

CLIENT ACCOUNT INFORMATION

Date: ____/____/____

Company Name: _____

Contact Person: _____

Billing Address: _____

City: _____ State: _____ Zip: _____

Telephone: Phone: () _____

Fax: () _____

Cell: () _____

Email: _____

Please complete the following paperwork so that we can create an account for you:

NOTE: If you do not want us to obtain credit reports for you, please just complete pages 1 through 10).

If you will be requesting credit reports, please complete all of the attached.

☐ Pages 2 – 10 Locaters International Service Agreement

✓ Initial each page and complete page 10

☐ Pages 11 - 18 Sterling & Locaters End User Service Agreement

✓ Initial each page

✓ Complete pages 11, 13 (right side only), and 18

☐ Pages 19 – 21 Credentialing Application

✓ Complete in full

☐ Page 22 Sample letter of intent

✓ Please use as a guide and prepare a letter of intent on your letterhead.

SPECIAL INSTRUCTIONS:



Service Agreement

This Agreement is entered into by and between LOCATERS INTERNATIONAL, INC., its applicable subsidiaries, divisions, including and affiliated companies ("LII") and the undersigned ("Customer") and shall be effective immediately upon the Customer completing the sign up process for services with "LII" via the internet.

WHEREAS, "LII" is a consumer reporting agency/pre-employment screening company which provides, among other things, consumer reports and investigative consumer reports ("Background Reports") for employment purposes, as such terms are defined in the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.* ("FCRA"). Background Reports may include employment history, credit reports, criminal record services, motor vehicle checks (when available), educational history and (in the case of investigative consumer reports) personal references, collected and processed by "LII" through various channels of information.

WHEREBY, subject to the terms and conditions of this Agreement, "LII" agrees to furnish to Customer upon Customer's request Background Reports in connection with the hiring of job applicants ("Consumer").

WHEREBY, Customer agrees to pay for Background Reports provided to them by "LII" in accordance with the terms and conditions of this agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, "LII" and Customer hereby agree as follows:

I. General Provisions

1. In providing Background Reports, "LII" agrees to do the following:
 - (a) Comply with all laws applicable to the making of Background Reports for employment purposes, including the FCRA.
 - (b) Follow reasonable procedures to assure maximum possible accuracy of the information reported, subject to Paragraph 2(c) below, and reinvestigate if requested by the Customer without further charge if the information was incorrect.
 - (c) Disclose, upon request from the consumer who is the subject of the Background Report (the "Consumer"), the information reported, reinvestigate any information disputed by the Consumer at no charge to the Customer and take any necessary corrective action with the Consumer and the Customer.
2. Customer agrees to do the following:

- (a) Keep all Background Reports, whether oral or written, strictly confidential and restrict the use of the information in the Background Reports by Customer and its authorized personnel to employment purposes. No information from Background Reports will be given or resold to any other "person" or "user". If the Consumer, or his or her representative, requests Background Report information, that person may be referred to "LII" for disclosure under the FCRA or other applicable laws.
- (b) Hold "LII" and its affiliated companies, and the officers, agents, employees, and independent contractors of "LII" and its affiliates harmless on account of any expense or damage resulting from the procurement, use or publication by Customer, or the employees or agents of the Customer, of Background Report information contrary to the terms of this Agreement or contrary to state/federal law or regulation.
- (c) Recognizing that information in Background Reports is secured from and processed by fallible sources (human and otherwise) and that for the fee charged "LII" cannot be either an insurer or a guarantor of the accuracy of the information reported; Customer releases "LII" and its Affiliates and the officers, agents, employees, and independent contractors of "LII" and its Affiliates from liability for any negligence of third party furnishers of information in connection with erroneous information provided by such third parties.
- (d) Customer shall be responsible for all charges incurred, including applicable fees as well as charges resulting from Customer's errors in inputting data, duplicate requests and errors in transmission. Invoices are due and payable upon receipt and considered past due after thirty (30) days of date of invoice, and unpaid balances thereafter carry one percent (1%) compounded monthly interest. Customer shall review all invoices furnished and shall notify "LII" of any discrepancies within fifteen (15) days of receipt of the invoice. The fees for Background Reports exclude out of pocket expenses such as registry fees, school transcripts, court fees, state fees, and 900# fees to verify employment or education and fees for the Services exclude any applicable taxes. "LII" will charge a \$3.00 fee per applicant for requests submitted manually, i.e. by facsimile or mail. "LII" reserves the right to revisit any Background Report fee if (i) regulatory changes result in an increase of the charges for services; or (ii) "LII"'s average disbursement fees/out of pocket expenses should increase by more than ten percent (10%).
- (e) Without limiting the foregoing, Customer shall comply with the Vermont Fair Credit Reporting Act, 9 V.S.A. § 2480e, by securing the written consent of the Consumer prior to ordering a consumer report on a Vermont resident.
- (f) If Customer purchases motor vehicle records ("MVRs") from "LII", Customer agrees to the following:

- (1) Comply with the federal Driver's Privacy Protection Act and similar state statutes.
- (2) Customer shall not retain or store any "LII" provided MVR, or portions of information contained therein, in any database or combine such information with data in any other database, provided that, Customer may keep a copy of a Consumer's MVR in the Consumer's personnel file.
- (3) As requested by "LII", Customer shall complete any state forms that "LII" is legally or contractually bound to obtain from Customer before serving Customer with state MVRs.
- (4) With regard to "LII" provided MVRs originating from the states of New Hampshire, Pennsylvania, Washington, and West Virginia, Customer shall not disseminate or publish personal information contained in such MVRs via the Internet.
- (5) Customer shall not publish Virginia MVRs or any information derived from Virginia MVRs via e-mail. However, Customer may disseminate Virginia MVRs via the Internet through use of a secure Internet connection.
- (6) If Customer orders an MVR from the state of Alaska for any purpose, Customer shall obtain the written authorization of the Consumer before ordering such MVR.
- (7) If Customer orders any driver records originating from the State of South Carolina, Customer acknowledges that the person identified in the driver records received from South Carolina are third party beneficiaries to "LII"'s Information Release Agreement with the South Carolina Department of Public Safety, Division of Motor Vehicles.
- (8) Prior to requesting any MVR from the State of Washington, Customer agrees (i) to obtain from the Consumer a written statement authorizing the release of the MVR and (ii) execute an attestation that the information in the MVR is necessary to determine whether the individual should be employed to operate a school bus or commercial vehicle upon public highways. "LII" will provide a copy of the required release and attestation to the Customer. Customer agrees to retain each release and attestation for a period of not less than two (2) years.
- (9) If Customer orders an MVR from the State of Virginia, Customer must retain the Consumer's authorization for at least five (5) years after the date the MVR was requested.
- (10) With regard to MVR data originating from the state of West Virginia, Customer shall indemnify the state of West Virginia from any wrongful use of the MVR data.

- (g) With respect to personal information regarding individual consumers and businesses, the Parties further agree as follows: "LII" has adopted the "'LII"'s Commitment to Privacy" ("Commitment to Privacy") and that neither Customer nor "LII" will commit or permit its directors, officers, employees or agents to commit any action which causes Customer or "LII" to be in violation of the Commitment to Privacy. A copy of the Commitment to Privacy is attached hereto.

3. Customer certifies that:

- (a) It shall order Consumer Reports for employment purposes only. In compliance with the FCRA, Customer shall make a clear and conspicuous disclosure in writing to the Consumer in a document that consists solely of the disclosure that a Consumer Report may be procured for employment purposes. If the Consumer is a resident of the State of California, the disclosure shall also include the name, address and telephone number of the investigative consumer reporting agency conducting the investigation, the nature and scope of the investigation requested, and a summary of the provisions of §1786.22 of the California Code. Further, the Customer shall have the consumer authorize in writing the procurement of all Consumer Reports. Customer shall not use information contained in a Consumer Report in violation of any applicable federal or state equal employment opportunity law or regulation.
- (b) If Customer chooses to take any adverse action based in whole or in part on the Consumer Report, before taking such adverse action, Customer shall provide the Consumer with a copy of the Consumer Report; and, a description in writing of the rights of consumers under the FCRA, as prescribed by the Federal Trade Commission under 15 U.S.C. §1681(g)(c)(3).
- (c) With regard to Investigative Consumer Reports, as defined in 15 U.S.C. §1681(a)(e), it will clearly and accurately disclose to the Consumer that an Investigative Consumer Report including information as to his character, general reputation, personal characteristics, and mode of living, whichever are applicable, may be made. The disclosure will be made in writing and mailed or otherwise delivered to the Consumer not later than three (3) days after the date on which the report was first requested and will include a summary of the Consumer's rights provided for under 15 U.S.C. § 1681 (g) (c). The disclosure shall also include a statement informing the Consumer of his/her right to submit a written request, within a reasonable period of time after the receipt by him/her of the foregoing disclosure. Upon receipt of such request, Customer shall disclose in a writing the nature and scope of the investigation, which shall be complete and accurate. The disclosure must be mailed or otherwise delivered to the Consumer not later than five (5) days after the date on which the request for additional disclosure was received from the Consumer or the date the Customer first requested the report, whichever

is the later. Customer shall also comply with the adverse action requirements, if applicable.

---SUPPLEMENTAL CERTIFICATION FOR CUSTOMERS WHO PERFORM BACKGROUND CHECKS ON CALIFORNIA RESIDENTS---

Customer hereby certifies to "LII" that under California law, when a pre-employment screening background report is conducted on a California resident, the Customer will do the following:

- (a) Will advise the consumer that an Investigative Consumer Report concerning a consumer's character, general reputation, personal characteristics, and mode of living will be made no later than three days after it is requested.
- (b) Will notify the consumer of the name and address of the agency preparing the report.
- (c) Shall place in the notification a summary of a consumer's rights to review files and information about them.
- (d) Agree to provide the consumer with a copy of the report and information on who issued the report and how to contact them, either at the time of the meeting or interview between the consumer and the person who requests an investigative consumer report regarding that consumer or within seven days of the date such person receives the report, whichever is earlier. (If consumer/applicant indicates on the input or combined authorization/disclosure that they would like a copy of the report).

Customer understands that this Certification is a supplement to the Certification that the Customer has agreed to infra concerning the obligations of an employer under the federal Fair Credit Reporting Act.

- 4. Customer Security Obligations - Customer agrees to do the following in order to preserve the security of the Services being provided pursuant to this Agreement:
 - (a) Misuse of Services or Information. Customer agrees to take appropriate measures so as to protect against the misuse and/or unauthorized access of "LII"'s Services through any methods, including unauthorized access through or to Customer's user identification numbers or passwords ("Account ID's"). Such misuse or unauthorized access shall include any disclosure, release, viewing or other unauthorized access to information such as social security numbers, driver's license numbers or dates of birth. Customer agrees that "LII" may temporarily suspend Customer's access for up to ten (10) business days pending an investigation of Customer's use or access. Customer agrees to cooperate fully with any and all investigations. If any misuse or unauthorized access is found, "LII" may immediately terminate this Agreement without notice or liability of any kind.

- (b) Customer Account Maintenance. Customer is responsible for the administration and control of Account ID's by its employees and third parties, and shall identify a security administrator to coordinate with "LII". Customer shall manage all Account ID's, and notify "LII" promptly if any Account ID becomes inactive or invalid. Customer shall follow the policies and procedures of "LII" with respect to account maintenance as same may be communicated to Customer from time to time.
- (c) Security Event. In the event that Customer learns or has reason to believe that "LII" data has been disclosed or accessed by an unauthorized party, Customer will immediately give notice of such event to "LII". Furthermore, in the event that Customer has access to or acquires individually identifiable information (e.g., social security numbers, driver's license numbers or dates of birth) in relation to the Agreement, the following shall apply: Customer acknowledges that upon unauthorized acquisition of such individually identifiable information (a "Security Event"), Customer shall, in compliance with law, notify the individuals whose information was disclosed that a Security Event has occurred. Also, Customer shall be responsible for any other legal obligations which may arise under applicable law in connection with such a Security Event.
- (d) Comply with the User Access Security Policy provided separately by "LII" to Customer.

5. Miscellaneous

- (a) Each party (and its employees) is and shall remain an independent contractor. Neither party is authorized to assume or create an obligation or responsibility, express or implied, on behalf of, or in the name of, the other party or to bind the other party in any manner.
- (b) "LII" shall have the right to conduct periodic audits of Customer's use of the Consumer Reports and Investigative Consumer Reports ordered pursuant to this Agreement. In addition, certain third party vendors, such as departments of motor vehicles and credit bureaus, require the right to audit Customer either directly or through "LII". The scope and frequency of any audit shall be at the reasonable discretion of "LII" but will be subject to requirements imposed by third party vendors. "LII" will provide reasonable notice prior to conducting any audit provided that "LII" has received reasonable notice from any third party vendor involved in the audit process. Any violations discovered as a result of such audit may be cause for immediate action by "LII", including, but not limited to, immediate termination of this Agreement.
- (c) "LII" shall have the right to reveal the existence of this Agreement and the terms or conditions thereof in any "LII" publication, advertising, publicity release or sales presentation regardless of the medium.
- (d) The obligation of either party to perform under this Agreement shall be

excused during each period of delay caused by matters beyond such party's reasonable control, including without limitation, government regulation or law, war or insurrection, civil commotion, destruction of production facilities or material by earthquake, fire, flood, storm or other natural disaster, labor disturbances, epidemic or failure of suppliers, public utilities or common carriers.

- (e) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided, however, that neither party shall assign or otherwise transfer this Agreement or any interest herein without the prior written consent of the other party, which consent shall not be unreasonably withheld.
- (f) The failure of either party to insist on prompt performance of their duties shall not constitute a waiver of that duty. Any such waivers must be provided in a written, executed document.
- (g) This Agreement and any attachments hereto constitute the entire agreement between the parties and supersedes all prior understanding, written or oral between the parties with respect to the subject matter hereof. No changes or alterations may be made to this Agreement unless in writing signed by duly authorized representatives of each party to this Agreement.
- (h) By signing this Agreement, Customer agrees that "LII" can communicate with Customer via facsimile and electronic mail.

II. Limitation of Liability

"LII" and Customer agree that unless "LII" has committed gross negligence or engaged in intentional wrongdoing in the preparation and transmission of the Background Report, "LII"'s total liability to Customer shall be limited to the return of the fees paid to "LII" for the Background Report and then only to the extent that the information contained in the Background Report is found to be the primary basis upon which Customer incurred injury or damage resulting from the furnishing of the Background Report by "LII". "LII" and Customer agree that "LII" shall not be liable to Customer for any other damages, costs or expenses whatsoever except as expressly agreed to above or pursuant to Section III to follow, and that neither party shall be liable to the other party for punitive, exemplary or consequential damages.

III. Indemnification

1. Customer shall indemnify, defend and hold harmless "LII", its officers, directors, employees, agents, and subcontractors against any and all claims, demands, costs, expenses and liabilities of any kind or nature whatsoever, including, without limitation, reasonable attorneys' fees and costs, which may be incurred by "LII" based upon the illegal or wrongful use by Customer of the Background Report, the negligence or intentional wrongdoing by Customer, its officers,

directors, employees, agents, or subcontractors, or the failure of Customer, or any of its officers, directors, employees, agents, or subcontractors in connection with the use of the Background Report, or Customer's failure to comply with its obligations under the FCRA or other applicable laws in connection with the procurement or use of the Background Report. Customer shall indemnify "LII"

2. "LII" shall indemnify, defend and hold harmless Customer, its officers, directors, employees, agents, and subcontractors from and against any and all claims, demands, costs, expenses and liabilities of any kind or nature whatsoever, including, without limitation, reasonable attorneys' fees and costs, which may be incurred by Customer to a third party, based upon the gross negligence or intentional wrongdoing by "LII", its officers, directors, employees, agents, and subcontractors in preparing and transmitting the Background Report.

IV. No Warranties Made

"LII" will use its best efforts to fulfill its obligations under this agreement. However, "LII" does not guarantee or warrant the accuracy of the information contained with the Background Reports prepared and delivered to the Customer and hereby disclaims any warranty the information provided to the customer is correct, complete, current, merchantable or fit for a particular purpose, or that the information will be available or delivered to the customer at any specified time.

Customer understands and agrees that "LII" is only a conduit, preparer, researcher and compiler of the information contained in the Background Reports and that third party companies, government agencies, public record registries and other consumer reporting agencies are the underlying source of the information contained in the Background Reports.

V. Term

The term of this agreement shall continue in force without any fixed date of termination, but either party may terminate this agreement for any reason upon 30 days prior written notice to the other.

VI. Fees/Payment

1. The Customer understands and agrees that the fees charged by "LII" and payable by the customer under this agreement are posted on its websites at www.bestpi.com and/or www.quickbackground.com and are subject to change from time to time at the sole discretion of "LII". This section shall be read in conjunction with section I(2)(d).
2. PAYMENT: Statements are due and payable in full within 10 days of receipt, paid to "LII" at the address hereon. In the event of a returned check or disputed credit card payment, client agrees to pay a service charge in the amount of one hundred fifty-dollars (\$150.00) per occurrence. Overdue balances shall accrue interest at the highest rate permitted by law.

VII. LITIGATION:

If litigation is required to defend, enforce or interpret this agreement, client agrees

that exclusive personal jurisdiction and venue shall be in Volusia County, Florida. Client waives any objection to venue or jurisdiction in Volusia County, Florida or that a Volusia County, Florida court is inconvenient, and agrees to pay reasonable attorney fees, costs and expenses incurred by "LII", its agents and/or employees. Both "LII" and client waive trial by jury. Client agrees this contract shall be construed and interpreted by the laws of the State of Florida and not construed or interpreted against the drafter.

VIII. Entire and Final Agreement

This agreement and any attachments hereto constitute the entire and final agreement between the parties and supersede all prior understandings, written or oral, between the parties.

IX. Modification

No changes or modifications can be made to this agreement unless made in writing signed and acknowledged by both parties.

X. Severability

If any term or provision of this agreement is determined to be illegal or unenforceable, in whole or in part, for any reason, such term or provision shall be stricken from the agreement without affecting or voiding the validity of any other legal and enforceable provision of this agreement.

XI. Governing Law

This agreement including the creation of this agreement and performances required under this agreement, shall be construed, determined, and governed by the laws of the State of Florida.

As the Customer listed below, I/We, by signature below, agree to comply with the Fair Credit Reporting Act, all applicable federal and state law and the terms and conditions outlined under this agreement.

Customer Name

Signature

Date

Telephone Number & Email Address

End User Service Agreement

In order to obtain confidential Consumer Reports (as defined and governed by the Fair Credit Reporting Act (15 USC 1681 et seq.) (hereinafter the "FCRA")), the undersigned end user (hereinafter referred to as "Subscriber") requests STERLING INFOSYSTEMS for the use of its services, under terms and conditions outlined below, and in consideration of the mutual benefits, Subscriber and STERLING INFOSYSTEMS enter into the following agreement.

A. THE SUBSCRIBER AGREES:

1. To comply with all provisions of the FCRA and applicable state laws.
2. That the nature and type of its business is _____.
(Type of Industry)
3. That Subscriber may request Consumer Reports for the permissible purposes of employment or tenant screening pursuant to procedures prescribed by STERLING INFOSYSTEMS. Subscriber certifies that any such requests shall be made only when it is considering the individual for employment, promotion, reassignment or retention as an employee, or for tenant screening purposes as provided under Section 604 of the FCRA. STERLING INFOSYSTEMS shall have sole discretion in the provision of Consumer Reports to Subscriber for any other FCRA-permissible purpose.
4. And certifies that it will not request a Consumer Report for employment purposes unless:
 - A clear and conspicuous disclosure is first made in writing to the consumer before the report is obtained, in a document that consists solely of the disclosure that a consumer report may be obtained for employment purposes.
 - The consumer has authorized in writing the procurement of the report; and
 - Information from the Consumer Report will not be used in violation of any applicable federal or state equal employment opportunity law or regulation.
5. And certifies that before taking adverse action in whole or in part based on the Consumer Report, it will provide the consumer:
 - A copy of the Consumer Report;
 - A copy of the consumer's rights, in the format approved by the Federal Trade Commission, which notice shall be supplied to Subscriber by STERLING INFOSYSTEMS;
 - A copy of the consumer's rights under applicable state law; and
 - The opportunity to dispute derogatory information prior to Subscriber taking adverse action.
6. That Consumer Reports on employees, including prospective employees, will be requested only by a Subscriber's authorized representative. Employees will be forbidden to attempt to obtain Consumer Reports on themselves, associates, or any other person except in the exercise of their official duties. In addition, Subscriber agrees to order Consumer Reports on prospective employees residing in Hawaii or Vermont only after a conditional offer of employment has been made.

(THE FAIR CREDIT REPORTING ACT PROVIDES THAT ANY PERSON WHO KNOWINGLY AND WILLFULLY OBTAINS INFORMATION ON A CONSUMER FROM A

CONSUMER REPORTING AGENCY UNDER FALSE PRETENSES SHALL BE FINED UNDER TITLE 18, OR IMPRISONED NOT MORE THAN TWO YEARS, OR BOTH).

7. To obtain Consumer Reports for a one-time use only, to hold all Consumer Reports in strict confidence, and to not disclose any Consumer Reports to any third party not involved in the current employment decision.
8. Subscriber acknowledges the need to protect information contained in Consumer Reports and agrees to follow federal and state laws relating to the retention and destruction of such sensitive information.
9. To immediately inform STERLING INFOSYSTEMS of any data security breach.
10. To maintain all consumer releases and related documentation for a minimum of five (5) years following Subscriber's request for the applicable Consumer Report.
11. To provide prompt notice of any change in location, mailing address or ownership.

B. STERLING INFOSYSTEMS AGREES:

1. To provide Consumer Reports to Subscriber for employment or tenant screening purposes according to this Services Agreement and any addenda which are attached hereto and when executed by both parties, incorporated into this agreement by reference. STERLING INFOSYSTEMS reserves the right to change the schedule of services and charges at any time, but no change in such schedule shall become effective unless the Subscriber has been informed by STERLING INFOSYSTEMS in writing in advance.

C. IT IS MUTUALLY AGREED:

1. Pursuant to this Agreement, Consumer Reports provided hereunder will contain only credit reporting information. Subscriber will continue to receive all other Consumer Report information from the supplier through whom this Agreement was initiated ("Reseller") or other supplier(s), as applicable.
2. Upon submission of this Agreement to STERLING INFOSYSTEMS, STERLING INFOSYSTEMS or Reseller will order or an onsite inspection of Subscriber's business premises for purposes of credit reporting compliance; Passing inspection is required for Subscriber to receive the Consumer Reports, and failure of the inspection will result in STERLING INFOSYSTEMS' immediate termination or cancelation of this Agreement.
3. Upon mutual execution of this Agreement, STERLING INFOSYSTEMS will request the necessary credit reporting order codes from TransUnion on behalf of Subscriber. STERLING INFOSYSTEMS will provide the TransUnion-supplied codes to Subscriber who must then provide the codes to Reseller. Subscriber acknowledges and agrees that once the codes have been delivered by STERLING INFOSYSTEMS to Subscriber, Subscriber is solely responsible for the disbursement and use of the codes.
4. STERLING INFOSYSTEMS shall use good faith in attempting to obtain information from sources deemed reliable but does not guarantee the accuracy or completeness of the information provided, and in no event shall STERLING INFOSYSTEMS be held liable in any manner whatsoever for any loss or injury to Subscriber resulting from the obtaining or furnishing of such information, and further that Subscriber agrees to hold STERLING INFOSYSTEMS harmless and indemnify it from any and all claims, losses, and damages arising out of alleged liability or failure of the Subscriber to keep and perform any of its obligations described herein. STERLING INFOSYSTEMS shall have no obligation or duty hereunder to provide any information that is not verifiable. STERLING INFOSYSTEMS' maximum aggregate liability to Subscriber, including for claims and defense of

indemnification, is limited to the lower of \$50,000 or three (3) months' revenue (paid or payable by Reseller for Subscriber's Consumer Reports only) regardless of the claim.

5. This Agreement shall remain in force and effect for one (1) year from the date hereof, and thereafter, from year to year, on the same basis as set forth herein except that either party may cancel this Agreement at anytime upon at least thirty (30) days prior notice.
6. It is further agreed, however, that with just cause, such as violation of the terms of the contract or a legal requirement, STERLING INFOSYSTEMS may, upon its election, discontinue serving the Subscriber and cancel this Agreement immediately.
7. For Consumer Reports provided pursuant to this Agreement, STERLING INFOSYSTEMS will invoice the Reseller with whom both Subscriber and STERLING INFOSYSTEMS have individual agreements for the provision of services, and Subscriber will not receive invoices from STERLING INFOSYSTEMS nor owe any fees directly to STERLING INFOSYSTEMS for the provision of the Consumer Reports. Reseller will invoice Subscriber directly for the services provided pursuant to this Agreement, and Subscriber agrees to pay Reseller invoices in a timely manner.
8. The parties hereto agree that this agreement and attached addendums represent the full and complete Agreement between the parties. This Agreement shall not be binding until executed by STERLING INFOSYSTEMS.
9. STERLING INFOSYSTEMS may offer information presented as general education, which is not intended to be legal advice, either express or implied. Subscriber should consult with legal counsel regarding all employment law matters.
10. All exhibits attached hereto are incorporated into this Agreement.

STERLING INFOSYSTEMS

Subscriber: _____
Company Name

By: _____
Authorized STERLING INFOSYSTEMS Signature

By: _____
Authorized Client Signature

Title: _____

Title: _____

Print Name: _____

Print Name: _____

Date: _____

Physical Address: _____

City/State: _____

Date: _____

EXHIBIT A TO END USER SERVICE AGREEMENT: NOTICE TO SUBSCRIBER AS A USER OF CONSUMER REPORTS: OBLIGATIONS OF USERS UNDER THE FCRA

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Federal Trade Commission's Website at www.ftc.gov/credit. At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at the Commission's Web site. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

For purposes of this Exhibit A, "user" or "users" shall mean Subscriber.

I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS

A. Users Must Have a Permissible Purpose

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of the permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. Section 604(a)(1)
- As instructed by the consumer in writing. Section 604(a)(2)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. Section 604(a)(3)(A)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. Sections 604(a)(3)(B) and 604(b)
- For the underwriting of insurance as a result of an application from a consumer. Section 604(a)(3)(C)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. Section 604(a)(3)(F)(i)
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. Section 604(a)(3)(F)(ii)
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. Section 604(a)(3)(D)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. Section 604(a)(3)(E)
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. Sections 604(a)(4) and 604(a)(5)

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making "prescreened" unsolicited offers of credit or insurance. Section 604(c). The particular obligations of users of "prescreened" information are described in Section VII below.

B. Users Must Provide Certifications

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purpose.

C. Users Must Notify Consumers When Adverse Actions Are Taken

The term "adverse action" is defined very broadly by Section 603. "Adverse actions" include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA – such as denying or canceling credit or insurance, or denying employment or promotion. No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

1. Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer's right to obtain a free disclosure of the consumer's file from the CRA if the consumer makes a request within 60 days.
- A statement setting forth the consumer's right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

2. Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer's written request.

3. Adverse Actions Based on Information Obtained From Affiliates

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

D. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files

When a consumer has placed a fraud alert, including one relating to identity theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p) and resellers, Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer's alert.

E. Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs, users

must comply with regulations specifying the procedures to be followed, which will be issued by the Federal Trade Commission and the banking and credit union regulators. The Federal Trade Commission's regulations will be available at www.ftc.gov/credit.

F. Users Have Obligations When Disposing of Records

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. The Federal Trade Commission, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Federal Trade Commission's regulations may be found at www.ftc.gov/credit.

II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES

- A.** If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations to be jointly prescribed by the Federal Trade Commission and the Federal Reserve Board.
- B.** Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) ("Notice to the Home Loan Applicant").

III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES

A. Employment Other Than in the Trucking Industry

If information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.
- **Before** taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer's rights. (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2) The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

B. Employment in the Trucking Industry

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking company by contacting the company.

IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED

- A.** Investigative consumer reports are a special type of consumer report in which information about a consumer's character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:
- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided by the CRA that conducts the investigation.)
 - The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
 - Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed, or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS

- A.** Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with Federal, state or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION

- A.** Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes – or in connection with a credit transaction (except as provided in regulations issued by the banking and credit union regulators) – the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or as permitted by statute, regulation, or order).

VII. OBLIGATIONS OF USERS OF "PRESCREENED" LISTS

[This section intentionally omitted]

VIII. OBLIGATIONS OF RESELLERS

[This section intentionally omitted]

IX. LIABILITY FOR VIOLATIONS OF THE FCRA

- A. Failure to comply with the FCRA can result in state government or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

The FTC's Web site, www.ftc.gov/credit, has more information about the FCRA, including publications for businesses and the full text of the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1681 et seq.:

Section 602 15 U.S.C. 1681
Section 603 15 U.S.C. 1681a
Section 604 15 U.S.C. 1681b
Section 605 15 U.S.C. 1681c
Section 605A 15 U.S.C. 1681cA
Section 605B 15 U.S.C. 1681cB
Section 606 15 U.S.C. 1681d
Section 607 15 U.S.C. 1681e
Section 608 15 U.S.C. 1681f
Section 609 15 U.S.C. 1681g
Section 610 15 U.S.C. 1681h
Section 611 15 U.S.C. 1681i
Section 612 15 U.S.C. 1681j
Section 613 15 U.S.C. 1681k
Section 614 15 U.S.C. 1681/
Section 615 15 U.S.C. 1681m
Section 616 15 U.S.C. 1681n
Section 617 15 U.S.C. 1681o
Section 618 15 U.S.C. 1681p
Section 619 15 U.S.C. 1681q
Section 620 15 U.S.C. 1681r
Section 621 15 U.S.C. 1681s
Section 622 15 U.S.C. 1681s-1
Section 623 15 U.S.C. 1681s-2
Section 624 15 U.S.C. 1681t
Section 625 15 U.S.C. 1681u
Section 626 15 U.S.C. 1681v
Section 627 15 U.S.C. 1681w
Section 628 15 U.S.C. 1681x
Section 629 15 U.S.C. 1681y

SIGNATURE _____ DATE _____

Credentialing Application



Date of Application: ____/____/____

Important: All information must be completed in its entirety. Please print clearly and legibly to ensure accurate and timely processing.

General Company Information

Company Name: _____ Years in Business _____ yrs _____ mo.

Type of Business: _____

(If company has been in business for one year or less, two of the following must be obtained and attached to application)

- a. Copy of utility bill or telephone bill in the business name
- b. Copy of lease or proof of property ownership
- c. Copy of bank statement addressed to the end user
- d. Proof of commercial insurance

Type of Ownership (indicate one): ☐ Corporation ☐ LLC ☐ Nonprofit ☐ Partnership ☐ Sole Owner

Do you have any other company name(s) or DBA? ☐ Yes ☐ No If Yes, please list: _____

The following must be attached to the application

URL: _____

Please attach screenshot of primary home page of your website.

Certificate of Incorporation or Equivalent:

Please attach a copy of your organizations Certificate of Incorporation or equivalent, a print out from the secretary of state's website is also acceptable.

Federal Tax ID # _____

Full Name of Owner or an Authorized Officer of Corporation: _____

Title: _____ Phone: () _____ - _____ Fax: () _____ - _____

Email: _____

Physical Street Address (no P.O. box numbers, please): _____

City: _____ State: _____ Zip: _____ How Long? _____ yrs _____ mo.

Phone: () _____ - _____ Fax: () _____ - _____ Is this a **residential** address? ☐ Yes ☐ No

Previous Address: _____

City: _____ State: _____ Zip: _____ How Long? _____ yrs _____ mo.

Do you own or lease the building in which you are located? (please check one) ☐ Own ☐ Lease

Principal of the Company (If sole owner or partnership, please complete the section below.)

I understand that the information provided below will be used to obtain a consumer credit report, and my creditworthiness may be considered when making a decision to grant me permission to obtain background checks.

Principal name: _____

Title or Position: _____ Phone: () _____ - _____

Social Security Number: _____ - _____ - _____ Year of Birth: _____

Residential Street Address: _____

City: _____ State: _____ Zip: _____

(If this section is completed consent to obtain a copy of the owner's or partner's personal credit report must be obtained as well as a government issued photo identification)

Permissible Purpose/Appropriate Use

Please check the box next to the specific purpose for which information will be used.

Subscriber must specify the purpose for which Consumer Reports, Investigative Consumer Reports and/or Consumer Credit Files will be used. Subscriber must confirm this use by checking the appropriate box below.

This section MUST be completed.

Reports will be used for

- ☐ Employment purposes
 ☐ Tenant screening purposes
 ☐ Volunteer screening purposes
 ☐ Student screening purposes
 ☐ Reports will be used for other permissible purpose (Please describe)

Bank Reference

(Please provide the name of the bank which maintains your business checking account.)

Bank Name: _____ Phone: () _____ - _____

Address: _____

City: _____ State: _____ Zip: _____

Contact Name: _____ Date Account Opened _____

Business Checking Account Number(s): _____

Alternative to Banking Reference: Obtain a copy of a listing with A.M. Best, Moody's, Standard and Poor's, FDIC, NCUA or a copy of the end users annual report (certified by CPA). (Must be attached)

Trade Reference

(Please provide a current trade reference)

Company: _____ Phone: () _____ - _____

Address: _____

City: _____ State: _____ Zip: _____

Contact Name: _____ Doing Business Since _____

Account Number(s): _____

Trade Reference

(Please provide a current trade reference)

Company: _____ Phone: () _____ - _____

Address: _____

City: _____ State: _____ Zip: _____

Contact Name: _____ Doing Business Since _____

Account Number(s): _____

The following applies to credit information/consumer/investigative report products:

We certify that I/We will use the credit information/consumer/investigative report for no other purpose other than what is stated in the Permissible Purpose/Appropriate Use section on this application and for the type of business listed on this application. I/We will not resell the report to any third party. I/We understand that if my system is used improperly by company personnel, or if my access codes are made available to any unauthorized personnel due to carelessness on the part of any employee of my company, I/We may be held responsible for financial losses, fees, or monetary charges that may be incurred and that my access privilege may be terminated.

Company Name

Type or Print Name of Owner or Officer

Title

X _____

Authorized Signature

Date

Clients requesting credit reports complete the following sections.**Business Information**

Type of Business: _____

Do you have an **Investigation License**? ☐ Yes ☐ No **If Yes, please provide a copy with this application.**

Estimated number of Credit Reports you will order monthly: _____

Do you already have a credit reporting software package? ☐ Yes ☐ No **If Yes, what is the name?** _____Does your industry require a business license? ☐ Yes ☐ No **If Yes, please provide a copy with this application.**Business Telephone Number () _____ - _____ ☐ Yes (attached) ☐ No**If Yes, Please provide a copy of telephone listing from Yellow pages, super pages, etc with this application. If No please attach a phone bill in the name of the company.****Letter of Intent****(Please provide a separate letter of intent on company letterhead that must be signed by an officer, owner or authorized manager. (See attached sample letter of intent))**

The letter must include the following:

1. Nature of business
2. Its intended use for the service
3. Anticipated monthly volume
4. Intent on whether it anticipates its access to be primarily local, regional or national.

The following applies to credit information/consumer/investigative report products:

I/We certify that I/We will use the credit information/consumer/investigative report for no other purpose other than what is stated in the Permissible Purpose/Appropriate Use section on this application and for the type of business listed on this application. I/We will not resell the report to any third party. I/We understand that if my system is used improperly by company personnel, or if my access codes are made available to any unauthorized personnel due to carelessness on the part of any employee of my company, I/We may be held responsible for financial losses, fees, or monetary charges that may be incurred and that my access privilege may be terminated.

Company Name_____
Type or Print Name of Owner or Officer_____
Title**X** _____

Authorized Signature

Date

**SAMPLE LETTER OF INTENT
MUST BE ON COMPANY LETTERHEAD**

Date ____/____/____

Name of Your Company_____

Address _____

City/State _____

Zip Code _____

To Sterling Infosystems Compliance Department:

[Name of your company] is a [type of business or service/product business provides]. [Name of your company] will use credit check information for the purpose of employment screening. We anticipate requesting approximately (#____) of credit checks per month. I understand that this is a volume estimate only and is nonbinding. We anticipate our access to be [local or national].

Thank you,

(Name of Officer/Owner/Authorized Manager)

(Name of Company)

() ____ - ____
(Phone Number)

() ____ - ____
(Fax Number)

(Email Address)

(Signature)