

SERVICE AGREEMENT

This is an Agreement entered on _____ between PAYTRAK PAYROLL SERVICES Ltd. (hereafter PAYTRAK) and _____ (hereafter "Client") whereby PAYTRAK agrees to perform payroll services for the Client, Those services are the periodic preparation of Client's payrolls and all related tax services in accordance with a timing schedule agreed upon from time to time.

1. Client requests and agrees to have its appropriate payroll transactions made electronically.
2. Client authorizes PAYTRAK to charge its bank for the purpose of making necessary tax and all other payments required by contract and by law for Client's payroll. Client appoints PAYTRAK as its representative and agent for the making of payment orders in Client's name against Client's bank account shown on the Pre-Authorized Debit (PAD) Agreement annexed to this Agreement, and other bank accounts as may be authorized by Client in the future in accordance with current regulations. All such payments shall be subject to the Client's bank acceptance of those orders for payment. PAYTRAK may issue the orders for payments by any manual or electronic means it chooses in accordance with the rules of the Canadian Payment Association (CPA). Client agrees that its bank's rights with respect to each order for payment shall be the same as if Client itself drew those orders. The authority and permission granted hereunder shall remain in effect until revoked by Client by a writing sent to the bank with a copy to PAYTRAK. Prior to the receipt of that notice, Client's bank is fully protected concerning the making of the payments described in this paragraph. Client's bank shall have no liability with reference to the nonpayment or dishonoring of any order to pay.
3. DURATION OF AGREEMENT – This agreement may be terminated by either party, Client or PAYTRAK, for any reason upon three (3) day's written notice. Client agrees that it remains liable for all amounts then due and that the authorization given under paragraph 2 continues to apply until PAYTRAK has collected all obligations.
4. FEES – PAYTRAK shall charge Client for the services performed pursuant to the terms of this agreement in accordance with the "Client Information Form". Client is informed that this schedule may change from time to time. In order to effectuate such change, Client must be provided with a new payment schedule before the same is effective.
5. Client authorizes PAYTRAK to conduct a credit check on the Client with the appropriate agencies.
6. The authorized signatory/signatories whose name(s) is/are given below is/are personally and jointly liable for amounts of payroll, taxes and other payments made by PAYTRAK on behalf of Client.
7. ADDITIONAL CONTRACT PROVISIONS – The contract provisions that appear on the reverse side of this agreement are part of this agreement as if written on this page. Client's signature below indicates the Client has fully reviewed all of the terms and conditions on this page and on the reverse page and agrees to the same.

CLIENT'S AUTHORIZED SIGNATURE(S)

| Full Name | Title | Signature |
|-----------|-------|-----------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

PAYTRAK

By: _____ Title: _____ Signature: _____

ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions shall form part of the contract between Client and PAYTRAK.

1. Client shall from time to time immediately notify PAYTRAK of any change in the tax information it has given to PAYTRAK at the inception of this agreement.
2. PAYTRAK will hold confidential any and all information given by Client to PAYTRAK, except as it is necessary to disclose that information to Client's bank and taxing authorities in order to complete PAYTRAK's responsibilities pursuant to this agreement.
3. The fee schedule, which is a part of this agreement, may change from time to time. All invoices rendered pursuant to this agreement shall be debited from Client's bank account when each pay period's transactions are processed. All amounts uncollected will accrue interest at the rate of 1 1/2 % per month (19.56% per year) plus any service charge from the insufficient funds processing. In the event it is necessary for PAYTRAK to institute collection proceedings against Client, PAYTRAK shall be entitled to collect its reasonable legal fees and costs.
4. The term "CPA" refers to the Canadian Payments Association.
5. Any liability which PAYTRAK may have pursuant to the terms of this agreement is expressly limited to the total charge for the services provided hereunder. In no event shall PAYTRAK be liable for special or consequential damages to Client or to any third party. PAYTRAK shall not be liable for any failure to discharge its contractual obligations if that failure is due to conditions that are beyond the reasonable control of PAYTRAK.
6. Client agrees to indemnify and hold Paytrak Payroll Services Ltd. harmless from any loss, damage, expense or cost of any kind or nature in connection with claims made by Client or third parties pursuant to this contract.
7. Client agrees that it will from time to time accurately report and provide information required by PAYTRAK to perform the payroll services described in the contract including, without limitations, all tax forms and summaries issued by each government agency.
8. PAYTRAK shall not be liable in any way for the improper payment of taxes or other payroll deductions due to incorrect information given by Client to PAYTRAK.
9. It is acknowledged that PAYTRAK's performance hereunder must be based on the accuracy of the information given to it by Client.
10. All materials, written documents and software used by PAYTRAK in connection with this contract are the sole and exclusive property of PAYTRAK. Client agrees that it will not disseminate, disclose, reproduce, copy or transfer those materials to any third party nor will it use the same other than as authorized by this contract.
11. It is acknowledged that PAYTRAK is not the agent or the representative of Client, but rather is an independent contractor operating for its own account. For the purpose of any unclaimed property act, PAYTRAK shall hold the property as bare trustee for Client's benefit to the effect that the property so held shall be deemed to be held for Client.
12. This agreement constitutes the entire agreement between the parties and can be amended only by a writing duly signed by the authorized representatives of both parties.
13. This agreement shall be governed by the laws of the Province of Ontario, and the laws of Canada applicable therein.

PRE-AUTHORIZED DEBIT (PAD) AGREEMENT

We, the undersigned (client), authorize Paytrak Payroll Services Ltd. (PAYTRAK) and the financial institution designated (and any other financial we may authorize at any time); to periodically deduct from our account, identified below, amounts representing payroll, related taxes as required by law, and fees. The amounts will be based on our instructions and the invoice provided and will vary accordingly.

This authority is to remain in effect until PAYTRAK has received written notification from us of its termination. Notification must be received at least 15 business days before the next debit is scheduled at the address provided below. We may obtain a sample cancellation form, or more information on our right to cancel a PAD Agreement at our financial institution or by visiting www.cdnpay.ca.

We have recourse rights if any debit does not comply with this agreement. For example, we have the right to receive reimbursement for any charges that are not authorized in this PAD Agreement. To obtain a sample cancellation form or for more information on our recourse rights we can contact our financial institution or visit www.cdnpay.ca.

These services are for Business Use.

Client Name _____

Client Address _____

City/Town _____ Province _____ Postal Code _____

Phone No. BUS _____ MOBILE _____

Fax No. _____ E-mail _____

Deposit Account No. _____ Bank Transit No. 5 DIGITS _____

Financial Institution No. 3 DIGITS _____ Financial Institution Name _____

Authorization Person(S) Full Name(S) _____

Authorized Signature(S) _____ Date _____

PLEASE E-MAIL, SCAN OR FAX THIS COMPLETED FORM

Paytrak Payroll Services Ltd.
775 Pacific Road, Unit 38, Oakville, ON L6L 6M4
TEL. 1-877-316-2999, FAX. 1-888-729-8725