

Managed Services Addendum

I. As part of the Managed Services, Namely shall provide the below listed services to Client in accordance with the Agreement and the terms herein. Client must request and/or approve all actions prior to Namely's performance of such actions.

1. Namely Platform Support and Client Enablement

- A. Create onboarding templates, performance management cycles, and workflows for the Client in the Client's instance of the Platform.
- B. Make changes in the Client's instance of the Platform at Client's direction.

2. HR Support

- A. HR compliance support, guidance and resources regarding federal, state, local regulations (compensation, leaves, payroll, hiring, performance management, and terminations).
- B. HR general guidance (compensation, leaves, HR strategy, managing employees, organizational exits, payroll, recruiting, and hiring).
- C. Template HR forms and policies (e.g., dress code policy, job application form, etc).
- D. Employee handbook creation (Template handbook including both federal and state specific policies and procedures. To preserve federal and state compliance, tone and certain wording of handbook are not customizable).
- E. Federal and state employee workplace posters.
- F. Assistance with creation and review of job description templates and review of job descriptions.
- G. Review performance improvement plans and provide corrective action guidance as requested by Client.
- H. ADA interactive process guidance (e.g., assistance with determining if a request is covered by the ADA).
- I. LOA eligibility determination guidance and template LOA policies and forms.
- J. Unemployment claims response best practice advice and management guidance.
- K. Assistance with EEO-1 & Vets-4212 Report preparation and guidance, if applicable.

3. Employee Service Center

- A. Answer questions from employees of Client on a range of HR, benefits and payroll topics, including, but not limited to: W2s, paystub, change of address, submission of life event changes, submission of enrollment information, making changes to

benefits elections and employee-level how-to in the Client's instance of the Platform.

B. Process employment verification requests.

4. Benefits Administration

- A. Configure and maintain Client's instance of the Platform
- B. Process benefits changes in the Client's instance of the Platform
- C. Open enrollment planning and support
- D. Configure and audit Client's instance of the Platform for Open Enrollment
- E. Audit client's benefit elections to confirm such elections match payroll deductions
- F. Act as liaison between Client and Namely Employee Benefits team
- G. If Client is a Namely Employee Benefits client, manage eligibility with carriers in the absence of carrier feeds, by forwarding enrollment and life event change information to carriers as needed.
- H. If Client is not a Namely Employee Benefits Client, provide Client with necessary reports for Client to share separately with Client's broker to manage eligibility, enrollment, and life event change information.
- I. Preparation and filing of ACA Reports (1094 and 1095 forms).

5. Payroll

- A. Administration
 - a. Make payroll changes in the Client's instance of the Platform at Client's direction (e.g., changes to role or salary).
 - b. Import approved hours and processing payroll in the Client's instance of the Platform based on a process pre-approved by Client.
 - c. Perform payroll audit when Client makes a change that has a significant effect on payroll (e.g. change in office location, acquisition of another company).
 - d. Provide guidance for tax registration in new states, if registration by a third party is allowed by the state.
 - e. Prepare, deposit and file Client's payroll taxes for all federal, state and local jurisdictions which Namely has set up in the Platform on Client's behalf.
 - f. Prepare and file a quarterly tax statements for each Federal Employer Identification number ("FEIN") and, where required, each state or local tax identification number provided by either by the Client or acquired by Namely through third party registration where permitted. This statement will include a summary of tax liabilities reported throughout the quarter, account reconciliation and printed returns filed at quarter end.
 - g. Provide direct deposit advice slips, and if the option is selected (pursuant to the relevant fees), print checks for Client based on the information from

each completed payroll. Namely shall be responsible for providing such printed checks and direct deposit advice slips to the commercial overnight carrier selected by Client.

- h. Answer tax agency correspondence for tax deposits and returns filed by Namely on Client's behalf.
- i. File amended returns as required for returns processed by Namely. Charges may apply in the event the amended return is a result of incorrect information supplied to Namely.
- j. Prepare and file W2 agency filings. In the event that Client requests preparation and filing of W2 agency filings after the effective date of termination, additional fees may apply.
- k. Set up wage attachments in Client's instance of the Platform. Prepare and deposit Client's wage attachment liabilities for any third party to which an employee of Client owes a debt and has either agreed to or is compelled by the appropriate governmental authority to resolve via attachment of such employee's wages. Additional charges may apply for wage attachment processing..
- l. To the extent that a payroll or tax filing error is solely caused by Namely, the cost to correct such error, including, but not limited to, payment of any fines, shall be payable by Namely.

B. Funds Collection and Handling

- a. For direct deposit only clients and for any tax liability within a given pay period requiring a "next day" payment, Namely must receive from Client the total tax liabilities corresponding to Client's payroll and wage attachments for the given pay period at least one (1) business day prior to the applicable check date from Client's designated bank account.
- b. For direct deposit plus check printing clients and for tax liabilities not requiring a "next day" payment date, Namely must receive from Client the total tax liabilities and wage attachments associated with the given pay period three (3) business days prior to the payroll check dates.
- c. At the times specified above, Namely must receive from Client the funds to cover the total payroll liability of Client. Namely will direct the transfer of funds from Client's designated bank account to Namely's account by electronic funds transfer. Client consents to the transfer of funds from Client's designated bank account to Namely's account by electronic funds transfer.
- d. In the event that Client makes any assignment for the benefit of creditors, or a receiver, trustee in bankruptcy or similar officer is appointed to take charge of any or all of the other party's property, or the other party seeks protection under any bankruptcy, receivership, trust deed, creditors

arrangement, composition or comparable proceeding or such a proceeding is instituted against Client, Namely may(i) terminate the Agreement only upon notice to Client, or (ii) change the method via which Client submits funds under this Addendum.

- e. The funds held by Namely on Client's behalf will be segregated from other funds of Namely, but may be commingled with funds of other payroll customers. Namely will be entitled to receive all net investment income generated and interest earned on any funds held and invested pursuant hereto.
- f. Independently of the result of any investments of the funds performed by Namely, Namely has the obligation to pay Client's tax liabilities and wage attachments provided the Client has previously deposited the corresponding funds with Namely.
- g. In the event that Namely is unable to settle funds on behalf of Client, Namely shall return such funds on behalf of Client. Client shall be solely responsible for the escheat of such funds; Namely shall have no responsibility to escheat such funds.

C. Client Responsibilities

- a. Client shall adhere to the National Automated Clearinghouse Association ("NACHA") rules for the transfer of funds at all times.
- b. Client shall provide Namely with all valid federal, state and/or local Tax ID numbers in the format required by the corresponding agency unless Namely has completed the registration process in those federal, state and/or local tax jurisdictions pursuant to section 5(1)(iv) of this Addendum.
- c. Client shall provide payroll related Client Data in a format reasonably requested by Namely and in a reasonable period of time after such request has been made. Additional fees may apply in the event that Client cannot supply payroll data in the format or time period requested by Namely.
- d. Client shall provide accurate information to Namely. Namely is not responsible for (1) any pre-existing errors or similar matters arising prior to the commencement of these service by Namely or (2) any errors that may occur in the event that Client fails to provide Namely with all necessary, complete and accurate information.
- e. Client shall timely execute any and all documents and forms presented by Namely in order to process payroll on Client's behalf, including power of attorney to service taxes. Namely, in its discretion, may terminate the Agreement in the event Client fails to execute such documents or forms when requested by Namely.
- f. Client shall timely respond to any and all requests made by Namely. Namely may unilaterally amend or update the terms of this Addendum by

providing written notice to Client only (i) as reasonably determined by Namely in order to update the payroll services provided, or (ii) as mandated by any governmental agency or taxing authority. In the event that changes under (i) above adversely impact Client's normal business operations, Client shall have the option to reject such changes, in good faith, within thirty (30) days of receipt of notice of such change from Namely by providing written notice to Namely. Upon such rejection, Namely shall have the option to not make said change or terminate the Agreement.

- g. Client shall cooperate and diligently perform its responsibilities as set forth in this Addendum and acknowledges that failure to do so may result in (i) additional fees or costs to Client or (ii) Namely's termination of the Agreement upon notice to Client. Namely shall provide Client with ten (10) days advanced written notice of its intent to charge such additional fees and/or costs, and Client shall have the opportunity to cure same during such ten (10) day period.
- D. Client shall maintain good and sufficient collected funds in Client's designated bank account to cover all funding transactions to be made under this Addendum. In the event Client fails to maintain such good and sufficient collected funds, Namely may (i) terminate the Agreement only upon notice to Client and charge Client for any applicable fees, penalties, and interest, or (ii) change the method via which Client submits funds under this Addendum. Client also acknowledges that, in the event that Client fails to maintain such good and sufficient collected funds, (i) Client will immediately become solely responsible for all funding transactions to be made under this Addendum, (ii) Client will pay Namely for any fees, fines or funds paid by Namely as a result of such insufficient funds, and (iii) Namely may take any such legal action as it deems appropriate to collect such fees, fines or funds paid by Namely as a result of such insufficient funds.

E.

Tax Information Acknowledgement

- a. As required by the Internal Revenue Service, the following information must be disclosed to taxpayers that utilize a third party to perform tax filing services on its behalf:
 - i. Client acknowledges that it is responsible for the timely filing of employment tax returns and the timely payment of employment taxes for its employees, notwithstanding, that Client has authorized Namely to file the returns and make the payments on its behalf.
 - ii. The Internal Revenue Service recommends enrollment in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made. Enrollment in the EFTPS may be done

online at www.eftps.gov, or call (800) 555-4477 for an enrollment form. State tax authorities generally offer similar means to verify tax payments. Contact the appropriate state offices directly for details.

- b. Please also note, no state or federal agency assumes responsibility for the financial solvency of Namely.
- F. Tax Authorization. Client agrees Namely will act as the tax filing agent where required for IRS, state or local payroll tax deposits, filings and correspondence on Client's behalf.
- G. ACH Access. Client acknowledges that Namely or the bank that processes Client's payroll transactions may need to investigate ACH entries transmitted by Client to the bank and consents to such investigation. Client also acknowledges that Namely or the bank may refuse to process ACH entries at any time.
- H. Compliance. Client shall comply with all applicable anti-money laundering ("AML"), as well as Office of Foreign Assets Control ("OFAC"), laws and regulations with regard to the funds and individuals involved in this Addendum. In the event (i) Client does not comply with such laws or regulations, or (ii) either Client or one of its employees is included in the Specially Designated Nationals ("SDN") list published by OFAC, Namely may immediately terminate the Agreement, take any required legal steps and make all necessary filings and disclosures with the appropriate governmental authorities.
- I. Client agrees that Namely may unilaterally amend or update the terms of this Managed Services Addendum by providing written notice to Client only as reasonably determined by Namely in order to update the services provided. In the event that changes have a materially adversely impact on Client's normal business operations, Client shall have the option to reject such changes, in good faith, within thirty (30) days of receipt of notice of such change from Namely by providing written notice to Namely. Upon such rejection, Namely shall have the option to not make said change or terminate this Managed Services Addendum.

II. Service Terms. The parties acknowledge parties acknowledge and agree that:

- A. Namely is not a co-employer or joint employer of Client employees;
- B. Namely is not a professional employer organization and the Managed Services do not constitute professional employer organization services;
- C. Client, and not Namely, has the right to and is solely responsible for recruiting, hiring, classifying, disciplining, and terminating Client employees and for determining their wages, benefits, duties, responsibilities and work schedules;

- D. Namely is not the employer of record of Client employees and all payroll and tax filings for Client shall be performed using Client's employer identification number ("EIN");
- E. Client retains all employment risks and liabilities regarding Client employees; and
- F. Namely will not provide legal or tax advice to Client or Client's employees as part of Managed Services. Client should always consult with its own legal or tax advisors for legal or tax questions.

III. Failure by Client to respond to Namely requests or approve specific tasks with regard to the Managed Services may cause a delay in the performance of the Managed Services, which may result in additional fees.