

## TALX UC eXpress® REIMBURSER SERVICE AGREEMENT

This UC eXpress® Reimburser Service Agreement (the "Agreement"), effective July 1, 2009 (the "Effective Date"), is entered into by and between TALX Corporation, a Missouri corporation, ("TALX") and Malverne Union Free School District ("Client") a New York corporation, and is for the performance of comprehensive unemployment cost control services, outlined herein (each, a "Service") in the state(s) of:

NY-04-63086

### I. TALX

TALX shall perform the following account, tax and claims management Services.

#### Account Management:

A Client Relationship Manager ("CRM") will be assigned as your personal contact with TALX. The CRM will be responsible for implementation and ongoing operation of your unemployment cost control program. The CRM will:

1. Establish channels of communication between Client and TALX.
2. Prepare and distribute program/procedure guide, if required.
3. Provide management reports to identify potential liability, current charges, claims processed and reasons for separation.
4. Provide technical service bulletins concerning legislative changes.

#### Claims Administration:

TALX will administer the claim process and charge protests for all claims reported to TALX during the term of this Agreement.

1. TALX will maintain databases pertaining to unemployment compensation claims, and will submit various reports and recommendations as described below.
2. TALX will be responsible for complete administration, inception to termination, of the processing of all Client's unemployment insurance claims in each state listed above.
3. In addition to the processing of unemployment insurance claims, TALX will perform tasks, including, but not limited to:
  - Review of unemployment insurance claims for determination of eligibility.
  - Verification of Client liability.
  - Conduct pre-hearing conferences with staff that you designate. If the circumstances on a particular hearing warrant special care, a TALX hearing representative will be available to attend the hearing with you.
  - Benefit charges will be audited to final disposition of the charge including their impact on your annual tax rate assignments.

#### Endorsement Services:

In addition to the above Services, TALX shall perform the services described in any endorsement to this Agreement, subject to any applicable statutes, regulations and administrative rulings. At no time will TALX render or be required to render any service that could be interpreted as the practice of law or accountancy.

### II. Client

Client shall provide all information or data reasonably requested by TALX including, but not limited to (1) copies of quarterly charge statements, (2) claims, hearings, and benefit charge statements not sent directly to TALX by the state agencies, and (3) wage and separation information.

Client acknowledges that the ability of TALX to provide Services which comply with state laws and procedures is dependent upon the timely information and prompt action by Client. Client agrees to inform TALX of important facts and changes in circumstance and to make its best efforts to attend state hearings and other meetings as appropriate to fulfill the responsibilities of Client as an employer and TALX as an agent of employer.

#### Transmittal of Personal Data.

TALX's internal policy for securing electronic communications containing confidential information, such as social security numbers, requires email encryption for clients who prefer to use email as their method of communication. The options for email encryption are usage of Transport Layer Security (TLS) on the client email servers or usage of the Voltage secure email application. Both options allow the email to travel over the internet securely and are easy for the client to use when retrieving and sending confidential email. Clients who choose to use Transport Layer Security to send email communications must maintain their TLS certification status on all servers receiving emails from TALX. Clients using email communications who do not use TLS or allow their TLS certification to lapse will be automatically set up to receive secure email using Voltage. Please designate your preferred email method for secure communication below:

Transport Layer Security is your certification current  Yes  No  Unknown

Voltage Secure Email

If no selection is made above, TALX will set your primary communication preference for communicating sensitive data to tax and require a listing of current tax numbers for all contacts.

**III. Fee**

The fee to be paid to TALX for the Services to be rendered under this Agreement will be \$1995 per year payable on an annual basis. This fee will increase by two percent (2%) on each anniversary of the Effective Date stated above.

The assumption of claims workload is up to 50 annually. A fee of \$21.40 per claim will apply to claims managed in an agreement year exceeding 100% of the claims workload. Number of claims received shall be defined as (i) any unemployment related claim document officially generated by a state agency, or (ii) in the event an unemployment claim was not managed by TALX, any document or inquiry which requires further case management by TALX.

Hearings Representation - Pursuant to this Agreement and the Power of Attorney executed by Client authorizing and appointing TALX to represent Client as Client's Agent and Attorney in fact in unemployment tax and claim related matters, TALX will provide the following non-legal services at Client's election:

TALX or TALX's representative will attend unemployment hearings with Client upon request by Client at up to 3 hearings per agreement year for no additional charge, whether in person or by telephone, as permitted by law. For each additional hearing attended by TALX or TALX's representative in an agreement year, a fee of \$225 will be due to TALX.

Attorney Hearing Representation. In addition to Client's election above, and subject to the Limitations on Representation paragraph below, Client may request and authorize TALX, as the Client's Agent and Attorney in fact, to obtain attorney representation for Client at unemployment hearings where attorney representation is a statutory requirement or otherwise required by law or regulation of the particular state. Client authorizes TALX to invoice Client a fee for attorney representation up to a maximum of \$350 per hearing, which is paid directly to the attorney obtained by TALX for representation of the Client. In the event TALX, as Client's Agent, negotiates a fee on behalf of Client that is less than \$350, TALX shall only bill Client for the amount of the legal fee charged by the attorney. In addition, a fee of \$50 will be due to TALX as Client's Agent for TALX's non-legal services in coordinating the attorney's representation, including administration and processing of factual material such as TALX's file on the matter at issue and contact information, and the invoicing and processing of payment to the attorney. TALX does not retain any portion of the fee paid by Client to the attorney, and does not accept referral fees.

Limitations on Representation. TALX's obligation is to assist Client in administrative, unemployment proceedings. Nothing herein shall be construed to obligate or require TALX to provide or otherwise pay for the Client's representation in any subsequent legal proceedings in any State or federal court.

Payment Terms. Invoices are due net thirty (30) days and will be invoiced on the first day of the contract year in which Services are to be performed. Payments not received within forty-five (45) days of invoice will bear interest at a rate of 1.5% per month. Except to the extent that Client has provided an exemption certificate, direct pay permit or other such appropriate documentation, TALX shall add to each invoice any sales, use,

excise, value-added, gross receipts, services, consumption and other similar transaction taxes however designated that are properly levied by any taxing authority upon the provision of the Services, excluding, however, any state or local privilege or franchise taxes, taxes based upon TALX's net income and any taxes or amounts in lieu thereof paid or payable by TALX as a result of the foregoing excluded items.

This Agreement will be amended as mutually agreed by TALX and Client in the case of additional state unemployment accounts and additional claims activity due to acquisitions, mergers, or reorganizations of Client.

#### IV. Term and Termination

This Agreement shall be for an initial term of three years ("Initial Term"), commencing on the Effective Date stated above. Either party may terminate this Agreement if the other party has materially breached the Agreement, provided that the party claiming breach must give the other party written notice and at least thirty (30) days in which to cure the breach before terminating the Agreement. This Agreement shall automatically renew for successive one-year terms ("Successive Terms") unless either party provides the other with notice of termination at least ninety (90) days preceding the ending date of the Initial Term or the ending date of any Successive Term.

#### V. Confidentiality

The parties agree that the following will be treated as "Confidential Information": (i) all employment and income data ("Data") provided by or on behalf of Client to TALX; (ii) all information provided by TALX to Client pertaining to the Services; and (iii) all information which is labeled as such in writing and prominently marked as "Confidential," "Proprietary" or words of similar meaning by either party. Any Confidential Information acquired or received by either party in the course of this Agreement will not be disclosed or transferred to any person or entity other than to employees of a party and, as to TALX, for the purpose of performing its obligations under this Agreement. Confidential Information received under this Agreement will be treated with the same degree of care and security as each party uses with respect to its own Confidential Information, but not less than a reasonable degree of care. The parties agree to use Confidential Information only for the purpose of performance of this Agreement and to make no copies except as necessary for performance of this Agreement. This Section shall survive the termination of this Agreement.

#### VI. Assignment

Neither party may assign this Agreement or any right or obligation under this Agreement without the express written consent of the other party, which consent shall not be unreasonably withheld or denied. In the event assignment is necessitated by a business reorganization, either party may assign this Agreement, provided that they provide the other party with written notice. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their permitted successors and assigns.

#### VII. Indemnification/Limitation of Liability

Each party agrees to indemnify, defend and hold harmless the other party and its affiliates, and their directors, officers and employees (each, an "Indemnified Party"), from and against any and all third party claims, demands, liabilities, suits, damages, expenses and costs (including reasonable attorneys', experts' and investigators' fees and expenses) incurred by the Indemnified Party arising from or related in whole or in part to the indemnifying party's, or its affiliates', or its directors', officers' or employees' (i) breach of this Agreement, and/or (ii) negligent or intentional wrongful act or omission.

IN NO EVENT SHALL DAMAGES BY EITHER PARTY HEREUNDER EXCEED THE GREATER OF (A) THE TOTAL FEES EARNED BY TALX DURING THE TWELVE MONTHS PRIOR TO THE ACT OR

OCCURRENCE WHICH GIVES RISE TO THE CLAIM, OR (B) THE SUM OF TWENTY-FIVE THOUSAND DOLLARS (\$25,000).

ANY OTHER TERM OR PROVISION OF THIS AGREEMENT TO THE CONTRARY NOTWITHSTANDING, IN NO EVENT SHALL EITHER PARTY, OR ITS AFFILIATES, THEIR DIRECTORS, OFFICERS OR EMPLOYEES, BE LIABLE FOR LOSS OF PROFITS OR FOR INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THE PERFORMANCE OF THIS AGREEMENT, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Malverne Union Free School District

Signature: Donielle Hopkins

Printed Name: Donielle Hopkins

Title: Board President

Date: 6/10/09

TALX Corporation

Signature: David N. Meinert

Printed Name: David N. Meinert Director

Title: UC Business Analysis

Date: 6/26/09

Approved As To Legal Form

DNH  
Initials

6-26-09  
Date