



Innovative Administrative Services Client Service Agreement

This Agreement is made this _____ day of _____, by and between Innovative Administrative Services LLC (IAS), its direct or indirect parent organizations, subsidiaries, divisions and associated and affiliated entities whose principal office is located at 2095 HWY 211 NW, Ste 2F-133, Braselton GA 30517 and _____ ("Client"), whose principal office is located at _____. (IAS and Client may be collectively referred to as the "Parties" or individually as "Party".)

RECITALS

WHEREAS, IAS is a company in the business of providing various employee administrative services to various business entities;

WHEREAS, Client desires to accept and pay for such services under the terms and conditions as set forth below;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, IAS and Client agree as follows:

I. PURPOSE. Innovative Administrative Services agrees to administer all or a majority of the employees assigned to provide services for Client whereby the responsibilities for such employees are allocated between the Parties. The Parties agree that IAS is a company engaged in the business of providing administrative services to Client pursuant to this Agreement. Client understands that it maintains an administrative only relationship according to law with Employees throughout the Term of this Agreement. This Agreement defines the allocation of responsibilities between Innovative Administrative Services LLC and Client.

II. TERM. The Effective Date of this Agreement shall be _____ ("Effective Date"). This Agreement shall commence on the Effective Date and remain in full force and effect for a period of one (1) year thereafter ("Initial Period") unless terminated as provided in Paragraph XI. After the Initial Period, this Agreement shall automatically renew for one (1) year periods until terminated by either Party with thirty (30) days prior written notice or as provided for in Paragraph XI. During the thirty (30) days from the date written cancellation is sent to the other Party, the Parties will continue to meet the obligations set forth in this Agreement, including without limitation, the obligation of Client to pay all IAS invoices. If Client fails to provide thirty (30) days notice, Client agrees to pay immediately, in addition to all other outstanding amounts, an amount equal to the administrative charge for thirty (30) days based on the thirty (30) day average from the previous quarter. The period that this Agreement shall be in full force and effect is referred to as the "Term."

III. SERVICES PROVIDED BY AND OBLIGATIONS OF INNOVATIVE ADMINISTRATIVE SERVICES

A. Employees covered by this Agreement only include those employees who have completed IAS's/client's employment process (including but not limited to (W-4, I-9, and G-4) and have been accepted and approved by IAS / client. Any individual who does not complete IAS's employment process and is not accepted and approved by INNOVATIVE ADMINISTRATIVE SERVICES shall not be considered an employee of client for any purpose including, but not limited to, payroll, workers compensation, benefits or employment related laws.

B. The services to be provided by INNOVATIVE ADMINISTRATIVE SERVICES for Employees include, but are not limited to:

1. Pay wages to Employees, and prepare, administer, compile, and file all payroll information and distribute payroll checks to Employees from its own accounts; "Wages" does not include any obligation between Client and an Employee for payments beyond or in addition to the Employee's salary, draw, or regular rate of pay, such as bonuses, commissions, severance pay, deferred compensation, profit sharing or vacation, sick or other paid time off pay, unless IAS has expressly agreed to assume liability for such payments in this Agreement;
2. Based on complete, timely and accurate reporting of job duties and hours worked by Client, assume responsibility for the withholding and remittance of federal and state employment taxes, including but not limited to: (i) federal

income tax withholding; (ii) state and local income tax; (iii) Federal Insurance Contributions Act ("FICA") withholding; (iv) Federal Unemployment Tax Act ("FUTA") withholding; and (v) state unemployment tax withholding;

3. Administration and sponsorship of applicable benefit plans including remitting employee benefit payments from IAS'S

Account's for benefit programs of said client on Effective Date. An Employee's available coverage and eligibility to participate in a given plan shall be governed by and subject to the terms and conditions of the plans offered by client and IAS.

4. Administer employment policies covering Employees and administer personnel records. IAS will, with Client's assistance, verify that all new hires are authorized to work in the United States. IAS will maintain the required records, however Client may be required by federal or state law to maintain certain records, or copies thereof, at the worksite;

5. Consistent with applicable law, maintenance of workers compensation insurance coverage during the Term for Employees, for which upon request IAS shall provide Client a certificate of coverage, and management of workers compensation claims, if applicable;

IV. SERVICE FEES.

A. In consideration for services rendered, Client agrees to pay Innovative Administrative Service fees as shown on Exhibit A, which is attached and made a part of this Agreement, and for all wages, payroll taxes and benefit costs incurred by or payable to all Employees ("Fee"). Client's Fee obligation shall continue during normal periods of Employee absence for vacation, sick leave, legal holidays and emergency situations.

B. Client shall pay all Fees immediately upon delivery of the invoice to Client. Payment shall be COD or sent to Innovative Administrative Services via wire transfer or ACH Debit initiated by IAS.

C. If payment is not made when due, Client shall pay Innovative Administrative Services, in addition to all other amounts due, a five percent (5%) administration charge on the delinquent amount. In addition, Client shall pay one and one-half percent (1.5%) of the delinquent amount for each thirty (30) day period that the unpaid balance remains outstanding, but in no event shall the amount exceed the lawful rate of interest.

D. Innovative Administrative Services retains the right to modify the payment terms as IAS deems reasonable and in light of Client's ability to pay, to require, among other things, payment prior to the provision of services based on the invoice for the previous pay period. All payments will be applied to the most recent invoice issued to Client. IAS retains the right to apply any overpayment to the subsequent invoice issued to Client.

E. Client agrees to pay for any compensation earned but not paid to or for Employees prior to, during, upon termination, and subsequent to their employment with IAS, including, but not limited to, premiums or contributions payable for employee benefit plans through the end of the month in which the Employee was terminated, unused paid time off, vacation or sick leave, and expense reimbursement.

V. OBLIGATIONS AND DUTIES OF CLIENT.

A. Client shall be responsible for the day-to-day supervision and control of Employees in the conduct of their work. Client will be responsible for verifying skills and qualifications for employment. If a license is necessary for the performance of Client's work, Client shall verify the existence, maintenance and validity of such license.

B. Client shall maintain a record of actual time worked and verify the accuracy of wages and salaries reported to and paid by IAS during each pay period. In maintaining said records, Client agrees to comply with the Fair Labor Standards Act ("FLSA") by reporting all hours worked and overtime, and not paying any form of compensation, direct or indirect, to Employees without informing Innovative Administrative Services in writing. Within forty-eight (48) hours prior to the Client's payday, Client shall provide to IAS via facsimile transmission, email or via IAS's internet connection, a report of the total hours worked by Employees. Client warrants that the information reported to IAS is correct and accurate. Client is also responsible for determining the exempt or non-exempt status of an Employee as defined under the FLSA. Client further agrees to hold Innovative Administrative Services harmless from any liability that may arise as a result of the improper reporting of such information by Client.

C. Client shall appoint a representative(s) who will be responsible for reporting any and all information to IAS. Client representative is _____ as its authorized representative. Client agrees that the authorized representative has full and complete authority to report information to IAS and that IAS may rely on this information. Client holds IAS harmless from any action taken by IAS as a result of the information provided by the authorized representative. The authorized representative can only be changed in writing, signed by the President of Client and directed to IAS.

- D. Client agrees to report any claim or accident to Innovative Administrative Services as soon as it becomes known to Client.
- E. Client shall provide IAS written statements of its policies regarding employee benefits. Such policies will comply with all federal, state and local governmental laws and regulations. Client will pay for any unpaid benefits due to Employees upon commencement or termination of this Agreement, including but not limited to unused vacation, severance pay, or continuing health and life insurance premiums until the end of the month during which this Agreement is terminated.
- F. Client agrees to comply at its expense with all safety and health laws, regulations or rules, whether federal, state or local. Client will also ensure compliance with safe work practices and use of protective equipment and devices imposed by controlling federal, state or local law. All accidents or injuries involving Employees shall be reported to IAS immediately. Client agrees to cooperate with IAS's/Client's workers' compensation carrier in the inspection of work locations and the investigation of workplace accidents and injuries. Nothing in this Agreement shall relieve Client of any obligations imposed under safety related law. If Client's or IAS's workers' compensation insurance carrier recommends that light duty work be provided to an employee suffering from a workplace injury, Client agrees to take all reasonable measures to provide same.
- G. Client agrees to allow Client's or IAS's insurance carrier the right to inspect Client records and worksite to verify job duties and compensation of Employees and to verify compliance with safety requirements during the Term of the Agreement, as well as the right of the workers compensation carrier to audit the Client's records and worksite for up to one year after the end of any policy period, even if this Agreement has been terminated.
- H. Innovative Administrative Services will provide Client the right upon request to receive worksite loss experience data upon termination of this Agreement.
- I. Client shall maintain workers compensation insurance coverage for any employees working for Client that are not covered by this Agreement. Additionally, Client shall require that all contractors and sub-contractors doing work for Client maintain workers' compensation. Furthermore, in states requiring same, Client agrees to maintain separate workers compensation insurance covering Employees.
- J. If any Employee is required in the performance of their duties, to deal with confidential or proprietary information of Client, Client agrees to institute any control procedures or confidentiality agreements to insure against disclosure of same. Client holds IAS harmless from any and all liability which results from disclosure of same whether during or after the Term.
- K. Client agrees that for any benefit plan maintained by Client prior to, during, or after the Term, Client is solely responsible for determining eligibility, participation, contribution matters, COBRA eligibility, and the administration of any Section 125 Plan, if applicable, and that Innovative Administrative Services has no responsibility for such benefits, and Client indemnifies and holds IAS harmless for any and all liabilities or consequences arising out of the maintenance of such benefits. In the event a Client sponsored benefit plan involves payroll deductions, IAS's sole responsibility shall be to make deductions for Client according to Client's instructions and credit any such withheld amount to Client, and IAS's sole liability shall be the amount of payroll deducted but not credited to Client.

INSURANCES

- A. If any Employee is required to drive a vehicle of any kind for Client, Client will provide liability insurance which will insure against public liability for bodily injury, death and property damage with a minimum combined single limit of One Million Dollars (\$1,000,000) and uninsured motorist insurance with a minimum combined single limit of One Million Dollars (\$1,000,000), in states where no fault laws apply. Not later than five business days after its execution and delivery of this Agreement, Client shall cause its insurance carrier to issue a certificate of insurance to IAS verifying such coverage and providing for not less than 30 days' prior written notice to IAS of cancellation of or any changes to such coverage and identify IAS as an additional insured.
- B. Client agrees to keep in full force and effect at all times during the Term a comprehensive general liability insurance policy in the minimum limit of One Million Dollars (\$1,000,000) insuring Client against bodily injury and property damage caused by Client's premises-operations or completed operations.
- C. If any Employee performs any duties which requires the maintenance of a professional license and corresponding professional liability insurance, Client agrees to keep in full force and effect during the Term professional liability insurance which shall cover any acts, errors or omissions, including but not limited to the negligent acts of the professional employee with a minimum limit of One Million Dollars (\$1,000,000). Not later than five business days after its execution and delivery of this Agreement, Client shall cause its insurance carrier to issue a certificate of insurance to IAS verifying such coverage and providing for not less than 30 days' prior written notice to IAS of cancellation of or any changes to such coverage and identify IAS as an additional insured.

INDEMNIFICATIONS.

- A. Client shall release, defend, indemnify and hold harmless IAS and its officers, directors, shareholders, affiliates, subsidiaries, employees and agents (collectively, the "IAS Indemnified Parties") from and against any losses, liabilities, claims, obligations and/or expenses including, without limitation, court costs and reasonable attorneys' fees (collectively "Damages") that may be incurred by or asserted against any of the IAS Indemnified Parties, arising from or related to, in whole or in part, (i) the acts, errors or omissions of Client (or its agents) or the Employees; (ii) any breach of this Agreement by Client; and (iii) except as otherwise provided in this Agreement, any claims asserted by or liability to third parties arising from or related to, in whole or in part, Client's business.
- B. Innovative Administrative Services shall release, defend, indemnify and hold harmless Client and its officers, directors, shareholders, affiliates, subsidiaries, employees and agents (collectively, the "Client Indemnified Parties") from and against any Damages that may be incurred by or asserted against any of the Client Indemnified Parties, to the extent such Damages arise from or are related to (i) the acts, errors or omissions of IAS (or its agents); and (ii) any breach of this Agreement by IAS. Except as otherwise provided in this Agreement, at no time shall Innovative Administrative Services be liable for Client's loss of profits, business goodwill or other consequential, special, or incidental damages.
- C. These indemnifications shall survive the termination of this Agreement

TERMINATION.

- A. Upon termination of this Agreement, Client agrees to:
 - 1. Pay all outstanding invoices or Fees due IAS;
 - 2. Pay IAS for any payments required for unused vacation leave, severance pay, or other compensation due to employees after termination of this Agreement;
 - 3. Continue to cooperate with IAS in the investigation or litigation of any claim or complaint.
 - 4. Assume sole and exclusive responsibility and liability for all legal obligations as an employer to Employees including, but not limited to, continuing to maintain workers compensation coverage for Employees.

GENERAL PROVISIONS.

- A. **APPLICABLE LAW.** This Agreement shall be governed by the laws of Georgia and both Parties consent to venue and personal jurisdiction over them in the courts of that state, including the federal courts, for purposes of construction and enforcement of this Agreement.
- B. **ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding between the Parties with respect to its subject matter and supersedes all prior agreements and understandings, written or oral, with respect to its subject matter.
- C. **MODIFICATION.** This Agreement may not be altered or amended except by written agreement duly executed by the Parties.
- D. **ASSIGNMENTS.** This Agreement cannot be assigned by Client without the written consent of IAS. It is expressly understood and agreed between the Parties that this Agreement may be assigned by IAS at its sole discretion.
- E. **SEVERABILITY.** Should any term, condition or provision of this Agreement be held to be invalid or unenforceable, the balance of this Agreement shall remain in force and shall stand as if the unenforceable part did not exist.
- F. **NOTICES.** Whenever notices are required to be sent to either party, the notices shall be sent to the following addresses:

Innovative Administrative Services LLC
2095 Hwy 211 NW, Suite 2F-133
Braselton, GA 30517
Attn: Gabriel Lopez

IN WITNESS WHEREOF, the Parties enter into this Agreement as of the date first written above.
Innovative Administrative Services **LLC CLIENT NAME**

By: _____

Its: _____

By: _____
Its: Owner, Partner, or Majority Shareholder