
**THE CITY OF BLUE ISLAND
COOK COUNTY, ILLINOIS**

**RESOLUTION
NUMBER 2016-032**

**A RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT
WITH PAYCOM PAYROLL, LLC. FOR PAYROLL SERVICES.**

**DOMINGO F. VARGAS, Mayor
Randy Heuser, City Clerk**

**1st Ward TOM HAWLEY
2nd Ward LETICIA VIEYRA
3rd Ward NANCY RITA
4th Ward CANDACE CARR
5th Ward JANICE OSTLING
6th Ward DEXTER JOHNSON
7th Ward NANCY THOMPSON**

**GEORGE POULOS
FRED BILOTTO
KEVIN DONAHUE
ALECIA SLATTERY
KENNETH PITTMAN
JAIRO FRAUSTO
JAMES JOHANSON**

Aldermen

RESOLUTION NO. 2016-032

**A RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT WITH PAYCOM
PAYROLL, LLC FOR PAYROLL SERVICES**

WHEREAS, the City of Blue Island has the authority to contract and be contracted with pursuant to 65 ILCS 5/2-2-12;

WHEREAS, the city plans to enter into an agreement with Paycom Payroll, LLC (“Paycom”) for payroll services and

WHEREAS, the appropriate city officials have considered and reviewed the agreement attached as Exhibit A and find the same to be in the best interests of the City;

NOW AND THEREFORE, BE IT RESOLVED by the City Council of the City of Blue Island, Cook County, Illinois, as follows:

SECTION 1: AGREEMENT FORM AND TERMS AUTHORIZED

The terms and conditions as shown in the Agreement attached as Exhibit A to this Resolution are hereby approved.

**SECTION 2: AUTHORIZATION OF AGENT TO EXECUTE AND ACT IN ACCORDANCE
WITH AGREEMENT**

The City Council further authorizes the Mayor or his designee to execute any and all documentation that may be necessary to carry out the intent of this Resolution. The officers, employees, and/or agents of the City shall take all action necessary or reasonably required by the City to carry out, give effect to, and consummate the intent of this Resolution.

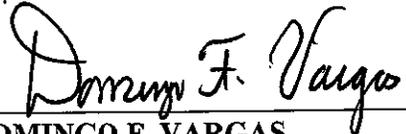
SECTION 3: EFFECTIVE DATE

This resolution shall be in full force and effect upon its passage and approval as required by law.

ADOPTED this 11th day of October, 2016, pursuant to a roll call vote as follows:

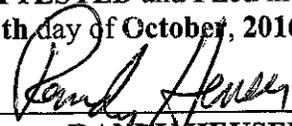
	YES	NO	ABSENT	PRESENT	ABSTAIN
Alderman Hawley	X				
Alderman Poulos	X				
Alderman Vieyra	X				
Alderman Bilotto	X				
Alderman Rita			X		
Alderman Donahue	X				
Alderman Carr	X				
Alderman Slattery			X		
Alderman Ostling	X				
Alderman Pittman	X				
Alderman Johnson	X				
Alderman Frausto			X		
Alderman Thompson			X		
Alderman Johanson			X		
Mayor Vargas					
TOTAL	9		5		

APPROVED by the Mayor on October 11, 2016.



 DOMINGO F. VARGAS
 MAYOR OF THE CITY OF BLUE ISLAND,
 COUNTY OF COOK AND STATE OF ILLINOIS

ATTESTED and Filed in my office this
 11th day of October, 2016.



 RANDY HEUSER
 CITY CLERK



Proposal Prepared for Valued Partner - City of Blue Island - 0000

Frequency: Bi-Weekly

Number of Pays: 200

Human Capital Management Solution

Solution	Base	Per Pay	Per Payroll Fee
Single Application HCM System			Included
Dedicated Paycom Specialist			Included
Executive Dashboard			Included
New Hire Reporting			Included
Employee Self Service			Included
Time and Attendance			Included
Schedule Exchange			Included
Time Off Accrual Tracking			Included
Time Off Requests			Included
Payroll Processing			Included
• Check/Vouchers			Included
• Federal Electronic Tax Depositing (941, 940)			Included
• Deposit and File State Tax Deposits			Included
• Deposit and File SUTA (State Unemployment)			Included
• Quarterly Federal/State Deposit Statements			Included
• Quarterly 941s Signed and Filed			Included
• Jurisdiction Filing (\$6 per additional Jurisdiction)	# of Jurisdictions: 1		Included
Payroll Gross to Net			Included
General Ledger Concierge			Included
Paycom Pay	\$0.25 per additional direct deposit distribution		Included
Check Stuffing (\$0.15 per additional check)			Included
Advanced Report Center			Included
Push Reporting			Included
Workers Comp Tracking			Included
401(k) Standard Report			Included
Benefits Administration			Included
Enhanced Affordable Care Act			Included
	200	\$ 199.09	\$ 5.25
			\$ 1,189.09
			\$ -
			\$ 1,189.09

Client's Initials



Proposal Prepared for Valued Partner - City of Blue Island - 0000

Frequency: Bi-Weekly

Number of Pays: 200

Hardware Clocks			Per Payroll Fee
Solution	Option	Quantity	\$
Hardware Clock with Fingerprint Reader	Lease per month	9	623.08
Total Clocks Per Payroll			\$ 623.08

Grand Total Per Payroll \$ 1,812.17

One-time Conversion, Set-Up and Training				Fee
Solution	Option	Quantity	Per Unit Charge	\$
Client Conversion	Included			9,250.00
Training	Included			6,831.00
Hardware Clock with Fingerprint Reader	Security Deposit			
Total Initial Investment				\$ 16,081.00

Annually			Annual Fee
Solution	Option		Included
940 Filed	Included		\$ 75.00
2016 W-3 Transmittal	Included	per W-2	\$ 6.95
2016 Employee/Employer W-2s	Included		\$ 75.00
2016 ACA Form 1094 (B or C)	Included	Per 1095 Form	\$ 6.95
2016 ACA Form 1095 (B or C)	Included		

All Pricing is subject to change with written or electronic notice

Note: Delivery fee will be based on actual delivery costs.

Note: Texas customers are subject to state service taxes.


Client Signature
DOMINGO VARGAS
Printed Name

MAYOR
Title
10/12/2016
Date

Today's Date 8/29/2016
Proposal Valid For 30 Days

Client's Initials 

Paycom Payroll, LLC (hereinafter "Paycom") agrees that upon its acceptance of this contract, and subject to the terms and conditions herein, it will (1) collect from the undersigned client (hereinafter "Client"), hold in Paycom's Account (the "Account"), and deposit with an appropriate authorized depository on or before the statutory deadlines, the required federal, state, and local payroll tax amounts; and (2) prepare and file all required federal, state, and agreed-upon locality payroll tax returns. Paycom assumes responsibility only for interest charges and/or penalties to the extent they are caused by the negligence or wrongdoing of Paycom. Paycom does not accept responsibility for failure to make deposits or filings if it is not provided with adequate or timely information or sufficient funds. Paycom shall not be required to amend or refile any tax return or tax filing on behalf of Client, unless the erroneous filing was the sole fault of Paycom. In the event any tax return is required to be amended or refiled due to the fault of Client, Paycom shall assist Client in amending or refile the return at an additional cost to Client. Client agrees to make payment of Paycom's fees for all services via funds transfer from Client's account. Notwithstanding anything to the contrary herein, under no circumstances shall Paycom be responsible for filing tax returns or making tax deposits on behalf of Client concerning funds that have not been transferred or funds Paycom does not have in its possession. As additional consideration, Client agrees to assign to Paycom, Paycom's financial institutions or depositories any benefits derived on the funds in the Account (i.e. interest on funds).

Paycom is not responsible for payment of taxes to any federal, state or local tax authority, unless Client has remitted and Paycom has received 100% of the funds, fees, charges, taxes and monies requested from Client to process all of Client's payrolls. Paycom is not responsible for omissions in its processing of Client's payroll unless Client has previously provided Paycom with all of the information required to accurately process Client's payroll. Paycom is not a responsible party for the application of or the issuing of account numbers or tax identification numbers with federal, state and local taxing authorities. Client shall apply for and procure all required registrations with taxing authorities. Client agrees to provide Paycom with accurate and complete payroll and tax information and to have sufficient funds to cover its payroll amounts, taxes, processing charges and fees, on or before 1:30 p.m., Central Time two (2) banking days prior to each check date, unless the check date is on a Saturday, Sunday or bank holiday, then the data must be provided to Paycom one (1) additional banking day prior to check date. Client further agrees to instruct the bank holding its demand deposit account to honor these charges as initiated from time to time by Paycom. If the Bank upon Client's instructions or otherwise, refuses to honor such charges, Paycom reserves the right to assess NSF charges. Paycom's NSF fees are described on Paycom's NSF Supplement. Should Paycom receive an NSF, Paycom will contact Client and Client will be obligated to wire the funds, taxes and processing charges, along with the NSF fee, to the Paycom Account that day.

In the event Client utilizes Paycom's separate Paycom Pay service, then the time periods applicable to the Paycom Pay service shall control. The aforementioned timing requirements may be amended from time to time upon written or electronic notice being provided to Client. In the event Client regularly runs payrolls that exceed Paycom's "Funding Thresholds" (as may be amended from time to time by Paycom) or Paycom has reasonable grounds to question the financial well-being of Client, then Paycom may elect to require Client to authorize and implement drawdown wires (fed wires) to fund Client's payroll obligations two (2) banking days prior to each check date. Paycom's current "Funding Thresholds" are payrolls that have \$100,000 or more of tax liabilities or \$200,000 or more of direct deposit payments. Paycom reserves the right to revise its Funding Thresholds at Paycom's discretion.

Unless otherwise specifically agreed upon in writing, Paycom and Client each shall have the right for any reason or no reason at all to terminate this Payroll Service Agreement (the "Agreement") upon providing the other party with thirty (30) calendar days' prior written or electronic notice of termination. In addition to the preceding termination rights, in the event Client: (i) materially breaches its obligations to Paycom; (ii) fails to pay or remit any sums due within two (2) business days after the due date; (iii) fails to remit to Paycom all funds related to the subject services and such failure is not cured within one (1) business day after notification from Paycom; (iv) discontinues its use of Paycom's services for three (3) or more consecutive pay periods; (v) asserts, files or threatens any bankruptcy or adverse action against Paycom; (vi) fails to timely remit to Paycom the funds required to perform the services more than one time in any twelve-month period; or (vii) in the event Paycom's depository or financial institutions notify Paycom that Paycom may no longer service Client due to Client's creditworthiness or business reputation; then Paycom shall have the right to immediately terminate the Agreement. Upon termination of the Agreement, Client will immediately become responsible for all payroll tax deposits and filings then and thereafter due and for all related penalties and interest, and whereupon Paycom shall promptly return to Client any excess monies in Paycom's possession (if any) that are not reasonably subject to potential reversal, return, setoff or recoupment. During any time period in which Client is in default of its obligations to Paycom, Paycom shall have the right to suspend the provision of its services to Client, in whole or in part, pending Client's compliance with the Agreement or pending termination of the Agreement.

Client hereby instructs all federal, state, and local tax authorities to deliver tax forms, documents, and other related information with regard to payroll taxes to Paycom. Paycom is hereby given full authorization to represent and submit records on behalf of Client before federal, state and agreed upon local jurisdiction's tax office with respect to payroll taxes. Client hereby authorizes Client's Payroll Department including any vendor or computer service, to deliver to Paycom all necessary documents and payroll information, including payroll tax registers, quarterly reports, and summaries. Client further agrees to immediately provide Paycom with copies of any notices or correspondence received from any federal, state, or local authority with respect to any tax return or deposit made by Paycom. Client acknowledges that Paycom's tax filing services are based upon information supplied by Client (including proof of federal, state and local tax identification numbers and deposit frequencies) and the results of Paycom's payroll services. Client is responsible for the completeness and accuracy of such information and the verification of payroll data. Client is responsible for providing Paycom with the proper voluntary deduction amounts including but not limited to 401(k), health insurance and garnishments. Client has the final and ultimate responsibility for checking the accuracy of and the remittance of any non-tax payments, such as voluntary deductions and garnishments. After Paycom prints checks and pay stubs, Client has the final and ultimate responsibility for checking the accuracy of checks and pay stubs to be issued to employees.

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Client understands that all services rendered by Paycom are based upon the information furnished by Client and, therefore, Client promises to indemnify, defend and hold Paycom harmless from any claim against Client and/or Paycom arising out of the use of information provided by Client and/or the negligence, mistake or wrongful conduct of Client or Client's employees. Paycom shall administer and process Client's payroll according to Client's instructions. Paycom is not a professional services provider. Paycom's services expressly do not include the rendering of accounting, tax, legal or investment advice to Client or Client's employees. Paycom is not responsible for settling any disputes between Client and Client's employees. All setup fees are non-refundable, in whole or in part.

The Agreement represents the entire agreement between the parties, and there are no oral or other written agreements or understandings between the parties affecting the Agreement, or related to the services to be provided by Paycom or duties undertaken by Client or Paycom under the Agreement. The Agreement may be amended only by a written agreement executed by Client and Paycom. It is understood and agreed that no employee, officer or director of Paycom has the authority to modify the Agreement orally. The Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. A facsimile or other reproduction of the Agreement may be executed by one or more of the parties, and an executed copy of the Agreement may be delivered by one or more of the parties by facsimile or similar instantaneous electronic transmission device pursuant to which the signature of, or on behalf of, the party can be seen, and that execution and delivery shall be considered valid, legally binding, and effective for all purposes.

All issues and questions concerning the construction, validity, enforcement, performance and interpretation of the Agreement and the parties' corresponding or contemporaneous agreements shall be governed by, and construed in accordance with, the laws of the State of Oklahoma. If any provision of the Agreement is held to be invalid in any court of competent jurisdiction, such finding shall not invalidate the remainder of the Agreement. With respect to any claim arising out of the Agreement, each party irrevocably submits to the exclusive jurisdiction and venue of the courts of the State of Oklahoma, or the United States District Court, located in Oklahoma County, Oklahoma. Any legal proceedings to resolve or litigate any dispute will be conducted solely on an individual basis. No party will seek to have any dispute heard as a class action or in any other proceeding in which either party acts or proposes to act in a representative capacity. Any and all such rights to proceed on a class-wide basis are hereby waived. No proceeding will be combined with another without the prior written consent of all parties to all affected proceedings. If any portion of this class action waiver is deemed unenforceable, then that portion will be severed with the remainder remaining in full force and effect. Client expressly waives any claim of sovereign immunity as to Client's business dealings with Paycom if applicable (i.e. Native American Nations). If either party brings a legal action to enforce the Agreement, the prevailing party in such action, as determined by the court, shall be entitled to recover reasonable attorneys' fees and litigation expenses as determined by the court.

The Agreement establishes an independent contractor relationship only, by which Paycom will perform the payroll tax services described in the Agreement. It is not intended as, and shall not be construed to establish a partnership, joint venture, or master/servant relationship. The parties do not intend, by the execution of the Agreement, to provide any rights to third parties under the Agreement. Client may not assign the Agreement without the express written consent of Paycom. The Agreement may be assigned, in whole or in part, by Paycom to any affiliate entity or sister entity and, in such an event, the assignor shall thereafter no longer be liable to Client for the obligations or rights so assigned. Client and the undersigned individual each represent that the signatory to this Agreement is authorized to enter into such agreement on behalf of Client.

IN WITNESS WHEREOF, the parties have executed the Agreement to be effective as of the date set forth below.

AGREED AND ACCEPTED BY CLIENT:

CITY OF BLUE ISLAND
COMPANY LEGAL NAME

DOMINGO VARGAS MAYOR
TYPE OR PRINT NAME TITLE

Domingo Vargas 10-12-16
AUTHORIZED SIGNATURE DATE

PAYCOM PAYROLL, LLC d/b/a PAYCOM:

AUTHORIZED SIGNATURE DATE

Brad Richardson
TYPE OR PRINT NAME

Report Agent
TITLE

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PAYCOM

NSF SUPPLEMENT TO AGREEMENT

This Agreement is the NSF Supplement to the Payroll Service Agreement. In the event a funds transfer, wire or ACH from Client to Paycom's Account (the "Account") is refused or reversed for any reason, Paycom shall have the right, but not the obligation, to attempt subsequent funds transfers, wire or ACHs from Client's account(s) in the same amount or any lesser amount. In the event a funds transfer, wire or ACH from Client to the Account is refused or reversed for any reason, Paycom shall have the right, but not the obligation, to setoff, apply and/or use any monies in Paycom's possession concerning any Client payroll to offset any monies then owing to Paycom and/or to cover any payments made to Client's employees on behalf of the Client.

The services provided by Paycom may be subject to the operating rules of the National Automated Clearinghouse Association ("NACHA"). Paycom and Client each agree to comply with the NACHA rules applicable to it with respect to the subject services. Information pertaining to NACHA rules and guidelines can be found at www.nacha.org. Client's instructions to Paycom and Client's use of Paycom's services shall not violate the NACHA rules or the laws of the United States. Neither Paycom nor any Originating Bank shall be liable to Client for any damages arising from any decision to refrain from or delay originating debit/credit entries with respect to Client's payroll: (1) due to Client's creditworthiness; or (2) after reasonable efforts to verify such entries have failed; or (3) because Paycom has not received timely funds from Client.

Paycom may use funds in its possession obtained from Client from a different or prior payroll to cover insufficient funds shortfalls from a different or subsequent payroll. If any bank, upon Client's instructions or otherwise, refuses to honor payment of payroll amounts, tax charges and/or processing charges, Paycom reserves the right to assess NSF charges. In addition to any other remedy of Paycom, Client shall pay the following NSF charges: (a) NSF charges relating to taxes or Paycom's fees are \$50 for the first NSF, \$150 for the second NSF and \$225 for the third NSF and thereafter; and/or (b) NSF charges relating to direct deposits are \$125 per NSF, plus \$75 per day for each day the shortfall is not fully paid to Paycom. Paycom reserves the right to make reasonable increases to Paycom's NSF charges in the future upon written or electronic notification to the Client. In the event any monies credited or debited by Paycom and/or in Paycom's possession are subject to potential reversal, return, setoff or recoupment, then Paycom shall have the right to hold said funds during the time period of potential reversal, return, setoff or recoupment and thereafter shall promptly return all remaining funds to Client after the applicable time period has expired.

Upon the electronic submission of payroll by the Client to Paycom, ownership and title to the Client's monies in the Client's account in an amount commensurate with the amount of the Client's payroll requirements shall transfer to Paycom. Upon the electronic submission of payroll by the Client to Paycom, the amount of money in the Client's account attributable to the Client's payroll requirements (including payroll amounts to employees and applicable taxes and fees) shall immediately thereafter be held by the Client in trust for Paycom until such time as the monies are actually transferred to Paycom. Paycom shall use said monies consistent with the processing of the Client's payroll and/or consistent with the Payroll Service Agreement. Notwithstanding anything to the contrary in this Agreement or any written report or communication among the parties, the specific timing or amounts of any ACH, wire or debit from Client's account shall in no way bind Paycom nor shall it have any bearing on how Paycom applies and/or allocates said funds among the Client's employee direct deposits, Paycom fees, tax payments and/or other sums. In addition to any other rights or fees provided for herein, if any amounts are not paid to Paycom when due, Client shall be additionally liable for interest on said sums at an interest rate of 1 1/2% per month or the highest late charge allowed by law, whichever is less, shall apply to such unpaid amounts from the due date until paid in full.

Client shall at all times be liable to Paycom for disbursements made on Client's behalf that remain unpaid. All direct deposit services are provided to Client's employees subject to Paycom's Terms of Use for Direct Deposit Services. Notwithstanding anything to the contrary herein, under no circumstances shall Paycom be responsible for filing tax returns, making tax deposits or making other payments on behalf of Client when Paycom does not have in its possession one hundred percent of the funds, fees, charges, taxes and monies requested from the Client to process payroll. Paycom shall not be required to make partial tax payments or filings with respect to any taxing authority. Client further agrees to immediately provide Paycom with copies of any notices of default received by Client from any secured lender of Client or any person who has a security interest in Client's bank accounts or who exercises control over any account used by Client in connection with the payroll services that are the subject of this Agreement.

Before any of Client's employees are setup for utilization of ACH direct deposit, Client shall require that each such employee sign Paycom's "Direct Deposit Authorization and Agreement" form, which authorizes Paycom to make transfers to and from the employee's account using the ACH system and which, in certain instances, authorizes Paycom to withdraw funds or reverse fund transfers from employee's account. For each such Client employee, Client shall maintain such signed forms in Client's possession for a period of at least two (2) years after the last payroll is processed by Paycom for said employee. Client shall provide all such signed forms to Paycom within five (5) days of Paycom's request. In the event that any of Client's employees refuse to sign Paycom's "Direct Deposit Authorization and Agreement" form, Client shall not allow said employee(s) to utilize direct deposit. Client agrees to cooperate with Paycom and/or any other parties to recover funds credited in error to an employee as a result of an error made by Paycom or another party processing a transaction on behalf of Paycom.

All issues and questions concerning the construction, validity, enforcement, performance and interpretation of this Agreement and the parties' corresponding or contemporaneous agreements shall be governed by, and construed in accordance with, the laws of the State of Oklahoma. If any provision of this Agreement is held to be invalid in any court of competent jurisdiction, such finding shall not invalidate the remainder of the Agreement. With respect to any claim arising out of this Agreement, (a) each party irrevocably submits to the exclusive jurisdiction and venue of the courts of the State of Oklahoma, or the United States District Court, located in Oklahoma County, Oklahoma, and (b) Client irrevocably waives any objection which it may have at any time to the venue of any suit, action or proceeding arising out of or relating to this Agreement brought in any such court. *Any legal proceedings to resolve or litigate any dispute will be conducted solely on an individual basis. No party will seek to have any dispute heard as a class action or in any other proceeding in which either party acts or proposes to act in a representative capacity. Any and all such rights to proceed on a class-wide basis are hereby waived. No proceeding will be combined with another without the prior written consent of all parties to all affected proceedings. If any portion of this class action waiver is deemed unenforceable, then that portion will be severed with the remainder remaining in full force and effect.* If applicable (i.e. Native American Nations), Client expressly waives any claim of sovereign immunity as to Client's business dealings with Paycom. If either party brings a legal action to enforce this Agreement, the prevailing party in such action, as determined by the court, shall be entitled to recover reasonable attorneys' fees and litigation expenses as determined by the court. Client and the undersigned individual each represent that the signatory to this Agreement is authorized to enter into such Agreement on behalf of Client.

AGREED AND ACCEPTED BY CLIENT:

CITY OF BWF ISLAND
COMPANY LEGAL NAME
DOMINGO VARGAS MAYOR
TYPE OR PRINT NAME TITLE
Domingo Vargas 10-12-16
AUTHORIZED SIGNATURE DATE

PAYCOM PAYROLL, LLC d/b/a PAYCOM:

AUTHORIZED SIGNATURE

TYPE OR PRINT NAME
Reporting Agent
TITLE

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PAYCOM

PAYCOM PAY SUPPLEMENTAL SERVICE AGREEMENT

This Agreement is intended to supplement and amend any contemporaneous or prior Payroll Service Agreement between Paycom Payroll, LLC (Paycom) and the Client as it pertains to Paycom's providing Client with Paycom's "Paycom Pay" service. This Agreement shall not supplement or amend any contemporaneous or prior Payroll Service Agreement between Paycom and the Client as it pertains to services other than Paycom's Paycom Pay service. To the extent not in direct conflict with the provisions of this Paycom Pay Supplemental Service Agreement, all terms of the parties' Payroll Service Agreement and NSF Supplement are expressly incorporated by reference herein. Paycom agrees that upon its acceptance of this contract, it will (1) collect from Client, hold in its Paycom Pay Trust Account ("the Trust Account"), and deposit in other trust accounts and with an appropriate authorized depository on or before the statutory deadlines, the required federal, state, and local payroll tax amounts; (2) prepare and file all required federal, state, and local payroll tax forms and reports. Paycom assumes responsibility only for interest charges and/or penalties, which result from the negligence of Paycom. Paycom does not accept responsibility for failure to make deposits or filings if it is not provided with adequate or timely information or sufficient funds. Paycom shall not be required to amend or refile any tax return or tax filing on behalf of Client, unless the erroneous filing was the sole fault of Paycom. Client agrees to have Paycom fees direct debited from Client's account for all services. Notwithstanding anything to the contrary herein, under no circumstances shall Paycom be responsible for filing tax returns or making tax deposits on behalf of Client concerning funds that have not been transferred or funds Paycom does not have in its possession. As additional consideration, Client agrees to assign to Paycom, Paycom's financial institutions or depositories any benefits derived on the funds in the Account (i.e. interest on funds).

Paycom is not a responsible party for the application of or the issuing of tax identification numbers with federal, state and local taxing authorities. Paycom is not responsible for payment of taxes to any federal, state or local tax authority, unless Client has remitted and Paycom has received 100% of the funds, fees, charges, taxes and monies requested from the Client to process all of Client's payrolls.

Client agrees to provide Paycom with accurate and complete payroll and tax information and to have sufficient funds to cover its payroll amounts, taxes, processing charges and fees in its designated Demand Deposit Account ("DDA"), on or before 1:30 p.m., Central Time, based on one of the following processing schedules: 1. Three (3) banking days prior to each check date, unless the check date is on a Saturday, Sunday or bank holiday, then the data must be provided to Paycom four (4) banking days prior to check date. Client further agrees to instruct the Bank holding its DDA account to honor these charges as initiated from time to time by Paycom. Paycom shall cause the full amount of all employee payroll amounts, taxes, charges, deductions, Paycom fees and charges and other applicable sums to be transferred from Client's account to the Trust Account three (3) banking days prior to the designated check date, or, if the check date is on a Saturday, Sunday or bank holiday, then four (4) banking days prior to the designated check date. The aforementioned timing requirements may be amended from time to time upon written or electronic notice being provided to the Client. If the Bank upon Client's instructions or otherwise, refuses to honor such charges, Paycom reserves the right to assess NSF charges (as described in the NSF Supplement). Should Paycom receive an NSF, Paycom will contact Client and Client will be obligated to wire the funds, taxes and processing charges, along with the NSF fee, to the Paycom Account that day.

In the event Client regularly runs payrolls that exceed Paycom's "Funding Thresholds" (as may be amended from time to time by Paycom) (or) in the event Paycom has reasonable grounds to question the financial well being of the Client, then Paycom may elect to require the Client to authorize and implement drawdown wires (fed wires) to fund Client's payroll obligations. Drawdown wires (fed wires) will be required to be made at least two (2) banking days prior to the applicable check date. Paycom's current "Funding Thresholds" are payrolls that have \$100,000 or more of tax liabilities (or) \$200,000 or more of payroll liabilities. Paycom reserves the right to revise its Funding Thresholds in Paycom's discretion.

Client further agrees to immediately provide Paycom with copies of any notices or correspondence received from any federal, state, or local authority with respect to any tax return or deposit made by Paycom. Client acknowledges that Paycom Tax Filing services are based upon information supplied by Client (including proof of federal, state and local tax identification numbers and deposit frequencies) and the results of Paycom payroll services. Client is responsible for the accuracy of such information and the verification of payroll data. Client is responsible for providing Paycom with the proper voluntary deduction amounts including but not limited to 401(k), health insurance and garnishments. Client has the final and ultimate responsibility for checking the accuracy of and the remittance of any non-tax payments, such as voluntary deductions and garnishments. After Paycom prints checks and pay stubs, Client has the final and ultimate responsibility for checking the accuracy of checks and pay stubs to be issued to employees. Termination of the services provided for herein shall be governed by any termination provisions provided for in the parties' Payroll Service Agreement and related agreements.

Client understands that all services rendered by Paycom are based upon the information furnished by the Client and, therefore, Client promises to indemnify, defend and hold Paycom harmless from any claim against Paycom for the negligence, mistake or wrongful conduct of Client or Client's employees. Paycom is not responsible for settling any disputes between Client and Client's employees.

Client hereby appoints Paycom and Paycom's employees as Client's duly authorized agent to print, sign and issue payroll and payroll related checks on behalf of Client. Client further appoints Paycom and Paycom's employees as Client's duly authorized agent to issue stop payment orders and take any other actions related to printing, signing and issuing payroll and payroll related checks on behalf of Client. Client agrees that Client is solely responsible for the payment of payroll for Client's employees and hereby assumes all such debt and liability. Client agrees that Client is solely responsible for all checks issued by Paycom on behalf of Client. It is intended,

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agreed and understood that Paycom shall sign the checks merely in a representative capacity on behalf of Client and Paycom shall in no way be personally liable to the payees or any third party for the amount of any check. Immediately after drafting funds from the Client, the Client's funds shall be placed in the Trust Account. The funds in the Trust Account will not be commingled with Paycom's funds. Paycom's fees and charges shall be transferred from the Trust Account to Paycom's operating account. The funds in the Trust Account may be commingled with Paycom's other Paycom Pay clients and each client's respective funds shall be maintained for accounting purposes as sub-accounts within said Trust Account.

Except for Paycom's fees, charges and interest, Paycom shall have no right to the monies transferred pursuant to this Agreement from Client to Paycom. Except for Paycom's fees, charges and interest, said monies shall be used for the purposes of paying the payroll checks issued on behalf of Client and Client's taxes. In the event the Client transfers funds to Paycom's Trust Account and soon thereafter voids or cancels its scheduled payroll prior to Paycom's issuance of any checks or transfer of any funds, then Client shall be entitled to the prompt return of said funds, less any fees, charges or interest due Paycom. Upon Paycom's return of said funds to the Client (less Paycom's administrative and bank fees), Paycom shall have no further obligations or liability to any person.

In the event the Client fails to transfer sufficient funds to pay all payroll checks issued by Paycom on Client's behalf, or in the event any such funds transfer is reversed, refused or fails to properly credit to the Trust Account, then Paycom shall thereafter cause transfer reversals and/or stop payment orders to be issued on all transfers and outstanding checks for said Client. Client shall be responsible for all bank fees and charges associated with all stop payment orders and/or reversals. In addition, Client shall be liable to Paycom for an additional fee for each stop payment order and/or reversal as an additional administrative fee associated with Paycom's issuance of each stop payment order and/or reversal. Client shall be solely responsible for all claims and demands of its employees or any third parties as a result of any stop payment orders, reversals or returned checks and shall defend, indemnify and hold Paycom harmless from any and all such claims asserted or made against Paycom, including any applicable attorneys' fees and costs incurred by Paycom.

In the event the Client fails to transfer sufficient funds to pay all payroll checks issued by Paycom on Client's behalf, or in the event any such funds transfer is reversed, refused or fails to properly credit to the Trust Account, and in the further event that the Trust Account has already been debited funds for the benefit of Client or Client's employees, Client shall be liable to Paycom for all such funds and shall immediately tender payment to Paycom for all such funds as well as any fees or charges due Paycom. With respect to any monies contemplated to be transferred from the Client to Paycom, Paycom may demand and require that said funds be tendered and/or transferred in immediately available funds through wire transfer.

In the event a funds transfer or ACH from Client to the Trust Account is refused for any reason, Paycom shall have the right, but not the obligation, to attempt subsequent funds transfers or ACHs from Client's account in the same amount or any lesser amount.

Checks issued by Paycom on Client's behalf shall recite on the face of each check that the check is "Void After 180 Days". In the event a check is not cashed and/or not presented for payment within 180 days of issuance, Paycom may issue a stop payment order on the applicable check and return the net amount of the check, less Paycom's administrative and bank fees for the stop payment, to the Client along with a notation indicating the reason the funds are being returned to the Client. Client shall thereafter be responsible for remitting said funds to the payee and/or to the government pursuant to applicable state escheat laws. Upon Paycom's return of the net funds to the Client (less Paycom's administrative and bank fees), Paycom shall have no further obligations or liability with respect to such check. Upon Paycom's return of the net funds to the Client (less Paycom's administrative and bank fees), Client shall be solely responsible to any payee, third party or government authority regarding said funds.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. A facsimile or other reproduction of this Agreement may be executed by one or more of the Parties, and an executed copy of this Agreement may be delivered by one or more of the Parties by facsimile or similar instantaneous electronic transmission device pursuant to which the signature of, or on behalf of, the Party can be seen, and that execution and delivery shall be considered valid, legally binding, and effective for all purposes. Client and the undersigned individual each represent that the signatory to this Agreement is authorized to enter into such Agreement on behalf of Client.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date set forth below.

AGREED AND ACCEPTED BY CLIENT:	PAYCOM PAYROLL, LLC d/b/a PAYCOM:
<u>CITY OF BLUE ISLAND</u> COMPANY LEGAL NAME	_____ AUTHORIZED SIGNATURE
<u>DOMINGO VAREAS</u> <u>MAYOR</u> TYPE OR PRINT NAME TITLE	_____ TYPE OR PRINT NAME
<u>Domingo Vareas</u> <u>10-12-16</u> AUTHORIZED SIGNATURE DATE	_____ Reporting Agent TITLE

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