

OUTSOURCED PAYROLL SERVICES AGREEMENT

This Outsourced Payroll Services Agreement (the "Agreement") is entered into as of this _____ day of _____, 20____ (the "Effective Date"), by and between:

Service Provider: _____, with a principal place of business at _____ (hereinafter referred to as the "Provider"),

and

Client: _____, with a principal place of business at _____ (hereinafter referred to as the "Client").

WHEREAS, the Client desires to retain the Provider to perform payroll processing and related administrative services, and the Provider agrees to perform such services under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. SCOPE OF SERVICES

The Provider shall perform the payroll processing services as detailed below (collectively, the "Services"):

1. Processing of regular payroll cycles (gross-to-net calculations).
2. Preparation and distribution of direct deposits and/or physical checks.
3. Calculation, withholding, and filing of federal, state, and local payroll taxes.
4. Preparation and filing of quarterly and annual payroll tax returns (Forms 940, 941, W-2, W-3, and local equivalents).
5. Generation of standard payroll reports for the Client's financial records.
6. Other services as specified in writing and signed by both parties.

2. CLIENT RESPONSIBILITIES

1. **Provision of Data:** The Client shall provide all necessary, accurate, and complete data required for payroll processing (including hours worked, rate changes, employee onboarding/offboarding details, and deductions) no later than _____ hours/days prior to the scheduled pay date.
2. **Accuracy:** The Client is solely responsible for the accuracy of all information provided to the Provider. The Provider shall not be liable for errors resulting from inaccurate or untimely information provided by the Client.
3. **Funding:** The Client shall ensure that sufficient funds are cleared and available in the designated bank account at least _____ banking days prior to the payroll distribution date to cover net payroll, taxes, and service fees.

3. FEES AND PAYMENT TERMS

1. **Service Fees:** The Client agrees to pay the Provider for Services rendered in accordance with the fee schedule below:

Service Description	Fee Amount / Rate	Frequency
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. **Invoicing and Payment:** Invoices will be issued _____. Payment is due within _____ days from the invoice date. Late payments shall accrue interest at a rate of _____ % per month, or the maximum rate permitted by law, whichever is less.

4. TERM AND TERMINATION

1. **Term:** This Agreement shall commence on the Effective Date and shall continue on a _____ basis until terminated by either party.
2. **Termination for Convenience:** Either party may terminate this Agreement without cause by providing at least _____ days written notice to the other party.
3. **Termination for Cause:** Either party may terminate this Agreement immediately if the other party breaches any material term of this Agreement and fails to cure such breach within _____ days of receiving written notice thereof.

5. CONFIDENTIALITY AND DATA SECURITY

1. **Confidential Information:** Both parties agree to maintain the strict confidentiality of all proprietary or sensitive information, including but not limited to employee personal identifiable information (PII), compensation data, and business operations.
2. **Security Standards:** The Provider shall implement and maintain commercially reasonable technical, physical, and administrative safeguards designed to protect the security and integrity of the Client's data.

6. LIMITATION OF LIABILITY

To the maximum extent permitted by law, the Provider's total liability for any claims, losses, damages, or expenses arising under or in connection with this Agreement, whether in contract, tort, or otherwise, shall be limited to the total fees paid by the Client to the Provider during the _____ month period immediately preceding the event giving rise to liability.

7. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of _____, without regard to its conflict of laws principles. Any legal action arising under this Agreement shall be brought exclusively in the courts located in _____.

8. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written. No amendment or modification to this Agreement shall be valid unless in writing and signed by authorized representatives of both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Outsourced Payroll Services Agreement as of the Effective Date.

PROVIDER:

Signature: _____

Name: _____

Title: _____

Date: _____

CLIENT:

Signature: _____

Name: _____

Title: _____

Date: _____

