Service Level Agreement

1. Service Level Agreement Overview

This Service Level Agreement (**SLA**) is between Remote (**Remote**) and its Payroll Customer (**Customer**). Unless otherwise indicated, all terms herein shall have the same meanings and definitions as in the Terms of Service (**Terms**) agreed by the Customer on the Remote Platform. This SLA shall form part of the Terms and updates to the Terms shall apply to this SLA.

In the event of a conflict between the terms of this SLA and the Terms, this SLA shall prevail, unless the parties expressly agree otherwise that any specific provision of the Terms is to override any specific provision of this SLA.

The purpose of this SLA is to establish clear expectations and responsibilities, fostering a transparent and trust-based relationship between Remote and the Customer. By setting these standards, we aim to deliver reliable and efficient payroll services, ensuring that both parties are aligned and any potential issues are addressed promptly and effectively.

2. Service Expectations, Goals and Metrics

The detailed service expectations are the responsibilities of Remote in the ongoing support of this SLA. These service expectations are meant to monitor the more critical elements of the services provided and are not meant to reflect the comprehensive services offered by Remote. The productivity indicators reflected below are not listed in any order of priority.

2.1. Query Management and Issue Resolution

- **Acknowledgement**: Remote will acknowledge receipt of Customer inquiry via email and provide solution or feedback within one (1) business day. A business day is defined as any day from Monday to Friday excluding public holidays
- **Complex Requests:** For complex requests or issues,, Remote will continuously provide updates on a regular basis to Customer and aim to resolve this as soon as practicably possible, depending on the *severity level* outlined below *in 2.1.1. Severity Level and Description of Queries & Issues.*
- **Calls with Customers**: Remote will attend calls, as reasonably necessary, with the Customer to learn from issues that were encountered during payroll processing and align with the Customer on improvements moving forward.

2.1.1. Severity Level and Description of Queries & Issues

Severity Level	General Description of Queries & Issues
Severity 1 (Critical)	- Impacts employee net payroll and statutory payments (including termination simulations, final payslips,overpayment, underpayment, late or no payment) or - Impacts payroll compliance obligations that can result in financial penalties.
Severity 2	- Updates, requests, inputs of employee and payroll data that can still be processed in the input file for next available payroll cycles or - Queries not resulting from inaccuracy or delay of payroll

Severity 3	● Administrative tasks not requiring immediate action or adjustments, and ● Are not driven by any regulatory due dates and obligations

2.1.2. Acknowledgement Response/Resolution Times Goals by Severity Level

Severity Level	Service Metrics	Acknowledgement Response Time	Goals	Resolution Time	Goals
Severity 1 (Critical)	**Timeliness:** Emails shall be monitored by Remote; and feedback from the Customer key contacts and its clients shall be consolidated	< one (1) business day from receipt of query from the Customer	99.5%	< 1 business day) from receipt of query from the Customer	>97%
Severity 2		< one (1) business day from receipt of query from the Customer	99.5%	< 1 business days from receipt of query from the Customer	>95%
Severity 3		< one (1) business day from receipt of query from the Customer	99.5%	< 3 business days from receipt of query from the Customer	>95%

2.2. Payroll Payments to Employees

- **Process Payroll**: Remote shall process on cycle payroll and employee data changes in the payroll input file/time-off tracker/additional documentation timely received by Remote. As when applicable in a country, off-cycle payrolls are necessary in order to release mandatory termination pay, first payroll of new hires, and/or other payments that didn't make the on-cycle payroll. An additional fee may be incurred should this be requested during an off cycle payroll run as detailed in the Remote Payroll Calendar. In addition, final payslip during termination simulation shall be provided only upon request.
- **Payroll Calendar**: Payroll Payments shall be subject to Remote Payroll Calendar and its processing schedule. The calendar shall be provided separately considering both the Customers needs and constraints, and agreed to by both parties.
- **Gross to Net Calculations**: Remote wil calculate and ensure the completeness and accuracy of the gross to net payroll payments consolidated in a payroll output file by the agreed cutoff date/s per payroll run. Remote will endeavor to make necessary corrections during payroll runs until approval is obtained from the Customer. Remote can not guarantee should there be any error on the input by the Customer, this will meet the payroll run.
- **Tax Withholding:** Remote shall apply tax withholding and statutory contributions rates based on prevailing regulations in the country
- **Final Payment Files**: Remote shall provide final employee payment files for review and approval. The said files will be provided to the Customer for funding banking deposit and tax liability purposes, based on country regulations.

2.3. Tax and Social Security Payments to Government Authorities- Subject to local law

- **Tax Withholding**: Remote shall apply tax withholding and statutory contributions rates based on prevailing regulations in the country
- **Customer Responsibility**: The Customer will timely remit the due employee and employer taxes and social security payments to the government authorities, then send confirmation to Remote once completed. The due

![remote logo](R remote)

dates can be monthly, quarterly or annually depending on regulatory rulings.

- **Error Monitoring:** The Customer will monitor bank rejections or any kind of errors within the remittance process. The Customer will immediately notify Remote and re-process such payments.
- **Penalty Notification**: If there are penalties as a result of delayed remittance, Customer must also inform Remote immediately in order to prepare funding and any needed mitigations.

Remote Requirements	Service Metrics	Goals
Remote will provide payment files to the Customer by the agreed cutoff date and time per payroll calendar Customer shall provide accurate and complete input data in the agreed format and submitted by the agreed cut off date/s per payroll calendar Payroll output files approved by Remote by the agreed cut off date/s per payroll calendar	**Timeliness:** Total number of employees whose taxes & social security contributions are remitted to the authorities' bank accounts by the regulatory due dates per payroll calendar / Total number of employees with tax & social security amounts per approved output files for on-cycle & off-cycle runs, within the payroll month period	100%
	Accuracy: Total number of employees without **errors* discovered after tax & social security remittances have been made/ Total number of employees with tax & social security amounts per approved output files for on-cycle & off-cycle runs, within the payroll month period ***errors* - errors in employee statutory amounts shall also be considered pay-impacting errors. These errors affect employer costs for the Customer and may result in accumulating penalties due to inaccuracies.	>99%

2.4. Tax and Social Security Filings and Other Payroll Statutory Compliance- Subject to local law

- **Customer Responsibility**: The Customer will file monthly/quarterly/annually the necessary tax, social security and other statutory returns or documents to the government authorities then send confirmation to Remote once completed.
- **Remote Responsibility**: Remote will Issue tax certificates/statements/returns for the employees then send to the Customer to distribute to employees via the Remote platform.
- **Remote Responsibility**: Remote will complete employee declarations/registrations of new hires and de-registration tasks of terminated employees, within government authorities as when needed

Remote Requirements	Service Metrics	Goals
Accurate and complete input data in agreed format and submitted by Customer to Remote by the agreed cut off date/s per payroll calendar Payroll output files approved by Customer by the agreed cut off date/s per payroll calendar	**Timeliness:** Total number of employees with statutory filings completed by the regulatory due dates per payroll calendar / Total number of employees with required statutory filings, within the payroll month period	100%
	Accuracy & Completeness: Total number of employees without **errors* discovered after statutory filings have been made/ Total number of employees with required statutory filings, within the payroll month	>99%

period

errors - errors in employee statutory amounts shall also be considered pay-impacting errors. These errors affect employer costs for the Customer and may result in accumulating penalties due to inaccuracies.

2.5. Payslips Production

- **Payslips**: Provided on the Remote platform for distribution to employees.

Remote Service Requirements	Service Metrics	Goals
Accurate and complete input data in agreed format and submitted by the Customer to Remote, by the agreed cut off date/s per payroll calendar Payroll output files approved by Customer, by the agreed cut off date/s per payroll calendar	**Timeliness:** Total number of employees whose final payslip files are provided by Remote by the agreed receipt date per payroll calendar /Total number of employees processed in the approved output files for on-cycle & off-cycle runs, within the payroll month period	>99%
	Accuracy & Completeness: Total number of employees without **errors** discovered after payslips have been distributed / Total number of employees processed in the approved output files for on-cycle & off-cycle runs, within the payroll month period **errors** - errors and misses in payslips which would require amendment and rework	>99%

3. Periodic Review

This SLA is valid from the day the Terms are accepted, and is valid until further notice. This SLA will be reviewed at a minimum once per fiscal year. Contents of this document may be amended as required at the discretion of Remote.

4. Responsibilities

The following table lists the various processes and who will be responsible for them:

No.	Description	Responsible
1	Basic employee set-up (non-payroll related data) for new employees	Customer
2	Set-up of Payroll related data for new employees	Customer
3	Register new employees with appropriate authorities on behalf of the Client	Remote
4	Changes to salary both ad hoc and the annual review changes each year.	Customer
5	Changes to basic employee data (non-payroll related)	Customer
6	Process in payroll all the changes following the country specific regulations	Remote
7	Timesheet entry for all employees required to document working time under local law.	Customer
8	Manual pay-related adjustments including prior period adjustments	Remote (Subject to additional charge)
9	Enter Bonus, Commission or additional payments calculations and collection in a schedule	Customer
10	Process in payroll the Bonus, Commission or additional payments requests as per the agreed payroll calendar	Remote
11	Run Pay Runs for all active companies as per the agreed payroll schedule. Pay Runs means processing payroll, which includes calculating salaries, deductions and other employee pay related tasks.	Remote
12	Check pay reports and advise Remote of any changes required	Customer
13	Process terminations payments (not including off-cycle payments)	Remote
14	Process manual and off-cycle payment when reasonably required	Remote (Subject to additional charge)
16	Year-end processes such as generating and distributing W-2 forms (or the equivalent in other countries) to disburse to employees summarizing their earnings and tax withholdings (if applicable)	Remote
17	Bulk changes of data when reasonably required	Remote
18	Run ad hoc reports	Remote (If legally required)
19	Provide payment files so that Customer can disburse the employees net payments	Remote

| 20 | Disburse employee net payments timely upon receipt of the payment files | Customer |
| 21 | Ensure compliance of payroll processing handled by Remote with local regulations- | Remote |

Schedule 3: Security Standards

For as long as Remote maintains or otherwise processes personal data in connection with the services, Remote shall endeavor to maintain the security standards detailed in this schedule.

- o   compliance with SOC 2 type 1 security standards
- o   data encryption in transit,
- o   data encryption at rest,
- o   architecture network isolation through private networks,
- o   fully auditable access and changes,
- o   all systems protected by a firewall with security threat detection and prevention mechanisms,
- o   least privilege principle limiting systems' access to essential personnel only,
- o   all internal tools and systems require SSO,
- o   the practice of continuous credentials auditing and management,
- o   the conducting of internal security and privacy training,
- o   infrastructure-as-code allowing for quick rebuilding and portability,
- o   continuous monitoring of applications and infrastructure,
- o   regular data backups,
- o   applicational logs stored off site and kept for a limited period of time, and
- o   the processing involves solely such data that is strictly necessary for business operations.