



## PAYMENT AGREEMENT

Agreement (hereinafter called "Agreement") made this \_\_\_\_ day of \_\_\_\_ 2009, between CSF CORPORATION a Maryland corporation doing business as A CHOICE NANNY, (hereafter called the ("SERVICE"), in HOWARD COUNTY, State of Maryland, and \_\_\_\_\_ (hereafter called the "Client"). **This agreement is in effect for one year from the signing date.**

In exchange for the services rendered and to be rendered, Client agrees to make the payments as promised in this Agreement.

1. Client has paid a **\$250.00 non-refundable membership/application fee** and has become a member of Service for the purpose of obtaining the assistance of Service in locating a person, (hereafter called "NANNY"), to assist in caring for child or dependent on a full time, part-time, on-going, or temporary basis.
2. Client agrees that if he/she/they use(s) the services of a Nanny referred by Service, Client shall be liable to Service for any and all fees specified in this Agreement. Client further agrees that if the Nanny is hired on a Temporary, Occasional, Part-time or Summer basis for any type of work, including non-dependent care services, and is later used for more than Temporary, Occasional, Part-time or Summer basis, Client shall pay the balance of any additional fees for such services.
3. Nannies referred to by the service are defined as:  
Caregivers 18 years of age and older who come into the Client's home or other place as designated by Client and care for children or other dependents. A nanny shall in no event be an employee of service, but rather, shall be an employee of Client.
4. Referral for on-going services of Nannies shall be classified as follows:
  - (a) **FULL-TIME:** Care by which an ongoing and regular arrangement is made between Client and Nanny where the Nanny works 30 hours per week or more.
  - (b) **PART-TIME:** Care by which an ongoing and regular arrangement is made between Client and Nanny where the Nanny works fewer than 30 hours per week or more.
  - (c) **TEMPORARY:** Care, which is not pursuant to an ongoing and regular arrangement.

5. Client agrees to pay directly to Service a fee for the assistance provided in accordance with the schedule set forth below. It is the responsibility of the Parent to notify A CHOICE NANNY once a nanny accepts their job offer. The BACKGROUND CHECK will not be done until we know whom you have hired.

**ALL FEES ARE DUE AND PAYABLE TO SERVICE WHEN CARE BEGINS.  
\* ALL FEES ARE SUBJECT TO CHANGE.\***

a) Upon acceptance of a Nanny providing care, a Referral Fee will be charged as follows:

**REFERRAL FEE SCHEDULE**

**PART-TIME NANNY & TUTORCARE NANNY:** 4 x full week's gross pay\*  
(Live-Out) (Minimum of \$1000.00: 1-18 hours per week.)  
(Minimum of \$1400.00: 19-29 hours per week.)

**\*An additional fee will be charged for a Nanny who has additional hours or days added to her job.**

**FULL-TIME NANNY:** \$2000.00  
(Live-Out)

**LIVE-IN NANNY:** \$2500.00  
(Full-time or Part-time)

**SUMMER NANNY:** \$500.00 \* (For Mid-June to End of August Only)

**\*An additional fee will be charged for a Nanny who continues beyond the summer, and the summer fee will be applied to the additional fee.**

**NANNY WHO BRINGS HER OWN CHILD:** 20% discount on any of the above applicable fees.  
(Applies to Full Time & Part Time Referral fees.)

**OCCASIONAL EVENING:** No fee (After 6:00pm Monday through Sunday)

**TEMPORARY, OVERNIGHT & WEEKEND CARE:** \$15.00/day of care (1-24 hours per calendar day.)  
\$10.00/day of care (5+ consecutive calendar days.)

**\*Temp. fees are automatically charged to client's credit card.**

(b) **\$50.00 annual update fee** will be charged if a new search is needed.

(c) Checks may be written and sent to:

**A Choice Nanny  
8827 Columbia 100 Parkway  
Suite 1-A  
Columbia, MD 21045**

(d) Payment of the fee must be guaranteed by a major credit card or paid in advance by check for the estimated fee. A 1 1/2% finance fee will be charged per month to any unpaid balance. Credit card payments are charged to Client's credit card and the Client hereby authorizes such charges according to the fee schedule.

(e) Fees for Temporary care must be paid monthly, and will automatically be charged to Client's credit card unless another form of payment is received by Service one week in advance.

(f) Credits against fees may be extended by the Service in accordance with the Guaranty Policy in effect at the signing of this agreement.

6. This Agreement cannot and should not be construed or interpreted as a partnership or joint venture between the Client and Service. Clients acknowledges that he/she/they have signed the Client Acknowledgment Release on back of the Parent Inform (copy attached) and have received a copy of Service's Guaranty Policy (copy attached).
7. Any controversy or claim above Small Claims Court limit arising out of or relating to this Agreement shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The parties hereto agree that the arbitration shall be held in Howard County Maryland.
8. The parties acknowledge that they have read and understand all the terms and conditions set forth in this Agreement. This instrument constitutes the entire Agreement and all prior negotiations and understandings have been merged herein. No modifications of this Agreement shall be valid unless in writing and executed by the parties.

### GUARANTEE OF PAYMENT

Signature of Service	Signature of Client
Credit Card Number	Signature of Client
Expiration Date	Type of Credit Card
	Security Code

**A CREDIT CARD NUMBER IS NECESSARY BEFORE A SEARCH BEGINS.**

Payment may be made by cash, check, money order, or a major credit card. Payments not received in Service's office when due will automatically be charged to Client's credit card and Client hereby authorizes such charges.

## GUARANTEE POLICY

If, for any reason, the Nanny leaves or care is terminated within 16 weeks of hire (eight weeks for a summer nanny), there will be a new referral fee for a new nanny. However, client will receive a prorated credit towards a new nanny, based on the number of weeks the Nanny was employed. Client's final fee will be divided by 16 weeks (eight weeks for a summer Nanny) and a credit will be given for the weeks the Nanny was NOT employed. After the Nanny leaves, this credit may be used at any time for future services.

**EXAMPLE: If the final fee was \$2000.00 and the Nanny leaves after four weeks, the credit will be:**

**The final fee was \$2000/16 (Guaranteed weeks) = \$125 per week.**

**\$125 per week x four weeks = \$500.00 (Guarantee used)**

**\$2000.00 (Final fee) - \$500 (Guarantee used) = \$1500.00 (Guarantee credit)**

**Client hereby recognizes that a written Nanny and Parent Agreement is instrumental in the nanny staying on the job. Parent hereby acknowledges that this credit policy will be null and void without such an agreement, and that a copy of the agreement must be received in this ACN office within TWO WEEKS of hire.**

RECEIVED AND ACKNOWLEDGED

This \_\_\_\_\_ Day of \_\_\_\_\_, 2009

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Client Signature



## Household Employer's Disclosure

**Household Employee versus Independent Contractor:** You have a household employee if you hired someone to do childcare/household work. The worker is your employee if you can control not only what work is done, but how it is done.

According to the IRS, if only the worker can control how the work is done, the worker may not be your employee but as self-employed (independent contractor). A self-employed worker (independent contractor) usually provides his or her own tools and offers services to the general public as an independent business.

**Household Employer Responsibility Information:** As a Household employer you are to act in accordance with the Fair Labor Standards Act and IRS Publication 926, Household Employers Tax Guide.

**The Fair Labor Standards Act-** The Fair Labor Standards Act of 1938 (referred to as "the Act" or "FLSA") establishes minimum standards for both wages and overtime entitlement. The Act spells out administrative procedures and provisions related to child labor standards and equal pay.

**(a.)** Covered nonexempt employees are entitled to a minimum wage of not less than \$6.55 per hour. If an employee works in a state with a minimum wage of more than \$6.55 per hour, the employee should pay that state amount. Maryland's minimum wage is currently \$6.15 per hour, on July, 24, 2009 it will increase to \$7.25 per hour.

**(b.)** Employees who do not live with their employers are eligible for overtime pay at a rate of not less than 1.5 times their regular rate of pay. This is required after 40 hours of work in 7 consecutive days. The laws vary from state to state and the employer needs to refer to state law.

**Workers Compensation-** Most states require a household employer to carry a workers compensation and/or disability policy if the employer employs someone on a full time or part time basis.

**(a.)** Employers in the State of Maryland are required to obtain workers' compensation insurance.  
**(b.)** Employers having questions should contact the State of Maryland Workers' Compensation Commission at: <http://www.wcc.state.md.us/>

**Household Employers Tax Guide, (Publication 926)-** This publication will help you decide whether you have a household employee and, if you do, whether you need to pay state and federal employment taxes (social security tax, Medicare tax, state and federal unemployment tax, and state and federal income tax withholding). It explains how to figure, pay, and report these taxes for your household employee. It also explains what records you need to keep.

**(a.)** If you pay your nanny cash wages of \$1,700 or more in 2009, all cash wages you pay to that employee in 2009 (regardless of when the wages were earned) you are required to pay social security and Medicare wages.

**(b.)** You are not required to withhold state and federal income tax from wages you pay a household employee. You should withhold state and federal income tax only if your household employee asks you to withhold it and you agree. Most nannies prefer the employer to withhold state and federal income tax from wages.

**(c.)** This publication also tells you where to find out whether you need to pay state unemployment tax for your household employee.

**GTM Household Employer Experts-** GTM is a household tax, payroll and human resource management service.

**(a.)** They offer complete tax and payroll services for households who employ a nanny including paycheck calculation and distribution, direct deposit, tax savings, and electronic tax filing.

**(b.)** They make sure their clients comply with state and federal regulations.

**(c.)** Employers having questions should contact **GTM** at 888-432-7972 (M-F 8:30 a.m. – 6 p.m. EST) or <http://www.gtm.com/>

**Client hereby recognizes and acknowledges that they have been advised of the Household Employer's Disclosure and provided the name and telephone number of a payroll tax service from A Choice Nanny.**

RECEIVED AND ACKNOWLEDGED

This \_\_\_\_\_ Day of \_\_\_\_\_, 2009

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Client Signature