

TERMS AND CONDITIONS

Introduction

Scott-Roberts and Associates, LLC (“Scott-Roberts”) is a consumer reporting agency. It provides clients with Consumer Reports and/or Investigative Consumer Reports as defined by the Fair Credit Reporting Act (collectively “Reports”) in accordance with applicable federal, state, and local laws.

These terms and conditions (“Terms and Conditions” or “Agreement”) govern all Reports and screening-related services obtained through Scott-Roberts and constitute a binding agreement between Scott-Roberts and your organization (“Client” or “You”).

PLEASE READ THESE TERMS AND CONDITIONS CAREFULLY. IF YOU ORDER REPORTS THROUGH SCOTT-ROBERTS OR USE SCOTT-ROBERTS’S SCREENING SERVICES IN ANY MANNER, YOU AGREE TO BE BOUND BY THESE TERMS AND CONDITIONS. IF YOU DO NOT WISH TO BE BOUND BY THESE TERMS AND CONDITIONS, YOU MAY NOT ORDER OR USE SCOTT-ROBERTS’S REPORTS OR SCREENING SERVICES IN ANY WAY.

THE INDIVIDUAL ACCEPTING THESE TERMS AND CONDITIONS ON BEHALF OF CLIENT CERTIFIES THAT THEY HAVE THE AUTHORITY TO BIND CLIENT.

Specific Terms

1. **Identification of Permissible Purpose For Receiving Reports.** Client hereby certifies that all of its orders for Reports from Scott-Roberts shall be made, and the resulting Reports shall be used, for the following permissible purpose under the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*, only:

<input checked="" type="checkbox"/>	For “employment purposes,” but only upon the express written consent of any person that will be screened. <i>See</i> 15 U.S.C § 1681b(a)(3)(B).
<input type="checkbox"/>	For a tenant-related purpose but only upon the express written consent of any person that will be screened. <i>See</i> 15 U.S.C. § 1681b(a)(2).
<input type="checkbox"/>	For another legal reason, but only upon the express written consent of any person that will be screened. <i>See</i> 15 U.S.C. § 1681b(a)(2).

Client shall not request, obtain, or use Reports for any purpose not identified above. Among other things, Client shall not request Reports for the purpose of selling, leasing, or renting information obtained under this Agreement to any other party, whether alone, in conjunction with Client’s own data, or otherwise in any service which is derived from the Reports provided by Scott-Roberts. PLEASE NOTE: THE FCRA 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 OF THE UNITED STATES CODE OR IMPRISONED NOT MORE THAN TWO YEARS, OR BOTH.

2. **Legal Certifications For Employment-Related Reports.** Client understands that various legal requirements apply if/when it orders Reports for employment purposes. Client shall comply with all such requirements. In particular, Client makes the following certifications as to legal compliance as to Reports ordered for employment purposes.

- A. **Disclosure.** Client certifies that, in compliance with the FCRA, prior to ordering a Report, Client shall make a clear and conspicuous “disclosure” in writing to the individual about whom the Report will be run (“the Consumer”) in a document that consists solely of the “disclosure.” The “disclosure” shall explain that a Consumer Report may be procured for employment purposes. The “disclosure” shall describe the nature of the Reports to be ordered and meet all other requirements specified by applicable law. The “disclosure” shall not contain any extraneous information not required by applicable law, including, but not limited to, a release of liability.
- B. **State Law Notifications.** Client certifies that before ordering a Report from Scott-Roberts, it shall also provide any necessary notifications under applicable state law to the Consumer. Client understands that various states, including, but not limited to, California, Minnesota, Oklahoma, New York, Massachusetts, and Washington require that specific information be communicated to the Consumer under certain circumstances. Client also understands that certain states, such as California, Oklahoma, and Minnesota, require that applicants/employees be afforded a check box to allow them to indicate that they would like a copy of any report received by Client. Client agrees that it will work with experienced legal counsel as appropriate to ensure that all applicable requirements are accounted for.
- C. **Written Consent.** Client certifies that, consistent with the FCRA, before ordering a Report, the Consumer shall authorize in writing the procurement of such Report.
- D. **EEO Law and Regulation Compliance.** Client certifies that it shall not use information contained in a Report provided by Scott-Roberts in violation of any applicable federal or state equal employment opportunity law or regulation.
- E. **Adverse Action Procedures.** Client certifies that before taking adverse action based in part or whole on a Report from Scott-Roberts, it shall follow all legally-required “pre-adverse action” procedures specified by applicable federal, state and/or local law. For example, if the Consumer may be denied employment or incur another adverse action based in whole or part on a Report provided by Scott-Roberts, Client will provide to the consumer: (1) a copy of the Report, (2) a description, in writing, of the rights of the consumer entitled “A Summary of Your Rights Under the Fair Credit Reporting Act,” and (3) a written notice containing any and all required notifications under federal, state, or local law. After providing the pre-adverse action communication described above, Client shall wait a reasonable period of time to allow the Consumer to dispute the accuracy of the report before taking any adverse action. After the appropriate waiting period, and assuming no dispute, Client will issue to the Consumer notice of any adverse action taken, including the statutorily-required notice identified in the FCRA. Among other things, such notice will include: (1) the name, address, and telephone number of the consumer reporting agency, Scott-Roberts, (2) a statement that the consumer reporting agency did not make the decision to take the adverse action and is unable to provide the Consumer the specific reasons why the adverse action was

taken, (3) a statement that the Consumer may obtain a free copy of the consumer report from the consumer reporting agency within 60 days pursuant to Section 612 of the FCRA, and (4) a statement that the Consumer has the right to dispute with the consumer reporting agency the accuracy or completeness of any information in a consumer report furnished by the agency. If a dispute as to the accuracy of the Report is raised by the Consumer during the waiting period, Client will afford Scott-Roberts the legally-allowed time to resolve the dispute before deciding whether to take adverse action.

- F. Certifications Associated With Each Order.** By having Scott-Roberts prepare a Report for Client, Client is certifying that: (1) A clear and conspicuous disclosure has been made in writing to the Consumer by Client (in a document that consists solely of the disclosure) stating that a Consumer Report may be obtained for employment purposes; (2) the Consumer has authorized in writing the procurement of the Consumer Report that is being ordered; (3) information from the report to be provided by Scott-Roberts will not be used in violation of any applicable Federal or State equal employment opportunity law or regulation, or any other applicable law; and (4) if applicable, Client will comply with the adverse action requirements described in Section 604(b)(3) of the FCRA, as well as any other pertinent adverse action requirements. In addition, if the Consumer lives in California or is applying to work in California or works in California, by having Scott-Roberts prepare a Report for Client, Client is certifying that: (1) Client has complied with all disclosure and authorization requirements set forth in California Civil Code 1786.16, (2) Client has provided the Consumer a means to check a box to indicate that he or she would like a copy of any Report received by Client from Scott-Roberts, (3) Client will comply with any adverse requirements set forth under California law (including those identified in Cal. Civ. Code § 1786.40) should they become applicable, and (4) Client has otherwise met all requirements for obtaining a Consumer Report or Investigative Consumer Report under California law.

3. **Additional Commitments For Reports Containing Certain Types Of Information.**

A. **Investigative Consumer Report Information.** If Client chooses to order Investigative Consumer Reports (i.e. certain interview-based reports), it certifies that it shall comply with all legal requirements pertaining to Investigative Consumer Reports. Among other things, it shall clearly and accurately disclose to the Consumer that an Investigative Consumer Report, including information as to his/her character, general reputation, personal characteristics, and mode of living, whichever are applicable, may be obtained. The disclosure shall be made in writing and mailed or otherwise delivered to the Consumer with a summary of the Consumer's rights provided for under 15 U.S.C. § 1681g(c). The disclosure shall also include a statement informing the Consumer of his/her right to submit a written request for additional information, pursuant to 15 U.S.C. § 1681d(b), within a reasonable period of time after the receipt by him/her of the foregoing disclosure. Further, upon receipt of a request by a consumer for additional information about the Investigative Consumer Report being ordered, Client shall disclose in writing the nature and scope of the investigation, which shall be complete and accurate. The disclosure shall 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 Client first requested the report, whichever is later. By having Scott-Roberts prepare an Investigative Consumer Report for Client, Client is certifying that it has complied with the above requirements in this Section and otherwise met all legal prerequisites for receiving an Investigative Consumer Report.

B. **Credit History Information.** If Client chooses to order credit reports from Scott-Roberts, it certifies the following:

1. If Client is an employer, Client understands that at least ten (10) states and certain municipalities impose requirements and/or restrictions on employers intending to use credit reports for employment purposes. For example, Nevada and Illinois only permit employers to consider credit reports if the Consumer is working or will be working in a certain capacity. Likewise, states such as California and Colorado require that Consumers receive certain additional notifications before a credit check for employment purposes is conducted. Client will comply with all applicable legal requirements and restrictions pertaining to credit checks.
2. Client acknowledges that special requirements are imposed by credit bureaus before access to credit history information may be provided. Client therefore agrees to the following:
 - a. Client shall make no employment decisions based solely on credit bureau alerts/warnings regarding addresses and/or Social Security Numbers.
 - b. Client shall permit a physical site inspection of its premises. The cost for the site inspection will be billed to Client. Scott-Roberts will arrange for an inspector to come to Client's location. For residential offices, the inspection and fee will be annual.

- c. Client shall ensure security programs and appropriate access requirements are in place, the purpose being to prevent unauthorized ordering, accessing, and/or unauthorized viewing of consumer information; Client shall also inform all employees that they may not access their personal information or information about friends and/or relatives or any other person unless it is for legitimate business purposes.
- d. To the extent Client is eligible to receive credit scores (“Scores”), Client shall only do so for its own exclusive use. Client may store Scores solely for Client’s own use in furtherance of Client’s original purpose for obtaining the Scores. Client shall not use the Scores for model development or model calibration and shall not reverse engineer the Score. All Scores provided hereunder shall be held in strict confidence by Client and may never be sold, licensed, copied, reused, disclosed, reproduced, revealed or made accessible, in whole or in part, to any person, except (i) to those employees of Client with a need to know and in the course of their employment; (ii) to those third party processing agents and other contractors of Client who have executed an agreement that limits the use of the Scores by the third party only to the use permitted to Client and contains the prohibitions set forth herein regarding model development, model calibration, reverse engineering and confidentiality; (iii) when accompanied by the corresponding reason codes, to the consumer who is the subject of the Score; (iv) to government regulatory agencies; or (v) as required by law. Moreover, unless otherwise explicitly authorized in an agreement between Scott-Roberts and Client for Scores obtained from a credit bureau, or as explicitly otherwise authorized in advance and in writing by a credit bureau through Scott-Roberts, Client shall not disclose to consumers or any third party any or all such scores provided under this Agreement, unless required by law.
- e. Client shall release and indemnify the credit bureau from all liability arising from the Client’s unauthorized access, improper use, or reliance on consumer credit information provided pursuant to this Agreement.
- f. Client shall comply with any other requirement imposed by a credit bureau, so long as Scott-Roberts makes Client aware of such a requirement.

C. **Criminal History Information.** Scott-Roberts recommends that Client screen consumers at the county, state, and federal level, as well as using federal and multi-state/nationwide databases. Client understands that Scott-Roberts cannot be held responsible for any records that exist that do not fall within the scope of the search(es) ordered by Client. Client further understands that the multi-state/nationwide database information will only be offered in conjunction with a county or state-level verification of any possible “hit” and that Client will be separately charged for the associated fees. Finally, Client is aware that multiple states and municipalities impose restrictions on the use of criminal history information and that the EEOC counsels that employers

should engage in a multi-step process when evaluating applicants'/employees' criminal history information designed to avoid any disparate impact problems under Title VII. Client agrees to monitor all applicable legal restrictions on the use of criminal history information and take all necessary steps to comply with them.

- D. **Motor Vehicle Record Information.** Client certifies that it will only order motor vehicle records and/or driving records (collectively "MVRs") in strict compliance with the Driver Privacy Protection Act ("DPPA" at 18 U.S.C. § 2721 *et seq.*) and any related state laws. Client further certifies that no MVRs shall be ordered without first obtaining the written consent of the Consumer to obtain MVRs. Client shall not retain or store any Scott-Roberts-provided MVR results or portions of information contained therein in any database or combine such information with data in any other database, except that Client may keep a copy of a Consumer's MVR in the Consumer's file. Client shall not transmit any data contained in the reported MVR via unsecured means. Client agrees to complete such state-specific written consent materials as required by law or requested by Scott-Roberts.
 - E. **Drug Test Results.** Client certifies that it understands that various states impose requirements and/or restrictions on employers intending to obtain or use drug testing results. For example, Minnesota only allows employers to conduct drug testing in certain situations and further requires that certain notices be provided. Client certifies that it will comply with any and all legal requirements or restrictions pertaining to its acquisition or use of drug test results received from Scott-Roberts.
 - F. **The Work Number.** Client acknowledges that special requirements are imposed by Talx Corporation before access to "The Work Number" may be provided by Scott-Roberts. If Client chooses to order such information from Scott-Roberts, Client agrees to comply with the terms for "Subscribers" identified on Exhibit A to this Agreement (displayed below).
4. **Obligations Regarding The Security of Reports.** Client understands that Reports contain sensitive, personal information. Accordingly, Client agrees to do the following in order to preserve the security of the information being provided pursuant to this Agreement:
- A. **Prevent Misuse Of Services Or Information.** Client shall only request Reports for one-time use. Client agrees to take appropriate measures so as to protect against the misuse and/or unauthorized access of Reports. Client agrees that Scott-Roberts may temporarily suspend Client's access pending an investigation of Client's potential misuse. Client agrees to cooperate fully with any and all investigations. If any misuse or unauthorized access is found, Scott-Roberts may immediately terminate this Agreement.
 - B. **Properly Maintain The Client Account.** Client is responsible for the administration and control of Account IDs and shall identify a security administrator to coordinate with Scott-Roberts. Client shall manage all Account IDs and notify Scott-Roberts promptly if any Account ID becomes inactive or invalid. Client shall follow the policies and procedures of Scott-Roberts with respect to account maintenance as communicated to Client from time to time.

- C. **Limit Access Within Organization.** Client shall disclose Reports internally only to Client's designated and authorized employees having a need to know and only in accordance with the Agreement and applicable law. Client shall ensure that such designated and authorized employees shall not attempt to obtain any Reports on themselves, associates, or any other person except in the reasonable exercise of their official duties.
- D. **Limit Distribution Outside of Organization.** Client shall hold any Report obtained from Scott-Roberts in strict confidence, and not disclose it to any third-parties except as necessary to comply with adverse-action requirements under the Fair Credit Reporting Act or as otherwise required by law.
- E. **Disposal of Consumer Report Information.** Client agrees to take reasonable measures to dispose of Reports in order to prevent the unauthorized access to – or use of – information in a Report. Reasonable measures for disposing of Report information may include: (1) Burning, pulverizing, or shredding papers containing consumer report information so that the information cannot be read or reconstructed; (2) Destroying, erasing, deleting, and/or scrambling electronic files or media containing consumer report information so that the information cannot be read or reconstructed; or (3) Engaging a professional document destruction contractor to dispose of consumer report information. In all instances, Client's Report disposal procedures shall comply with applicable law.
- F. **Properly Handle Any Potential Or Actual Security Breaches.** In the event that Client learns or has reason to believe that Report data has been disclosed to or accessed by an unauthorized party, Client shall comply with any and all applicable data breach laws.

5. **Scott-Roberts's Services and Obligations.**

- A. **Compliance with Applicable Laws.** Scott-Roberts agrees to comply with all laws applicable to consumer reporting agencies. Among other things, Scott-Roberts will: (a) follow reasonable procedures to assure maximum possible accuracy of the information reported, (b) disclose to Consumer, upon request, the information in the Consumer's file, and (c) reinvestigate any information disputed by the Consumer at no charge to the Client and take any necessary action to rectify a report that has been determined to have incorrect or unverifiable information.
- B. **Scope of Information Provided.** Scott-Roberts shall seek out and deliver information consistent with the service descriptions set forth on its website at the time of the relevant search. Client understands that it must review and consider the scope of a search before placing an order with Scott-Roberts. Client also understands that it will not receive information from Scott-Roberts that falls outside of a requested search, and that it will not receive information that Scott-Roberts determines—in its sole discretion—to be unreportable under applicable law.
- C. **Administrative Role As To Adverse Action Correspondence.** If Client elects to have Scott-Roberts send out pre- and/or post-adverse action letters on its behalf, Client understands that it must notify Scott-Roberts each time it wishes for a letter to go out. Scott-Roberts will not send out any adverse action letters unless expressly instructed

to do so. Client accepts full responsibility for the content of any adverse action letters sent by Scott-Roberts and understands that it must notify Scott-Roberts if it wishes to use a particular template or if it wishes to modify the template made available through Scott-Roberts. Client agrees that Scott-Roberts plays no role in deciding whether an individual should incur adverse action based upon a Report. Client accepts full responsibility for any and all substantive decision-making based upon the Reports it receives from Scott-Roberts. Both parties agree that Scott-Roberts's role as to the adverse action process is strictly administrative. Client shall indemnify and hold harmless Scott-Roberts, its affiliates, and subsidiaries and their respective officers, directors, employees, agents, and insurers from and against any and all damages, penalties, losses, liabilities, judgments, settlements, awards, costs, and expenses (including reasonable attorneys' fees and expenses) arising out of or in connection with any third-party claims, assertions, demands, causes of action, suits, proceedings or other actions, whether at law or in equity, related in any manner to Scott-Roberts's sending out of pre- and/or post-adverse action correspondence on behalf of Client.

- D. Administrative Role As To Initial Report Review.** If Client opts to have Scott-Roberts conduct an initial review of completed Reports on its behalf, Client shall supply Scott-Roberts with definitive and objective instructions on how to do so. Client understands and agrees that it is solely responsible for creating and defining any such instructions. Client also agrees that Scott-Roberts plays no role in deciding whether a Consumer should incur adverse action based upon a Report, and that Scott-Roberts's role is strictly administrative. Client accepts full responsibility for any and all substantive decision-making based upon a Report prepared by Scott-Roberts. Client understands that Scott-Roberts will not send out any notice or communications related to the adverse action process unless expressly instructed by Client to do so and pursuant to agreed-upon terms. Client shall indemnify and hold harmless Scott-Roberts, its affiliates, and subsidiaries and their respective officers, directors, employees, agents, and insurers from and against any and all damages, penalties, losses, liabilities, judgments, settlements, awards, costs, and expenses (including reasonable attorneys' fees and expenses) arising out of or in connection with any third-party claims, assertions, demands, causes of action, suits, proceedings or other actions, whether at law or in equity, related in any manner to Scott-Roberts's initial review of reports (as discussed in this Section).

6. No Legal Advice. Client acknowledges the importance of complying with its obligations under applicable law and agrees that it will consult with legal counsel as appropriate regarding the acquisition and use of Reports. Client understands and acknowledges that Scott-Roberts is not a law firm and does not provide legal advice in connection with Scott-Roberts's furnishing of Reports to Client or Client's use of such Reports. Client understands that any communications by Scott-Roberts's employees or representatives regarding searches, verifications, or the content of reports are not to be considered or construed as legal advice. Client shall consult with counsel as appropriate before deciding whether to act upon information reported by Scott-Roberts. Client understands that sample forms or documents made available by Scott-Roberts to Client, including, but not limited to, sample disclosure notices, written authorizations, and adverse action notices, are offered solely as a courtesy and should not be construed as legal advice. Laws governing the content of such documents frequently change. Accordingly, Client shall consult with counsel to make sure that it is using appropriate documents that comply with any and all applicable federal, state, and local laws. Use of Scott-Roberts's sample documents or processes—including any process designed to obtain the consumer's consent to the

background check—is entirely optional. Therefore, if Client chooses to use Scott-Roberts’s sample documents or processes in part or whole, Client agrees that such documents/processes should be considered its own (not that of Scott-Roberts), and that Client has consulted with its own legal counsel to the extent necessary regarding the use of such documents/processes. Client shall indemnify and hold harmless Scott-Roberts, its affiliates, and subsidiaries and their respective officers, directors, employees, agents, and insurers from and against any and all damages, penalties, losses, liabilities, judgments, settlements, awards, costs, and expenses (including reasonable attorneys’ fees and expenses) arising out of or in connection with any third-party claims, assertions, demands, causes of action, suits, proceedings or other actions, whether at law or in equity, related in any manner to Client’s use of sample forms, sample documents, or processes made available by Scott-Roberts.

7. **Responsibility for Decision-Making.** Client understands and agrees that Scott-Roberts does not make the decision to deny employment, deny tenancy, or take any other adverse action based on any reported findings in the Scott-Roberts investigation process. This responsibility rests solely with Client. Client accepts full responsibility for any decision or adverse action made in part or whole on a Report provided by Scott-Roberts.

8. **Warranties, Remedies, and Indemnification.**

- A. Scott-Roberts assembles information from a variety of sources, including courthouses and government agencies. Client understands that these information sources are not maintained by Scott-Roberts. Therefore, Scott-Roberts cannot be a guarantor that the information provided from these sources is absolutely accurate. Nevertheless, Scott-Roberts has in place procedures designed to ensure the maximum possible accuracy of the information reported and also procedures designed to respond promptly to claims of incorrect or inaccurate information in accordance with applicable law.
- B. Client understands that Scott-Roberts obtains the information in its Consumer Reports and Investigative Consumer Reports from various third-party sources “AS IS” and, therefore, is providing the information to Client “AS IS”. **SCOTT-ROBERTS MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR IMPLIED WARRANTIES ARISING FROM THE COURSE OF DEALING OR A COURSE OF PERFORMANCE; SCOTT-ROBERTS EXPRESSLY DISCLAIMS ANY AND ALL SUCH REPRESENTATIONS AND WARRANTIES.**
- C. In addition to any indemnification obligation set forth elsewhere in this Agreement, Client shall indemnify and hold harmless Scott-Roberts, its affiliates, and subsidiaries and their respective officers, directors, employees, agents, and insurers from and against any and all damages, penalties, losses, liabilities, judgments, settlements, awards, costs, and expenses (including reasonable attorneys’ fees and expenses) arising out of or in connection with any third-party claims, assertions, demands, causes of action, suits, proceedings or other actions, whether at law or in equity, related in any manner to: (i) any breach by Client of this Agreement or addenda to this Agreement, (ii) Client’s violation of applicable laws or ordinances, or (iii) Client’s negligence, misconduct, recklessness, errors or omissions.

- D. SCOTT-ROBERTS SHALL NOT BE LIABLE TO CLIENT FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY, OR INDIRECT DAMAGES (INCLUDING LOST PROFITS OR SAVINGS), EVEN IF SCOTT-ROBERTS WAS ADVISED OF THE POSSIBILITY OF THE OCCURRENCE OF SUCH DAMAGES. IN ADDITION, SCOTT-ROBERTS SHALL NOT BE LIABLE TO CLIENT UNDER ANY CIRCUMSTANCES FOR AN AMOUNT THAT EXCEEDS THE TOTAL FEES PAID TO SCOTT-ROBERTS BY CLIENT DURING THE 12 MONTHS BEFORE SUCH LIABILITY AROSE, OR \$25,000, WHICHEVER IS LOWER. BOTH PARTIES AGREE THAT THE PRICES AFFORDED TO CLIENT ARE PREMISED ON THIS CAP ON DAMAGES.**

9. Fees and Invoices. Client shall be responsible for paying all fees for services rendered to it, consistent with Scott-Roberts's then-applicable prices. In addition to service fees, Client shall be responsible for reimbursing Scott-Roberts for all data access charges or similar charges incurred by Scott-Roberts in carrying out the requested searches/verifications (e.g., applicable court access costs or surcharges levied by federal, state, county governments, or governmental agencies, or fees charged by educational institutions, employer verification lines, licensing agencies, or other third-parties for access to information). Client shall also be responsible for charges resulting from Client's own errors (e.g., inputting data incorrectly or making duplicate requests). Scott-Roberts may increase its fees for service at any time upon written notice. Client will be billed monthly. Invoices are considered past due after thirty (30) days from date of invoice. Unpaid balances thereafter are subject to a monthly interest charge of up to 1.5% per month until the obligation is paid in full, as allowed by law. Client shall review all invoices furnished and shall notify Scott-Roberts of any discrepancies within thirty (30) days of receipt of the invoice. Absent an appropriate notice within thirty (30) days, the invoice will be deemed approved and accepted by Client. If it becomes necessary for Scott-Roberts to pursue any collection of any amount due from Client under this Agreement, in addition to the principal amount due and interest, Scott-Roberts shall be entitled to recover its costs of collection including, without limitation, reasonable attorney's fees, as allowed by law.

10. Term. This Agreement may be terminated by either Party for any reason whatsoever upon 30 days' prior written notice to the other Party. Notwithstanding the above, Scott-Roberts may terminate this Agreement immediately upon written notice if Client is the debtor in a bankruptcy action or in an assignment for the benefit of creditors or if Client undergoes a change in ownership. In addition, Scott-Roberts may terminate the Agreement immediately if it determines that Client has violated the Agreement or a separate legal requirement, or if it determines that there has been a material change in existing legal requirements that adversely affects the Agreement.

11. Miscellaneous.

- A. Counterparts; Facsimile Signatures.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- B. Independent Contractor.** Each party 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.

- C. **Address Change.** Client shall notify Scott-Roberts if Client changes its name or address.
- D. **Information for “Vetting Purposes”.** Client shall be expected to provide certain information to Scott-Roberts regarding the nature of its business so that Scott-Roberts may appropriately “vet” Client before providing Reports.
- E. **General Legal Compliance.** Client shall comply with all laws applicable to its ordering, receipt, or use of Reports from Scott-Roberts.
- F. **Receipt of Federal Notices.** Client acknowledges that it has received a copy of two governmental notices: “A Summary of Your Rights Under the Fair Credit Reporting Act” and “Notice to Users of Consumer Reports.”
- G. **Audits.** Scott-Roberts shall have the right to conduct periodic audits of Client’s compliance with this Agreement. Any violations discovered as a result of such audit may be cause for immediate action by Scott-Roberts, including, but not limited to, immediate termination of this Agreement.
- H. **Forum Selection and Choice of Law.** Florida law and federal law will govern this Agreement for all matters except for collections. The parties agree that any legal disputes other than collection matters will be handled in state court in Palm Beach County, Florida or federal court in the Southern District of Florida. Both parties agree that personal jurisdiction exists in Florida.
- I. **Validity of Agreement.** The invalidity or unenforceability of any one provision of this Agreement shall not impair the validity and enforceability of the remaining provisions.
- J. **Force Majeure.** The obligation of Scott-Roberts to perform under this Agreement shall be excused if caused by matters beyond its reasonable control, including, without limitation, pandemic, 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.
- K. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided, however, Client shall not assign or otherwise transfer this Agreement or any interest herein without the prior written consent of Scott-Roberts.
- L. **No Third-Party Beneficiaries.** Except as specifically provided for herein, this Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective successors and permitted assigns.
- M. **No Waiver.** The failure of either party to insist on prompt performance of their duties shall not constitute a waiver of that duty.
- N. **Exhibits and Schedules Incorporated.** All Exhibits included herein are incorporated.

- O. **Survival.** The following provisions shall survive termination of this Agreement: 3B(2)(e), 4, 5C (indemnification), 5D (indemnification), 6, 7, 8, 9, 11E, and 11H.
- P. **Entire Agreement.** This Agreement and any exhibits hereto constitute the entire agreement between the parties and supersede 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.

Client's Express Agreement To These Terms and Conditions

By checking the "I/We agree" box below and hitting "Submit," You are hereby agreeing to the above Terms and Conditions.

☐ **I/We agree**

Name of Client: _____

Mailing Address of Client: _____

Name of Individual Agreeing On Behalf Of Client: _____

Title of Individual Agreeing On Behalf Of Client: _____

[SUBMIT]

EXHIBIT A

Additional Terms And Conditions For Those Ordering Employment Verification Information From "The Work Number."

Equifax Verification Solutions (EVS) Employment Information (as defined below) will be received by Subscriber through CRA subject to the following conditions (the "Terms and Conditions"):

1. Any information services and data originating from EVS (the "EVS Employment Information") will be requested only for Subscriber's exclusive use and held in strict confidence except to the extent that disclosure to others is required or permitted by law. Only designated representatives of Subscriber will request EVS Employment Information on Subscriber's employees, and employees will be forbidden to obtain EVS Employment Information on themselves, associates or any other persons except in the exercise of their official duties. Subscriber will not disclose EVS Employment Information to the subject of the EVS Employment Information except as permitted or required by law, but will refer the subject to EVS.

2. Subscriber will hold EVS and all its agents harmless on account of any expense or damage arising or resulting from the publishing or other disclosure of EVS Employment Information by Subscriber, its employees or agents contrary to the conditions of Section 1 above or applicable law.

3. Subscriber recognizes that EVS does not guarantee the accuracy or completeness of EVS Employment Information and Subscriber releases EVS and EVS's agents, employees, affiliated credit reporting agencies and independent contractors from any liability, including negligence, in connection with the provision of EVS Employment Information and from any loss or expense suffered by Subscriber resulting directly or indirectly from EVS Employment Information. Subscriber covenants not to sue or maintain any claim, cause of action, demand, cross-action, counterclaim, third-party action or other form of pleading against EVS, EVS's agents, employees, affiliated credit reporting agencies, or independent contractors arising out of or relating in any way to the accuracy, validity, or completeness of any EVS Employment Information.

4. Subscriber will be charged for the EVS Employment Information by CRA, which is responsible for paying EVS for the EVS Employment Information; provided, however, should the underlying relationship between Subscriber and CRA terminate at any time during the term of this Agreement, charges for the EVS Employment Information will be invoiced to Subscriber, and Subscriber will be solely responsible to pay EVS directly.

5. Fair Credit Reporting Act Certification. Subscriber certifies that it will order EVS Employment Information, which is a consumer report as defined by the federal Fair Credit Reporting Act, 15 U.S.C. 1681 et seq. ("FCRA"), only when Subscriber intends to use the EVS Employment Information: (a) in accordance with the FCRA and all state law counterparts; and for the following permissible purpose: for employment purposes; provided, however, that Subscriber certifies that, before ordering EVS Employment Information to be used in connection with employment purposes, it will clearly and conspicuously disclose to the Consumer, in a written document consisting solely of the disclosure, that Subscriber may obtain EVS Employment Information for employment purposes, and will also obtain the Consumer's written authorization to obtain or procure EVS Employment Information relating to that Consumer. Subscriber further certifies that it will not take adverse action against the Consumer based in whole or in part upon the EVS Employment Information without first providing to the Consumer to whom the EVS Employment Information relates a copy of the EVS Employment Information and a written description of the Consumer's rights as prescribed by the Consumer Financial Protection Bureau ("CFPB") under Section 609(c)(3) of the FCRA as referenced on Exhibit C attached hereto, and also will not use any EVS Employment Information in violation of any applicable federal or state equal employment opportunity law or regulation. Subscriber will use EVS Employment Information ordered under this Agreement for the foregoing purpose and for no other purpose. Subscriber acknowledges that it has received from CRA a copy of the consumer rights summary as prescribed by the CFPB as referenced on Exhibit C.

It is recognized and understood that the FCRA provides that anyone "who knowingly and willfully obtains information on a consumer from a consumer reporting agency under false pretenses shall be fined under Title 18, United States Code, imprisoned for not more than two (2) years, or both." EVS may periodically conduct audits of Subscriber regarding its compliance with the FCRA and other certifications in this Agreement. Audits will be conducted by email whenever possible and will require Subscribers to provide documentation as to permissible use of particular EVS Employment Information. In addition, CRA will be required to provide documentation indicating CRA validated the legitimacy of subscriber prior to contract execution and will also provide a copy of agreement between CRA and Subscriber. Subscriber gives its consent to EVS to conduct such audits and agrees that any failure to cooperate fully and promptly in the conduct of any audit, or Subscriber's material breach of this Agreement, constitute grounds for immediate suspension of the Service or termination of this Agreement. If EVS terminates this Agreement due to the conditions in the preceding sentence, Subscriber (i) unconditionally releases and agrees to hold EVS harmless and indemnify it from and against any and all liabilities of whatever kind or nature that may arise from or relate to such termination, and (ii) covenants it will not assert any claim or cause of action of any kind or nature against EVS in connection with such termination.

Vermont Certification. Subscriber certifies that it will comply with applicable provisions under Vermont law. In particular, Subscriber certifies that it will order EVS Employment Information relating to Vermont residents that are consumer reports as defined by the Vermont Fair Credit Reporting Act ("VFCRA"), only after Subscriber has received prior Consumer consent in accordance with VFCRA Section 2480e and applicable Vermont Rules. Subscriber further certifies that a copy of Section 2480e of the Vermont Fair Credit Reporting Statute, attached hereto, was received from CRA.

Subscriber will comply with the applicable provisions of the FCRA, Federal Equal Credit Opportunity Act and any amendments to it, all state law counterparts of them, and all applicable regulations promulgated under any of them including, without limitation, any provisions requiring adverse action notification to the Consumer.

6. Data Security. This Section 6 applies to any means through which Subscriber orders or accesses EVS Employment Information including, without limitation, system-to-system, personal computer or the Internet. The term "Authorized User" means a Subscriber employee that Subscriber has authorized to order the EVS Employment Information and who is trained on Subscriber's obligations under this Agreement with respect to the ordering and use of the EVS Employment Information, including Subscriber's FCRA and other obligations with respect to the access and use of consumer reports.

(a) With respect to handling the EVS Employment Information, Subscriber agrees to:

- (a) ensure that only Authorized Users can order or have access to EVS Employment Information,
- (b) ensure that Authorized Users do not order EVS Employment Information for personal reasons or provide them to any third party except as permitted by this Agreement,
- (c) inform Authorized Users that unauthorized access to consumer reports may subject them to civil and criminal liability under the FCRA punishable by fines and imprisonment,
- (d) ensure that all devices used by Subscriber to order or access the EVS Employment Information are placed in a secure location and accessible only by Authorized Users and that such devices are secured when not in use through such means as screen locks, shutting power controls off, or other commercially reasonable security procedures,
- (e) take all necessary measures to prevent unauthorized ordering of EVS Employment Information by any persons other than Authorized Users for permissible purposes, including, without limitation, (a) limiting the knowledge of the Subscriber security codes, member numbers, User IDs, and any passwords Subscriber may use (collectively, "Security Information"), to those individuals with a need to know, (b) changing Subscriber's user passwords at least every ninety (90) days, or sooner if an Authorized User is no longer responsible for accessing the EVS Employment Information, or if Subscriber suspects an unauthorized person has learned the password, and (c) using all security features in the software and hardware Subscriber uses to order EVS Employment Information,
- (f) in no event access the EVS Employment Information via any hand-held wireless communication device, including but not limited to, web enabled cell phones, interactive wireless pagers, personal digital assistants (PDAs), mobile data terminals, and portable data terminals,
- (g) not use non-company owned assets such as personal computer hard drives or portable and/or removable data storage equipment or media (including but not limited to laptops, zip drives, tapes, disks, CDs, and DVDs) to store EVS Employment Information.
- (h) encrypt EVS Employment Information when it is not in use and with respect to all printed EVS Employment Information store in a secure, locked container when not in use and completely destroyed when no longer needed by cross-cut shredding machines (or other equally effective destruction method) such that the results are not readable or useable for any purpose,
- (i) if Subscriber sends, transfers or ships any EVS Employment Information, encrypt the EVS Employment Information using the following minimum standards, which standards may be modified from time to time by EVS: Advanced Encryption Standard (AES), minimum 128-bit key or Triple Data Encryption Standard (3DES), minimum 168-bit key encrypted algorithms,
- (j) monitor compliance with the obligations of this Section 6, and immediately notify EVS if Subscriber suspects or knows of any unauthorized access or attempt to access the EVS Employment Information, including, without limitation, a review of EVS invoices for the purpose of detecting any unauthorized activity,

- (k) not ship hardware or software between Subscriber's locations or to third parties without deleting all Security Information and any EVS Employment Information,
- (l) if Subscriber uses a Service Provider to establish access to EVS Employment Information, be responsible for the Service Provider's use of Security Information, and ensure the Service Provider safeguards Security Information through the use of security requirements that are no less stringent than those applicable to Subscriber under this Section 6,
- (m) use commercially reasonable efforts to assure data security when disposing of any consumer information or record obtained from the EVS Employment Information. Such efforts must include the use of those procedures issued by the federal regulatory agency charged with oversight of Subscriber's activities (e.g. the Consumer Financial Protection Bureau, the applicable banking or credit union regulator) applicable to the disposal of consumer report information or records.
- (n) use commercially reasonable efforts to secure EVS Employment Information when stored on servers, subject to the following requirements: (i) servers storing EVS Employment Information must be separated from the internet or other public networks by firewalls which are managed and configured to meet industry accepted best practices, (ii) protect EVS Employment Information through multiple layers of network security, including but not limited to, industry-recognized firewalls, routers, and intrusion detection/prevention devices (IDS/IPS), (iii) secure access (both physical and network) to systems storing EVS Employment Information, which must include authentication and passwords that are changed at least every ninety (90) days; and (iv) all servers must be kept current and patched on a timely basis with appropriate security specific system patches, as they are available,
- (o) not allow EVS Employment Information to be displayed via the internet unless utilizing, at a minimum, a three-tier architecture configured in accordance with industry best practices, and
- (p) use commercially reasonable efforts to establish procedures and logging mechanisms for systems and networks that will allow tracking and analysis in the event there is a compromise, and maintain an audit trail history for at least three (3) months for review by EVS.

(a) If EVS reasonably believes that Subscriber has violated this Section 6, EVS may, in addition to any other remedy authorized by this Agreement, with reasonable advance written notice to Subscriber and at EVS's sole expense, conduct, or have a third party conduct on its behalf, an audit of Subscriber's network security systems, facilities, practices and procedures to the extent EVS reasonably deems necessary, including an on-site inspection, to evaluate Subscriber's compliance with the data security requirements of this Section 6.

7. Subscriber certifies that it has read the attached Exhibit D "Notice to Users of Consumer Reports, Obligations of Users" which explains Subscriber's obligations under the FCRA as a user of consumer information.

State Compliance Matters **Vermont Fair Credit Reporting Contract Certification**

The undersigned, ("Subscriber"), acknowledges that it subscribes to receive various information services from TALX Corporation, a provider of Equifax Verification Solutions ("EVS") in accordance with the Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999), as amended (the "VFCRA") and the Federal Fair Credit Reporting Act, 15, U.S.C. 1681 et. Seq., as amended (the "FCRA") and its other state law counterparts. In connection with Subscriber's continued use of EVS information services in relation to Vermont consumers, Subscriber hereby certifies as follows:

Vermont Certification. Subscriber certifies that it will comply with applicable provisions under Vermont law. In particular, Subscriber certifies that it will order EVS Employment Information relating to Vermont residents, that are credit reports as defined by the VFCRA, only after Subscriber has received prior consumer consent in accordance with VFCRA § 2480e and applicable Vermont Rules. Subscriber further certifies that the attached copy of § 2480e of the Vermont Fair Credit Reporting Statute was received from EVS.

Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999)

§ 2480e. Consumer consent

(a) A person shall not obtain the credit report of a consumer unless:

- (1) the report is obtained in response to the order of a court having jurisdiction to issue such an order; or
- (2) the person has secured the consent of the consumer, and the report is used for the purpose consented to by the consumer.

(b) Credit reporting agencies shall adopt reasonable procedures to assure maximum possible compliance with subsection (a) of this section.

(c) Nothing in this section shall be construed to affect:

- (1) the ability of a person who has secured the consent of the consumer pursuant to subdivision (a)(2) of this section to include in his or her request to the consumer permission to also obtain credit reports, in connection with the same transaction or extension of credit, for the purpose of reviewing the account, increasing the credit line on the account, for the purpose of taking collection action on the account, or for other legitimate purposes associated with the account; and

- (2) the use of credit information for the purpose of prescreening, as defined and permitted from time to time by the Consumer Financial Protection Bureau.

VERMONT RULES * CURRENT THROUGH JUNE 1999 *****

AGENCY 06. OFFICE OF THE ATTORNEY GENERAL

SUB-AGENCY 031. CONSUMER PROTECTION DIVISION

CHAPTER 012. Consumer Fraud--Fair Credit Reporting

RULE CF 112 FAIR CREDIT REPORTING

CVR 06-031-012, CF 112.03 (1999)

CF 112.03 CONSUMER CONSENT

(a) A person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing if the consumer has made a written application or written request for credit, insurance, employment, housing or governmental benefit. If the consumer has applied for or requested credit, insurance, employment, housing or governmental benefit in a manner other than in writing, then the person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing or in the same manner in which the consumer made the application or request. The terms of this rule apply whether the consumer or the person required to obtain consumer consent initiates the transaction.

(b) Consumer consent required pursuant to 9 V.S.A. §§ 2480e and 2480g shall be deemed to have been obtained in writing if, after a clear and adequate written disclosure of the circumstances under which a credit report or credit reports may be obtained and the purposes for which the credit report or credit reports may be obtained, the consumer indicates his or her consent by providing his or her signature.

(c) The fact that a clear and adequate written consent form is signed by the consumer after the consumer's credit report has been obtained pursuant to some other form of consent shall not affect the validity of the earlier consent.