

Automatic Data Processing, Inc.

ADP Anti-Bribery Policy

August 2008

AUTOMATIC DATA PROCESSING, INC.

ANTI-BRIBERY POLICY

Statement by Chief Executive Officer

ADP's Board of Directors and I expect that all of our officers, associates and agents will always conduct ADP business in accordance with the highest standards of ethical behavior and honesty.

ADP's continued expansion of operations worldwide provides exciting new business opportunities, while at the same time presenting new challenges to maintaining our commitment to the highest ethical standards.

Among the most significant laws and regulations that govern ADP's operations are those that prohibit the payment or receipt of money, or things of value, in order to receive a commercial benefit or personal advantage. Every country in which we operate, and those we expect to enter in the future, has laws that make the corruption of its public officials a criminal offense. Such behavior, even without a specific law prohibiting it, is a clear violation of ADP's Code of Business Conduct & Ethics.

This Anti-Bribery Policy was developed at the direction of ADP's Board of Directors to provide clear guidance to you and to ensure a consistent approach to business practices throughout ADP's worldwide operations.

Strict adherence to this Anti-Bribery Policy is absolutely necessary for ADP to sustain our World Class Service culture. Violations of this Anti-Bribery Policy not only undermine ADP's core values and business purpose and potentially subject ADP to penalties, but for any individuals involved, could also mean severe criminal penalties, including jail, and will also result in corrective action, including possible termination of employment from ADP.

Every ADP officer, associate and agent is responsible for carefully reading and understanding the attached Anti-Bribery Policy and to strictly complying with every aspect of its requirements. Your immediate attention to the attached Policy is appreciated by ADP's Board of Directors, and by me personally.

Gary C. Butler

Chief Executive Officer

Statement of Policy

ADP maintains an Anti-Bribery Policy prohibiting any improper or unethical payment to government officials anywhere in the world by any ADP officer or associate (together, simply “ADP associates”) or agent of ADP. This Anti-Bribery Policy is designed to comply with the requirements of the U.S. Foreign Corrupt Practices Act (the “FCPA”), as well as the anti-bribery laws of those other jurisdictions in which we do business. ADP’s Policy states:

- *No ADP associate or agent has the authority to offer payments of money or anything else of value, whether directly or indirectly, to a government official to induce that official to affect any governmental act or decision in a manner that will assist ADP or any of its subsidiaries or divisions, or any of its associates or agents, to obtain or retain business.*
- *Every ADP associate and agent has the obligation to record accurately and fairly all of their transactions involving any expense of ADP or any other transaction involving the disposal or transfer of ADP assets.*

The Policy extends to ADP’s operations anywhere in the world, including all subsidiaries, divisions, agents, consultants or other representatives, as well as to any joint venture or other business enterprise in which ADP is a participant.

Penalties

Violations by any ADP associate of the FCPA or local anti-bribery laws will result in corrective action, including possible termination of such associate’s employment with ADP. Violations by any ADP associate or agent can also result in severe penalties for both ADP and such individuals under the FCPA and under local anti-bribery laws.

For example, individuals can receive five years of imprisonment and a \$100,000 fine for each violation of the anti-bribery provisions of the FCPA, and 20 years imprisonment and a \$5 million fine for each violation of the record keeping provisions of the FCPA.

The FCPA specifically prohibits a company from reimbursing an officer, director, stockholder, employee, or agent for fines imposed for violations of the FCPA, so any fines for violations for which you are responsible will be paid from your personal assets. In addition, and in accordance with ADP’s general legal compliance policy, ADP will cooperate fully with law enforcement authorities in the investigation and prosecution of alleged violations of anti-bribery laws.

Prohibited Payments to Government Officials

No ADP associate or agent may promise, offer or pay money or give anything else of value to a governmental official in order to:

- influence any act or decision;
- cause the official to commit or omit any act in violation of his or her lawful duties;
- secure any improper advantage; or

- induce the official to use his or her influence to affect any act or decision of a government, in order to assist ADP (or such associate or agent) in obtaining, retaining or directing business.

In addition to direct payments of money, other examples of prohibited payments to a government official would include:

- excessive gifts, or travel and entertainment expenses for government officials;
- contributions to any political party, campaign or campaign official; and
- charitable contributions and sponsorships made at the direction, or for the benefit, of a government official.

The following persons are considered “government officials”:

- officers and employees of any government, department, agency, bureau, authority, instrumentality or public international organization;
- persons acting in an official capacity on behalf of a government;
- employees of entities that are owned or controlled by a government; and
- candidates for political office.

Prohibited payments apply to payments to *any* government official, regardless of rank or position.

Permitted Expenses

ADP permits ADP logo items (such as ADP logo pen and pencil sets, shirts, hats and other similar items) to be given to government officials as modest gifts in the ordinary course of business, provided that such gifts conform to the laws of the country in which the gift has been made, and further provided that the associate making such gift immediately reports such gift in writing to their business unit CFO. ADP also permits reasonable expenditures for travel and entertainment expenses legitimately related to tours of ADP’s facilities, training in the use of ADP’s products and services, or otherwise related directly to ADP’s promotion of its products and services, provided such expenditures are not extravagant and otherwise conform to the laws and customs of the country in which the expenditures are incurred. Before providing any such travel and entertainment expenditure directly or indirectly for a government official, you must first obtain written permission from your business unit CFO, who shall review the proposed expenditure with the Anti-Bribery Committee.

Accurate records will be kept of all such expenditures, and no expenditure may be made with the express or implied agreement that it is to be used for any purpose other than as described by the records reflecting the expenditure.

Third Parties’ Compliance with ADP Policy

ADP’s obligation of ethical and legal behavior includes and encompasses the activities of ADP’s agents, representatives, consultants and business partners (including joint venture partners), as

well as any potential acquisition targets. ADP will be held accountable for the actions of third parties doing business in any market on behalf of ADP, so every associate and agent must remain vigilant to ensure such third party's compliance with this Anti-Bribery Policy.

In addition, no ADP associate or agent may make payments to any third party "while knowing" that a portion or all of such payments will be used for a prohibited payment to a government official. The term "knowing" includes situations in which the ADP associate or agent showed a "conscious disregard" or "willful blindness" to circumstances which make it likely that the violation could be occurring.

Before establishing a relationship with any third party to represent ADP in any marketplace, sufficient due diligence must be performed to determine that the third party's commitment to ethical business practices is consistent with ADP's high standards and this Policy. Any arrangement with such third party should include proper contractual provisions and monitoring procedures to ensure a compliance with anti-bribery laws and ADP's Anti-Bribery Policy. Areas of due diligence inquiry, as well as appropriate contractual provisions to include in any agreement with these third parties, will be made available on [link to Anti-Bribery FAQs].

Red Flags

The following situations, among many other situations, could expose ADP and the individuals involved to a risk of a violation, and need to be reported as set forth below:

- Requests or demands by a government official for a bribe.
- Requests or suggestions by a government official that ADP make a charitable donation to a particular charity.
- Requests by a government official for employment either on his or her own behalf or on behalf of another.
- A government official with whom ADP is dealing has a reputation for receiving questionable payments.
- A demand or strong suggestion by a government official that a particular local representative should be retained for any purpose.
- A non-governmental person with whom ADP is dealing has a known family or other significant relationship with government officials.
- A request for an unusual or excessive payment, such as a request for over-invoicing, unusual up-front payments, unusual commissions, a request for payments to be made to a third party (or to a third country), to a foreign bank account, in cash or otherwise untraceable funds.
- A proposed agent or representative has little or no expertise or experience in the area (whether geographic, professional or otherwise) in which it will represent ADP.

- A proposed agent or representative refuses to provide written assurances that he or she will not make any improper payments.
- A proposed agent or representative with whom ADP seeks to do business requests an unusually high commission.
- A proposed agent or representative with whom ADP is conducting business fails to provide standard invoices.
- A potential governmental customer requests an unusual credit or rebate with or from ADP in return for its business.
- Unusual bonuses or other amounts paid to agents or representatives of ADP.
- ADP's operations are in, or it is transacting business with a person in, a country with a high corruption index. (See Transparency International's annually updated "Corruption Perception Index": http://www.transparency.org/policy_research/surveys_indices/cpi)

Reporting Violations

Any transaction, *no matter how small or seemingly insignificant*, that might give rise to a violation of this Policy must be reported promptly by calling the ADP Ethics Hotline at (973) 535-7377 or (800) 273-8442, or send a detailed note, with relevant documents to ADP, Mail Stop #325E, One ADP Boulevard, Roseland, New Jersey 07068, or by sending a detailed e-mail to adp_ethics_hotline@adp.com . You may also call Corporate Legal at (973) 974-5865 and ask to speak to an attorney designated to handle ethics matters, or you may directly contact the Audit Committee of ADP's Board of Directors by sending a detailed note, with relevant documents, to P.O. Box 34, Roseland, New Jersey 07068, leaving a message for a return call at (973) 974-5770, or sending an email to adp_audit_committee@adp.com .

Your calls, detailed notes and/or emails will be dealt with confidentially and only by those recipients who have a need to know for the sole purpose of carrying out the necessary investigations and follow-up. As long as a report is made honestly and in good faith, you have the commitment of ADP and of the Audit Committee of ADP's Board of Directors that you will be protected from retaliation and that your rights will be enforced.

A failure to report known or suspected wrongdoing in connection with ADP's business of which an ADP associate or agent has knowledge may, by itself, subject that individual or entity to disciplinary action, including prosecution under the anti-bribery laws of any jurisdiction (including the FCPA).

Administration of Policy

The Policy will be administered by ADP's Anti-Bribery Committee. The Anti-Bribery Committee will report any violations of the Anti-Bribery Policy to the Audit Committee of ADP's Board of Directors. The Anti-Bribery Committee will be supported by ADP's Corporate Audit, Corporate Finance, and Corporate Legal Departments.

Further Information

Should you have any other questions about the Policy, please contact the ADP Ethics Hotline.

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