



## Direct Deposit Service Agreement

This agreement, dated as of \_\_\_\_\_, 20\_\_\_\_, is between \_\_\_\_\_ (“Company”) and Paylocity Corporation (“Processor”). This agreement is for use of Direct Deposit Services to be utilized by our employees who have deposit accounts with banks that participate in the National Automated Clearinghouse Association, (“NACHA”), hereinafter called PARTICIPATING BANKS, requesting their accounts be regularly credited for amounts due and payable to them by this client, hereinafter called COMPANY. PROCESSOR requests that this method of crediting accounts be accepted by you, the COMPANY, and agrees to the following:

1. COMPANY shall comply with and be subject to the Operating Rules of NACHA governing this method of payment, as such rules shall, from time to time, be in effect among PARTICIPATING BANKS and the Federal Reserve Bank of Chicago.
2. Each employee who desires to utilize this plan will authorize COMPANY to initiate paperless credits for sums due and Payable to employee for deposit at the PARTICIPATING BANK where the employee deposit account is maintained, hereinafter called RECEIVING BANK. Credits may, upon request, be transmitted to other financial institutions which are not members of NACHA but which may have made arrangements with PARTICIPATING BANKS.
3. Each employee who desires utilization of this plan will also authorize the COMPANY to initiate paper or paperless debits for sums due to the COMPANY for erroneous deposit or deposits at the RECEIVING BANK. These paper or paperless debits hereinafter called CREDIT REVERSALS shall be governed by NACHA rules and regulations.
4. Following receipts of Employee Authorization Agreement for Direct Deposit, COMPANY may initiate or make agreements for the initiation of paperless credits for the deposit accounts of employees that have authorized such agreements. Such deposits shall be initiated by PROCESSOR.
5. Upon receipt of deposits at each RECEIVING BANK, THE DEPOSIT AMOUNTS SHALL BE CREDITED TO THE APPROPRIATE ACCOUNT, provided however, should such bank for any reason be unable or unwilling to make such deposit, it will, within two (2) banking days following receipt, return the entry to NACHA for distribution back to the ORIGINATING BANK.
6. COMPANY hereby authorizes ORIGINATING BANK to make reversal entries (correction entries) in accordance with the operating rules of NACHA to correct such errors that may arise, which errors are within the knowledge of ORIGINATING BANK. “ERRORS”, as contemplated by this provision, shall include without limitation, circumstances under which credit entries to the depositor of a RECEIVING BANK would result, for whatever reason, in an overdraft upon the account of COMPANY at ORIGINATING BANK.
7. COMPANY hereby agrees to indemnify and hold each PARTICIPATING BANK, NACHA and PROCESSOR harmless from any claim incident to the operation of this plan arising from any act or omission of COMPANY. This includes, without limitation, any claim based on alleged loss as a result of noncredit of any deposit, any claim which may be made by an employee as a result of the rejection of any debits because of insufficient funds arising from the failure to credit deposits to employee’s account.
8. Neither NACHA nor any PARTICIPATING BANK shall have responsibility for the accuracy of deposit amounts furnished by the COMPANY, nor shall any such bank or NACHA be under any duty to deliver statements of earnings or any other statements to the depositor concerned. COMPANY shall be responsible for delivering such statements.
9. The COMPANY’S checking account number \_\_\_\_\_ shall be debited for the aggregate net amount of funds due on the banking day before which those funds are to be credited to the accounts of employees.
10. The PROCESSOR requires that the total amount of the electronic funds transfer be deposited by the COMPANY at least one (1) banking day prior to the pay date (check date) to ensure funds are available to be deposited in the employee accounts.
11. In the event these funds are not available one (1) day prior to the pay date (check date), a \$100.00 USD fee will be charged to COMPANY by PROCESSOR and COMPANY will have until 5:00 p.m. Central Time on the date of notification to wire transfer these funds to the PROCESSOR’S bank account. Should funds not be received in the PROCESSOR’S bank account by 5:00pm Central Time on the date of notification, CREDIT REVERSALS to employee accounts will take place immediately.
12. COMPANY agrees that any and all funds held in escrow (including tax funds) may be used as payment to PROCESSOR in the event funds are not available one (1) day prior to the pay date (check date).
13. COMPLIANCE WITH ACH RULES: Client acknowledges that, in order to put into effect the Services which include ACH transactions, Client will be the Originator of the ACH transactions and will follow and be bound by the rules for ACH Originators as adopted from time to time by the National Automated Clearing House Association (“NACHA”). Client agrees that it has assumed the responsibilities of an Originator under the ACH Rules and acknowledges that entries may not be initiated in violation of the laws of the United States. Client must retain and provide upon request copies of each employee authorization forms for two (2) years after they expire.

\_\_\_\_\_  
Client Contact Name (Please print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature (Must be authorized signer on account)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bank Name

\_\_\_\_\_  
Bank Phone Number