

Southwestern Payroll Service, Inc.

11008 East 51st Street Tulsa, OK 74146 (918) 587-3321 Fax (918) 587-0001



Dear Valued Client,

Southwestern Payroll Service, Inc. (SPSI) uses an electronic banking system, ACH, to collect funds from our clients and make payments to their employees. As such, we are governed by NACHA (National Automated Clearing House Association) guidelines which state that any Third-Party Service Provider (TPSP) processing ACH (Direct Deposit) services must send a reminder of responsibility to each business every six months.

This notice is to remind you of your responsibility to fund your bank account at least two business days prior to any check date for which Southwestern is to debit for employee direct deposit amounts.

For more information, please refer to the Southwestern Payroll Service, Inc. Services Agreement, section 3.3, and/or the Direct Deposit Service Agreement provided during the onboarding process.

3.3 Direct Deposit Service and Authorizations. Client hereby contracts and authorizes SPSI, two banking days prior to the Client's check date, to process EFT transactions for such amounts as are necessary to pay Client's employees. Such amounts are to be held in an account established by SPSI until Client's check date, when funds shall be deposited to employee accounts as specified. Additionally, client agrees that in order to guarantee employee deposits are received in employee accounts by payroll check date, payroll data must be received in time to process and transmit ACH transactions two banking days prior to payroll check date.

NOTE: Election of this service requires Direct Deposit Service Agreement (Addendum (A))

4. CLIENT'S RESPONSIBILITIES. Client will: (a) complete and execute all required documentation so that SPSI may withdraw funds from Client's Account to process direct deposit payrolls; (b) input or report all relevant payroll data to SPSI no later than 2:00 p.m. two banking days prior to each Paydate; (c) have available in Client's Account good, collected funds in an amount sufficient for SPSI to cover the debits initiated by SPSI hereunder no later than the opening of business (i) two banking days prior to each Paydate for debits by electronic entry, and (ii) two banking days prior to each Paydate for funding by wire transfer; and (d) compare all reports on credits or debits initiated by SPSI to Client's records and promptly notify SPSI of any discrepancies. Client and SPSI may agree to alter certain of these responsibilities depending on Client's needs and circumstances.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Darin Alred", enclosed within a thin black rectangular border.

J. Darin Alred
President & Owner