

## CLIENT AGREEMENT

This Client Agreement (“Agreement”) is made and entered into by and between TenantReportX, LLC (“TenantReportX”) 370 Reed Rd #100, Broomall, PA 19008, and *(insert legal business name)* (“Client”) with a business address . This Agreement shall be effective on the date of the last signature below (the “Effective Date”).

### RECITALS

WHEREAS, Client plans to order Consumer Reports and/or Investigative Consumer Reports as defined by the Fair Credit Reporting Act (collectively “Reports”) from TenantReportX;

WHEREAS, TenantReportX desires to prepare and deliver Reports to Client for a fee;

WHEREAS, TenantReportX and Client desire to further define the terms by which Reports will be provided by TenantReportX to Client;

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, TenantReportX and Client hereby agree as follows:

### TERMS

**1. Identification of Permissible Purpose For Receiving Reports.** Client hereby certifies that all of its orders for Reports from TenantReportX shall be made, and the resulting Reports shall be used, for the following permissible purpose under the Fair Credit Reporting Act (“FCRA”) only:

(Please check box below):

<input 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, including those additional terms and conditions more particularly set forth in the appendices located at [TRX Appendices](#) (hereinafter the “TRX Appendices”), 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 TenantReportX. The parties agree that the Appendices may be amended from time to time and shall be incorporated herein and made a part of this Agreement. 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 TenantReportX, 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 including as set forth in the [TRX Appendices](#). 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 TenantReportX 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 TenantReportX, 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 TenantReportX, 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, TenantReportX, (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 TenantReportX the legally-allowed time to resolve the dispute before deciding whether to take adverse action.

- F. Certifications Associated With Each Order.** By having TenantReportX 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 TenantReportX 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 TenantReportX 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 TenantReportX, (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. Legal Certifications For Non-Employment Reports.** Client understands that various legal requirements apply if/when it orders Reports for reasons other than 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 non-employment purposes.

- A. **Federal, State, and Local Law Notifications.** Client certifies that before ordering a Report from TenantReportX for non-employment purposes, it shall provide any necessary notifications under applicable federal, state, and local law to the Consumer. Client understands that various states, including, but not limited to, California, New York, Massachusetts, and Washington require that specific information be communicated to the Consumer under certain circumstances. Client agrees that it will work with experienced legal counsel as appropriate to ensure that all applicable requirements are accounted for.
  - B. **Written Consent.** Client certifies that, consistent with the FCRA, before ordering a Report from TenantReportX, the Consumer shall authorize in writing the procurement of such Report. Consent paperwork shall appropriately inform the Consumer of the reason for the TenantReportX check and the nature of such check, in compliance with the FCRA.
  - C. **Post-Adverse Action Procedures.** If Client decides to take adverse action based upon a Report provided by TenantReportX, it shall issue to the Consumer notice of any adverse action taken based in part or whole on a Report, including the statutorily-required notice identified in the FCRA. Among other things, such notice shall include: (1) the name, address, and telephone number of the consumer reporting agency, TenantReportX, (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.
4. **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. By having TenantReportX 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. 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.
- B. **Credit History Information.** If Client chooses to order credit reports from TenantReportX, 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. TenantReportX 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 TenantReportX and Client for Scores obtained from a credit bureau, or as explicitly otherwise authorized in advance and in writing by a credit bureau through TenantReportX, 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 TenantReportX makes Client aware of such a requirement.
- C. **Criminal History Information.** TenantReportX 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 TenantReportX 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 TenantReportX-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 understands that when MVRs are sought in certain states, Client will be required to complete and store certain state-specific written consent materials in connection with any MVR check performed by TenantReportX. Client agrees to complete such state-specific written consent materials as required by law or requested by TenantReportX.
- E. **The Work Number.** Client acknowledges that special requirements are imposed by Talx Corporation before access to “The Work Number” may be provided by TenantReportX. If Client chooses to order such information from TenantReportX, Client agrees to comply with the terms for “Subscribers” identified on Exhibit B to this Agreement.
- F. **Death Master File.** Client acknowledges that certain data provided by TenantReportX includes information obtained from the Deal Master File (“DMF”), made available by the US Department of Commerce National Technical Information Services (“NTIS”) and subject to regulations found at 15 CFR Part 1110 and Client agrees that it shall comply with the DMF terms located within the [TRX Appendices](#).

5. **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 TenantReportX 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, TenantReportX 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 TenantReportX. Client shall manage all Account IDs and notify TenantReportX promptly if any Account ID becomes inactive or invalid. Client shall follow the policies and procedures of TenantReportX 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 TenantReportX 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.** Client agrees to implement and maintain a comprehensive information security program written in one

or more readily accessible parts that contains administrative, technical and physical safeguards appropriate to Client's size and complexity as set forth in the Access Security Requirements contained in the [TRX Appendices](#). 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.

**6. TenantReportX's Services and Obligations.**

- A. Compliance with Applicable Laws.** TenantReportX agrees to comply with all laws applicable to consumer reporting agencies. Among other things, TenantReportX 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.** TenantReportX 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 TenantReportX. Client also understands that it will not receive information from TenantReportX that falls outside of a requested search, and that it will not receive information that TenantReportX determines—in its sole discretion—to be unreportable under applicable law.
- C. Administrative Role As To Adverse Action Correspondence.** If Client elects to have TenantReportX send out pre- and/or post-adverse action letters on its behalf, Client understands that it must notify TenantReportX each time it wishes for a letter to go out. TenantReportX 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 TenantReportX, and understands that it must notify TenantReportX if it wishes to use a particular template or if it wishes to modify the template made available through TenantReportX. Client agrees that TenantReportX 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 TenantReportX. Both parties agree that TenantReportX's role as to the adverse action process is strictly administrative. Client shall indemnify and hold harmless TenantReportX, 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 TenantReportX'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 TenantReportX conduct an initial review of completed Reports on its behalf, Client shall supply TenantReportX 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 TenantReportX plays no role in deciding whether a Consumer should incur adverse action based upon a Report, and that TenantReportX's role is strictly administrative. Client accepts full responsibility for any and all substantive decision-making based upon a Report prepared by TenantReportX. Client understands that TenantReportX 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 TenantReportX, 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 TenantReportX's initial review of reports (as discussed in this Section).

**7. 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 TenantReportX is not a law firm and does not provide legal advice in connection with TenantReportX's furnishing of Reports to Client or Client's use of such Reports. Client understands that any communications by TenantReportX'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 TenantReportX. Client understands that sample forms or documents made available by TenantReportX 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 TenantReportX'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 TenantReportX's sample documents or processes in part or whole, Client agrees that such documents/processes should be considered its own (not that of TenantReportX), 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 TenantReportX, 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 TenantReportX.

**8. Responsibility for Decision-Making.** Client understands and agrees that TenantReportX does not make the decision to deny employment, deny tenancy, or take any other adverse action based on any reported findings in the TenantReportX 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 TenantReportX.

**9. Warranties, Remedies, and Indemnification.**

- A.** TenantReportX assembles information from a variety of sources, including courthouses and government agencies. Client understands that these information sources are not maintained by TenantReportX. Therefore, TenantReportX cannot be a guarantor that the information provided from these sources is absolutely accurate. Nevertheless, TenantReportX 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 TenantReportX 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". **TENANTREPORTX 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; TENANTREPORTX 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 TenantReportX, 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. TENANTREPORTX SHALL NOT BE LIABLE TO CLIENT FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY,**

**OR INDIRECT DAMAGES (INCLUDING LOST PROFITS OR SAVINGS), EVEN IF TENANTREPORTX WAS ADVISED OF THE POSSIBILITY OF THE OCCURRENCE OF SUCH DAMAGES. IN ADDITION, TENANTREPORTX SHALL NOT BE LIABLE TO CLIENT UNDER ANY CIRCUMSTANCES FOR AN AMOUNT THAT EXCEEDS THE TOTAL FEES PAID TO TENANTREPORTX BY CLIENT DURING THE 12 MONTHS BEFORE SUCH LIABILITY AROSE. BOTH PARTIES AGREE THAT THE PRICES AFFORDED TO CLIENT ARE PREMISED ON THIS CAP ON DAMAGES.**

**10. Fees and Invoices.** Client shall be responsible for paying all fees for services rendered to it, consistent with Exhibit A. In addition to service fees, Client shall be responsible for all data access charges or similar charges incurred by TenantReportX 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). TenantReportX 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 TenantReportX 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 TenantReportX to pursue any collection of any amount due from Client under this Agreement, in addition to the principal amount due and interest, TenantReportX shall be entitled to recover its costs of collection including, without limitation, reasonable attorney's fees, as allowed by law.

**11. 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, TenantReportX 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, TenantReportX 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.

**12. 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 TenantReportX if Client changes its name or address.
- D. **Information for “Vetting Purposes”.** Client shall be expected to provide certain information to TenantReportX regarding the nature of its business so that TenantReportX 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 TenantReportX.
- 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.** TenantReportX shall have the right to conduct periodic audits of Client’s compliance with this Agreement. In addition, certain third-party vendors, such as departments of motor vehicles and credit bureaus, require the right to audit Client either directly or through TenantReportX. The scope and frequency of any audit shall be at the reasonable discretion of TenantReportX and will be subject to requirements imposed by third-party vendors. TenantReportX will provide reasonable notice prior to conducting any audit provided that TenantReportX 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 TenantReportX, including, but not limited to, immediate termination of this Agreement.
- H. **Forum Selection and Choice of Law.** Pennsylvania 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 Pennsylvania or federal court in Pennsylvania. Both parties agree that personal jurisdiction exists in Pennsylvania.
- 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 TenantReportX 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 TenantReportX.
- 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, Schedules and TRX Appendices Incorporated.** All Exhibits and Schedules attached hereto, including the TRX Appendices link, are incorporated herein.
- O. **Survival.** The following provisions shall survive termination of this Agreement: 4B(2)(e), 5, 6C (indemnification), 6D (indemnification), 7, 8, 9, 10, 12E, and 12H.
- P. **Entire Agreement.** This Agreement and any attachments 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.

In signing this Agreement on behalf of Client, the individual below hereby certifies that he/she has direct knowledge of the facts addressed above and that **he/she is authorized to execute this Agreement on behalf of Client.**

\_\_\_\_\_  
Client's Legal Business Name

TenantReportX, LLC

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Physical Address/Location of Client Identified Above

\_\_\_\_\_  
\_\_\_\_\_

Exhibit A – Pricing

to be attached.

Exhibit B – Additional Terms  
For Ordering Employment Verification  
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.

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.

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.

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**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.

Exhibit C – Consumer Summary of Rights

**A Summary of Your Rights Under the Fair Credit Reporting Act**

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore)** or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
  - a person has taken adverse action against you because of information in your credit report;
  - you are the victim of identity theft and place a fraud alert in your file;
  - your file contains inaccurate information as a result of fraud;
  - you are on public assistance;
  - you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for an explanation of dispute procedures.



- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete, or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- The following FCRA right applies with respect to nationwide consumer reporting agencies:  
**CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY FREEZE**  
You have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer’s credit file. Upon seeing a fraud alert display on a consumer’s credit file, a business is required to take steps to verify the consumer’s identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years. A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing

account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

• **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.

• **Identity theft victims and active duty military personnel have additional rights.** For more information, visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. For information about your federal rights, contact:**

TYPE OF BUSINESS:	CONTACT:
<p>1.a. Banks, savings associations, and credit unions with total assets of over \$10 billion and their affiliates</p> <p>b. Such affiliates that are not banks, savings associations, or credit unions also should list, in addition to the CFPB:</p>	<p>a. Consumer Financial Protection Bureau 1700 G Street NW Washington, DC 20552</p> <p>b. Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue NW Washington, DC 20580 (877) 382-4357</p>
<p>2. To the extent not included in item 1 above:</p> <p>a. National banks, federal savings associations, and federal branches and federal agencies of foreign banks</p> <p>b. State member banks, branches and agencies of foreign banks (other than federal branches, federal agencies, and Insured State Branches of Foreign Banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act.</p> <p>c. Nonmember Insured Banks, Insured State Branches of Foreign Banks, and insured state savings associations</p> <p>d. Federal Credit Unions</p>	<p>a. Office of the Comptroller of the Currency Customer Assistance Group P.O. Box 53570 Houston, TX 77052</p> <p>b. Federal Reserve Consumer Help Center P.O. Box 1200 Minneapolis, MN 55480</p> <p>c. Division of Depositor and Consumer Protection National Center for Consumer and Depositor Assistance Federal Deposit Insurance Corporation 1100 Walnut Street, Box #11 Kansas City, MO 64106</p> <p>d. National Credit Union Administration Office of Consumer Financial Protection 1775 Duke Street Alexandria, VA 22314</p>
3. Air carriers	Assistant General Counsel for Office of Aviation Consumer Protection Department of Transportation 1200 New Jersey Avenue SE Washington, DC 20590
4. Creditors Subject to the Surface Transportation Board	Office of Public Assistance, Governmental Affairs, and Compliance Surface Transportation Board 395 E Street SW Washington, DC 20423
5. Creditors Subject to the Packers and Stockyards Act, 1921	Nearest Packers and Stockyards Division Regional Office

6. Small Business Investment Companies	Associate Administrator, Office of Capital Access United States Small Business Administration 409 Third Street SW, Suite 8200 Washington, DC 20416
7. Brokers and Dealers	Securities and Exchange Commission 100 F Street NE Washington, DC 20549
8. Institutions that are members of the Farm Credit System	Farm Credit Administration 1501 Farm Credit Drive McLean, VA 22102-5090
9. Retailers, Finance Companies, and All Other Creditors Not Listed Above	Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue NW Washington, DC 20580 (877) 382-4357

Exhibit D  
Notice to Users of Consumer Reports and Obligations of Users

The Fair Credit Reporting Act (FCRA), 15 USC §1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. All users of consumer reports must comply with all applicable regulations, including regulations promulgated after this notice was prescribed in 2004. Information about applicable regulations currently in effect can be found at the **Consumer Financial Protection Bureau's website**, [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore). 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 Bureau's website. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

**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 follows:

- As ordered by a court or a federal grand jury subpoena, see Section 604 (a)(1);
- As instructed by the consumer in writing, see 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, see Section 604(a)(3)(A);
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission, see Sections 604(a)(3)(B) and 604(b);
- For the underwriting of insurance as a result of an application from a consumer, see Section 604(a)(3)(C);
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer, see 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, see Section 604(a)(3)(F)(ii);
- To determine a consumer's eligibility for a license or other benefit granted by a governmental entity required by law to consider an applicant's financial responsibility or status, see 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, see Section 604(a)(3)(E); or
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof, see 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(a) 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; and
- 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 the 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 Section 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(b) imposes limitations on the 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 Consumer Financial Protection Bureau and the banking and credit union regulators. The Consumer Financial Protection Bureau regulations will be available at [www.consumerfinance.gov/learnmore/](http://www.consumerfinance.gov/learnmore/).

**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 Consumer Financial Protection Bureau, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Consumer Financial Protection Bureau regulations may be found at [www.consumerfinance.gov/learnmore/](http://www.consumerfinance.gov/learnmore/).

**II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES**

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 Consumer Financial Protection Bureau.

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, user has specific duties, which are set forth in Section 604(b) of the FCRA. 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) outlines 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 user by contacting the user.

### **IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED**

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 subject 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:

- 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).
- 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**

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 user 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**

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**

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. See Sections 603(1), 604(c), 604(e), and 615(d). This practice is known as “prescreening” and typically involves obtaining from a CRA a list of consumers who meet certain pre-established criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and to grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer’s CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, once the Consumer Financial Protection Bureau has established the format, type size, and manner of the disclosure required by Section 615(d), with which user must comply. The regulation is 12 CFR 1022.54.

## **VIII. OBLIGATIONS OF RESELLERS**

### **A. Disclosure and Certification Requirements**

Section 607(e) requires any person who obtains a consumer report for resale to take the following steps:

- Disclose the identity of the end-user to the source CRA.
- Identify to the source CRA each permissible purpose for which the report will be furnished to the end-user.

- Establish and follow reasonable procedures to ensure that reports are resold only for permissible purposes, including procedures to obtain:
  1. the identity of all end-users;
  2. certifications from all users of each purpose for which reports will be used; and
  3. certification that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

#### **B. Reinvestigations by Resellers**

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When any CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

#### **C. Fraud Alerts and Resellers**

Section 605A(f) requires resellers who receive fraud alerts or active duty alerts from another consumer reporting agency to include these in their reports.

### **IX. LIABILITY FOR VIOLATIONS OF THE FCRA**

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

The Consumer Financial Protection Bureau website, [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore), has more information about the FCRA.

#### **Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1618 et seq.:**

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