answers to any such questions or objections and ADP shall be entitled to rely upon such answers and to follow any directions communicated by the Client ACA Liaison. Client authorizes ADP to release employee-related data to third party vendors of Client as are designated by Client from time to time. ADP shall be under no duty to question the measures taken or directions provided by Client pursuant to any section of this Addendum.
- 6. 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 INTERNAL REVENUE 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).**
- 7. Implementation Services.** ADP will assist Client in implementing the Essential ACA solution for the benefit of and in conjunction with Client in accordance with the provisions of Sections 8 and 9 below. ADP will use commercially reasonable efforts to complete the implementation services in a timely manner.
- 8. Conversion of Data; Required Timeline.** Client shall provide to ADP such applicable Client files, databases and other information (the "Client Files") as is necessary to permit the Essential ACA solution to be performed. Client must provide the Client Files to ADP by November 1st of the year preceding the year in which the preparation and electronic filing of the Forms will be provided. For purposes of clarification and example, in order for ADP to perform the preparation and electronic filing of the Forms in January 2017, Client must provide the Client Files in accordance with the terms and conditions of this Addendum, and such Client Files must be accepted and converted by ADP by November 1, 2016. Client assumes the responsibility for the Client Files to be transmitted to ADP, including, but not limited to, their condition, content, format, usability or correctness. Client shall perform all Client Files refinement, purification and reformatting in order for the Essential ACA solution to be performed by ADP. With Client's pre-approval, ADP shall be compensated on a time and expense basis at ADP's standard rates in effect at such time in the event ADP is required to perform any such refinement, purification or reformatting. Client will cooperate with ADP and provide ADP with all necessary information and assistance required in order for ADP to successfully convert the Client Files. Client understands and agrees that if Client fails to provide the Client Files in order for such Client Files to be accepted and successfully converted by November 1st. in any given year, ADP will not provide the preparation and electronic filing of the Forms for that year and Client will not be eligible for credit of any fees paid for the Essential ACA solution for that year. Client is responsible for the accuracy of all Client Files and will review for accuracy the preview of the Forms prior to filing. In the event that a Form 1094-C or 1095-C needs to be refiled due to an inaccuracy in the Client Files, Client will be billed for such refile. The obligations described in this Section 7 shall apply to ongoing provision of Client Files to ADP by Client.

9. Project Lead. Client will designate a project lead for the implementation of the Essential ACA solution and will promptly notify ADP of the name, telephone number and email address of such person. The Client project lead will be deemed to have authority to issue, execute, grant, or provide any approvals, requests, notices, or other communications required under this Addendum or requested by the other party in connection with the implementation of the Essential ACA solution. The project lead will bring appropriate personnel/skillsets to the project as needed.

10. Licensed Entity. Notwithstanding the use in this Addendum of the word "ADP", in the event that ADP determines that all or a portion of the Essential ACA solution may be subject to licensing or other regulatory requirements, such services shall be performed solely by such wholly owned subsidiary of Automatic Data Processing, Inc. as shall be designated by ADP or such licensed third party as determined by ADP.

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 Addendum and the terms and conditions of the Agreement, this Addendum shall prevail. The terms defined in the Agreement and used in this Addendum shall have the same respective meanings as set forth in the Agreement, unless clearly otherwise defined in this Addendum.

IN WITNESS WHEREOF, this Addendum to the Agreement is hereby executed by an authorized representative of each party hereto as of the date first above written.

ADP, LLC

CLIENT

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



Essential ACA Services Statement of Work

TAXPAYER LEGAL NAME: County Of Cochise			
LEGAL ADDRESS 1415 W. Melody Lane Building F Bisbee, AZ 85603		CITY, STATE, ZIP	COUNTY
PAYROLL CONTACT		EXECUTIVE CONTACT	
PHONE	EMAIL	PHONE	EMAIL

Historical ACA Hours Data Conversion: Need depends on actual ADP Payroll Start Date	
*Historical Hours will allow Workforce Now to calculate 'ACA Benefit Status'. Without system calculation, client can code employees as 'Part Time' or 'Full Time'. Options below vary based on the extent of history the client wishes to bring over.	
Option 1:	Client does not need or already has hours history in Workforce Now
<input type="checkbox"/>	Check here if client does not need options 2, 3, 4 or 5 below; If not checked, please select ONLY one of the 4 options listed below
Option 2:	ACA Historical Hours Import: When client elects to upload up to 12 months of hours history themselves
<input type="checkbox"/>	Client Elects: No Charge
Option 3:	ACA Historical Hours Import*: When up to 18 months of hours history is required
<input type="checkbox"/>	Includes: Extraction, conversion and import into Workforce Now on the client's behalf; Limited to one source / vendor Client Elects: \$1,000 Conversion Fee (SCN: 4Z F00302)
Option 4:	ACA Historical Hours Import*: When up to 36 months of hours history is required
<input type="checkbox"/>	Includes: Extraction, conversion and import into Workforce Now on the client's behalf; Limited to one source / vendor Client Elects: \$1,500 Conversion Fee (SCN: 4Z F00301)
Option 5:	Full Check History Conversion*: When importing up to 4 years' worth of history is needed
<input type="checkbox"/>	Includes: Extraction, conversion and import into Workforce Now on the client's behalf; Limited to one source / vendor Client Elects: For 1-999 pay size: \$2,600 Conversion Fee; Clients 1000+ pays should call for quote (SCN: 4Z F00300)
*For Options 3, 4 or 5, Letter Agreement Required AND must provide prior vendor name.	
Note here:	

The following Terms & Conditions apply only if client selects Option 3, 4 or 5 above.			
Changes in project scope and/or unforeseen internal/external issues such as delays beyond ADP control may impact completion date and project cost. Prices for the Statement of Work ("SOW") as set on the effective date shall not change, but any changes or additions to the SOW shall be subject to price changes in the normal course of business, at ADP's discretion.			
Upon completion of the services under this SOW, Client will immediately notify ADP if the services and deliverables outlined in this SOW have not been satisfactorily delivered. Services, including any deliverable, provided under this SOW will be deemed accepted by Client unless Client notifies ADP within 10 business days of the date of completion of such services.			
In the event that Client terminates this SOW or the Agreement and work hereunder has already commenced, Client agrees that it is responsible for all costs and fees incurred by ADP prior to the effective date of such termination and such amounts shall be due and payable by Client to ADP within 5 days of receipt of invoice.			
This SOW is an addendum to the Major Accounts Agreement or similar agreement for the provision of services by ADP executed by the parties and is incorporated by reference as if fully set forth herein. 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 SOW and the terms and conditions of the Agreement, this Addendum shall prevail. The terms defined in the Agreement and used in this SOW shall have the same respective meanings as set forth in the Agreement, unless clearly otherwise defined in this SOW.			
ADP Representative:	Date:	Client Authorization:	Date:

**MAJOR ACCOUNTS GUARANTEED
SIXTY MONTH
PRICE AGREEMENT**

ADP, LLC ("ADP") is pleased to provide ("Client") with a Guaranteed Price Agreement ("Price Agreement") covering the Services purchased by Client on the signature date below, for the sixty month period following the Effective Date ("Initial Period"), subject to the terms and conditions set forth in this agreement.

This agreement encompasses all listed codes and any future codes that may be added under the above listed parent code. Accordingly, in consideration of the mutual agreements set forth below, ADP and Client agree as follows:

1) **Price Increase:** During the Initial Period, ADP will limit the price increase on Services provided to Client in accordance with and subject to the following:

The fees set forth in the Workforce Now Sales Order will remain fixed for two (2) years following the Effective Date. During the remainder of the Initial Period, ADP will increase the fees for the Services on each anniversary of the Effective Date thereafter by two-and-a-half percent (2.5%).

Items specifically excluded from this Price Agreement are delivery, reverse wire fees, jurisdiction fees, maintenance fees, year-end services, and any pass-through fees for the Screening Services described in the Screening Services Addendum, if applicable. In the month following the completion of the Initial Period, Client's prices will be subject to the same annual price increases as ADP applies to its other clients of similar size and product utilization unless a new Price Agreement is signed by both parties. Notwithstanding the foregoing, ADP may pass on any new or increased fees assessed on a particular product by any governmental source or third party vendor at such time as ADP is subject to such new or increased fees.

2) **Guaranteed Term:** As consideration for the sixty month guaranteed price period, Client agrees to purchase the Services for a minimum guaranteed term of sixty months commencing with the Effective Date, and thereafter, Client's agreement to purchase the Services shall remain in effect until cancelled by Client or ADP with ninety (90) days prior written notice. For purposes of this agreement "Guaranteed Term" shall mean the Initial Period.

3) **Early Termination Fee:** If Client terminates this agreement to purchase Services prior to the end of the Initial Period; Client agrees to pay ADP an early termination fee of five months of average monthly processing fees for the Services (based on an average of the last twelve full months of processing prior to the date of termination). Following the Initial Period, if Client terminates this agreement to purchase Services on less than ninety (90) days' written notice, Client agrees to pay ADP for the Services through the end of the ninety (90) day notice period (based on the average monthly processing fees for the Service). If Client fails to pay the early termination fee or other amounts due hereunder, Client shall reimburse ADP for any expenses incurred, including interest and reasonable attorney fees, in collecting amounts due ADP hereunder that are not under good faith dispute by Client. The termination penalty will be waived in the event there is a material breach by ADP of any material warranty, term, condition, or covenant of the Agreement and ADP fails to cure such breach within the timeframe provided in such Agreement.

This Price Agreement supplements and does not supersede any terms of the overriding Agreement of which it is a part. This Agreement is not valid unless signed by both parties. In the event Client has an existing price agreement in place, this Price Agreement replaces any prior price agreement governing the same services.

IN WITNESS WHEREOF, this Agreement is hereby executed by an authorized representative of each party hereto and shall be effective on the Effective Date set forth above.

ADP, LLC		CLIENT	
ADP Representative _____	Client Signature _____	Name _____	Name _____
(type or print)	(type or print)	(type or print)	(type or print)
Title _____ Date _____	Title _____ Date _____	Title _____ Date _____	Title _____ Date _____

Workforce Now Sales Order

Client Legal Name and Address:

County Of Cochise
 1415 W. Melody Lane
 Building F
 Bisbee, AZ 85603

Pricing:

One-time Implementation Fees	Quantity	Rate	Frequency	One-time Cost	Based on
HR/Payroll Services				\$50,300.00	
<i>CORE IMPLEMENTATION</i>					
Workforce Now				\$19,400.00	
Workforce Now HR				\$10,000.00	
Workforce Now Benefits				\$13,000.00	
Workforce Now Compensation				\$2,700.00	
Workforce Now Performance				\$2,700.00	
Document Cloud				\$2,500.00	
<i>CUSTOM IMPLEMENTATION</i>					
Professional Services, NTE 40 hours				Included	
Time & Attendance Services				\$40,000.00	
<i>CORE IMPLEMENTATION</i>					
Workforce Now Hosted Enhanced Time				\$30,000.00	
<i>IMPLEMENTATION ADD-ONS</i>					
Enterprise eTIME Leave				\$10,000.00	
Essential ACA Solution				\$4,000.00	
ACA Services				\$4,000.00	
Total One-time Fees				\$94,300.00	

Ongoing Services Fees	Units Assumed	Rate	Frequency	Estimated Annual Cost	Based on
HR/Payroll Services	1,000			\$131,338.00	
Document Cloud	1,000	\$0.65	PEPM	\$7,800.00	
Year End Processing - W-2	1,100	\$2.98	form	\$3,278.00	Includes W-2's, Earnings Summary Statements, Year-end W&T Reports on paper & CD, W2 Preview CD with W&T
<i>CORE APPLICATION</i>					
Workforce Now	0	\$0.00	pepp	\$0.00	Includes up to 4 standard Carrier Connections. ee/month for WFN HR and Benefits shall mean employee count is based on the number of unique paid employees.
Workforce Now HR	1,000	\$1.98	ee/month	\$23,760.00	
Workforce Now Benefits	1,000	\$2.50	ee/month	\$30,000.00	
Workforce Now Compensation	1,000	\$0.55	ee/month	\$6,600.00	
Workforce Now Performance	1,000	\$0.55	ee/month	\$6,600.00	

Ongoing Services Fees	Units Assumed	Rate	Frequency	Estimated Annual Cost	Based on
PAYROLL PROCESSING					
Workforce Now Expanded Payroll	1,000	\$2.05	pay	\$53,300.00	Includes Benefit Accruals, Payroll QuickView, Check View, External Paydata Interfaces PQV Net, Labor Distribution, 24-hour Service, Archived Employees
HOSTING					
Payroll and HR Employee and Manager Self Service with Portal	1,000	\$0.00	ee/month	\$0.00	
Hosting	1	\$0.00	month	\$0.00	
ADP WAGE PAYMENTS SERVICES					
ADP iPayStatements	1,000	\$0.00	pay	\$0.00	
iReports	1,000	\$0.00	pay	\$0.00	
REPORTING AND COMMUNICATION					
ADP GL	1,000	\$0.00	pay	\$0.00	
New Hire Reporting Service	220	\$0.00	transaction	\$0.00	
WAGE GARNISHMENTS					
Wage Garnishments Processing Service (WGPS) - Payments	100	\$0.00	payment	\$0.00	
Wage Garnishments Processing Service (WGPS) - Service	1,000	\$0.00	pay	\$0.00	
EMPLOYMENT TAX SERVICES					
Total Tax Plus	1,000	\$0.00	pay	\$0.00	
State/Local Fees	0	\$9.00	jurisdiction	\$0.00	First state and local jurisdiction per company code included at no charge
OTHER OPTIONS					
Content Management	1	\$0.00	month	\$0.00	
Time & Attendance Services	1,000			\$46,800.00	
CORE APPLICATION					
Workforce Now Hosted Enhanced Time	1,000	\$3.10	ee/month	\$37,200.00	Includes hosting, web access and 1 supervisor/manager per 10 employees (core).
ADD-ON FEATURES					
Enterprise eTIME Leave	1,000	\$0.80	ee/month	\$9,600.00	
Essential ACA Solution				\$10,800.00	
Essential ACA Compliance	1,000	\$0.90	ee/month	\$10,800.00	
Total Ongoing Services Fees				\$188,138.00	

THE ADP SERVICES COVERED BY THIS AGREEMENT ARE PROVIDED IN ACCORDANCE WITH THE TERMS AND CONDITIONS SET FORTH IN THE AGREEMENT(S) BETWEEN CLIENT AND ADP COVERING THE SPECIFIC SERVICES. THIS AGREEMENT SUPPLEMENTS AND DOES NOT SUPERSEDE ANY OF THOSE TERMS AND CONDITIONS. THIS AGREEMENT IS NOT VALID UNLESS SIGNED BY BOTH PARTIES.

ADP, LLC		CLIENT	
Signature _____		Signature _____	
Name _____ (type or print)		Name _____ (type or print)	
Title _____ Date _____		Title _____ Date _____	