

ExcelPay Customer Update

To: ExcelPay Customers
Date: June 22, 2010
Subject: System Enhancements & Important Process Changes

We appreciate you as an ExcelPay client and hope your summer is going well.

We want to let you know of some system enhancements and important process changes we will be making effective for payrolls in the 3rd quarter of 2011 (July). Here's a quick summary of the changes and how they might impact you:

- ExcelPay Taxes Debit - The ExcelPay debit on your account for payroll taxes will be separate from the debit for your payroll (direct deposit/pay checks) and ExcelPay's fees. The indication on your bank statement will read "PAYROLLTAXMAN" which is shortened (ACH system space limitations) for Payroll Tax Management (PTM).
- Payroll Tax Reports - Our quarter-end payroll tax reports package will be enhanced with the system upgrade effective for 3rd quarter 2011 returns. You will notice several new reports including a Tax Account Statement (summary of tax amounts collected and remitted) and Statements of Deposit (state tax calculations with a listing of amounts/dates remitted by ExcelPay).
- Payroll Processing Timing:
 - A. For clients that enter and submit payroll using our PayrollOffice online system, your payroll must be "Submitted" not later than 4 p.m., two banking days prior to your pay check date.
 - B. For clients that forward payroll data to ExcelPay to process, your payroll data must be submitted not later than Noon, two banking day prior to your pay check date.
- Payroll Exception Charges - Although these are infrequent, events will occur from time-to-time that will cause ExcelPay to incur additional ACH/banking and/or other charges. When these situations arise, Exception Fee Charges will apply as outlined on the attached schedule. Most of these fees have been in effect for a number of years, but, some will be changing effective with the 3rd quarter 2011.

If you have any questions regarding the above or the attachment, please contact your ExcelPay Payroll Specialist.

Again, we appreciate the opportunity to provide our services to you. Thank you very much.

Payroll Exception Charges

(Effective July 1, 2011)

NSF Charges

Payroll (DD/Checks) and ExcelPay Service Fees Debit

In the event of a client NSF, ExcelPay is contractually obligated on the same day the NSF occurs to wire transfer to our ACH processing bank the full amount of the NSF plus NSF Fees. The fees below are applicable for client debits for payroll amounts or ExcelPay fees.

Per NSF Item	\$50
ACH Processor Wire Receipt Fee	\$20
ExcelPay Wire Transmittal Fee	\$30

Payroll Taxes Debit

In the event of an NSF for payroll taxes, your account will be re-debited. Until such time that receipt of "cleared funds" has occurred, tax payments on your behalf will be suspended. Any tax agency penalties caused by a late payment resulting from a suspended tax account will be the client's responsibility.

Per Taxes NSF	\$100
Per Taxes NSF (2 nd occurrence in calendar year)	\$200
Per Taxes NSF (3 rd occurrence in calendar year)	\$400

Direct Deposit Exceptions

Direct Deposit Reversal	\$15
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Applicable if ExcelPay is requested to attempt to reverse a direct deposit payment because an employee was paid incorrectly or unintentionally and ExcelPay was not properly and/or timely notified.

Bank Notice of Change	\$3
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Applicable if ExcelPay is notified by its ACH processing bank that a change is required in an employees direct deposit setup.

Wire Transfer Fee	\$30
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Applicable if ExcelPay is requested to wire transfer funds to an employee in lieu of direct deposit and this occurrence is not as a result of an ExcelPay error omission.

Other Exceptions

Stop Payment Request	\$35
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Re-Print Check Fee (Replace check lost by an employee.)	\$35
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Late Processing Fee	\$25
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Applicable if payroll is submitted late and client requests ExcelPay to process their payroll the same day.

Missing Tax ID Fee	\$30
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Applicable if a client has not supplied ExcelPay will all applicable tax ID numbers as we are no longer able to remit taxes with a missing tax ID number. The fee will apply on a monthly basis for each missing tax ID number.