

## **AGREEMENT FOR SERVICE**

This Agreement is entered into by and between Accurate Information Systems, Inc., (hereinafter referred to as "AIS") and \_\_\_\_\_ (hereinafter referred to as the "Client").

WHEREAS, the Client has obtained all required and appropriate consents from an individual or individuals to enable the Client to obtain consumer and investigative reports regarding such person or persons to be used to evaluate certain transactions between the Client and the consenting individual;

AND WHEREAS, the Client wishes to use AIS as a service provider to obtain and purchase such reports and AIS wishes to sell such reports to the Client, on and subject to the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, and other good and valuable consideration (receipt and sufficiency of which is hereby acknowledged by AIS and the Client), AIS and the Client hereby covenant and agree as follows:

1. Defined Terms. In this Agreement, the following terms shall, unless the context clearly requires otherwise, have the meaning established for such terms as follows:

(a) "Agreement" shall mean this agreement, including the schedules hereto, and all amendments made in writing between the parties;

(b) "Applicable Law" means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, regulatory policy or guideline codes or standards of any Governmental Authority, or any order, judgment, injunction, directive, decision, decree, award or writ of any court, tribunal, arbitrator, Governmental Authority or any consent, exemption, approval or license of any Governmental Authority;

(c) "Business Day" shall mean a day other than a Saturday, Sunday or any other day that is a statutory holiday or other generally accepted holiday in the applicable State or County of service delivery;

(d) "Consent" means all required consents, waivers, acknowledgements and other directions required under the Privacy Act and all other Applicable Law to be obtained from a Consumer to enable the Client to retain AIS to collect, use and disclose Personal Information about that Consumer;

(e) "Consumer" means any individual;

(f) "Consumer Reports" has the meaning ascribed thereto in the Fair Credit Report Act or appropriate equivalent legislation in other States, whichever is applicable;

(g) "Governmental Authority" means any government, parliament, legislature, regulatory authority, governmental department, agency, commission, board, tribunal, or court or other law, rule or regulation-making entity of any nation, state or province or other subdivision thereof or any municipality, district or other subdivision thereof;

(h) "Personal Information" has the meaning ascribed thereto in the Privacy Act;

(i) "Reports" means any Consumer Report or investigative report, results, summary or information (whether written or oral and whether or not in electronic form) containing Personal Information and/or financial information about a Consumer which is supplied from time to time by AIS to the Client or which the Client orders pursuant to this Agreement and "Report" means any one of them; and

(j) "Representatives" means, with respect to an entity, that entity's directors, officers, shareholders, employees, contractors, agents, representatives and all the affiliates of such entity together with their respective and applicable directors, officer, shareholders, employees, contractors, agents and representatives.

2. Service. AIS Agrees to provide the Client with Reports ordered by the Client from time to time, provided that the Client complies with all the provisions of this Agreement.

3. Fees. The Clients agrees to pay the applicable fee for each type of Report as setout in "Corporate rates" or other written pricing agreement plus all-applicable taxes. In the event that the Client and AIS agree on a revised fee from time to time in the future, that revised fee shall apply in respect of all future reports. AIS will invoice the Client monthly for services performed and the Client agrees to pay such invoice within 30 days of the date of the invoice. Interest on overdue invoices shall accrue at the rate of eighteen (18%) percent per annum compounded monthly until paid.

4. Computer Access. AIS may provide the Client with the ability to order and obtain Reports Electronically. Where AIS issues a user ID and password to the Client, the Client agrees to keep the user ID and password strictly confidential and grant access to this information only to those authorized to have access. AIS has the right to immediately cease providing Reports in the event that it learns that unauthorized personnel are using the User ID and/or password.

5. Procedure for Obtaining Reports. The Client covenants and agrees to comply with a Observe the following procedures in respect of ordering, obtaining and using Reports:

- (a) The Client will order a Report from AIS only where the Client has obtained Consent from the Consumer;
- (b) Each request for a Report provided to AIS will indicate the specific purpose involved and the Client covenants and agrees that it will use such Reports and the Personal Information therein only for the specific purpose in the Consent;
- (c) Consumer Reports will be ordered by the Client from AIS only in respect of a pending decision by the Client for the extension of credit, collection of a debt, employment purpose (which term includes initial employment, promotion, reassignment or retention as an employee), for security clearance purposes, or otherwise in connection with a legitimate business transaction involving the Consumer and the Client; and
- (d) With regard to Consumer Reports for employment purposes, before requesting each employment report from AIS;

- (i) The Client will make clear and conspicuous disclosure in writing to the Consumer in a document that consists solely of the disclosure, that a Consumer Report may be procured for the employment decision;
- (ii) the Consent must include specific disclosure to the Consumer that the Client is procuring a Consumer Report and that a Consumer Report containing Personal information as to the Consumer's character, general reputation, personal characteristics, and the mode of living, whichever are applicable, may be made, and the name and address of AIS as stipulated under appropriate Consumer Reporting legislation; and
- (iii) the Client will, upon request made by the Consumer, refer the Consumer to AIS for disclosure of the Consumer Report contents.

6. Representations, Warranties and Covenants from Client. The Client hereby represents, warrants and covenants to AIS and acknowledges that AIS is relying on such representations, warranties and covenants in connection with providing the Services:

- (a) the Client has obtained written Consent of Consumer prior to ordering a Report from AIS and the Consent has not been revoked or varied;
- (b) the Client agrees to provide AIS with a copy of any Consent upon request by AIS and where AIS is not satisfied with the scope or nature of the Consent, the Client agrees that it will procure a replacement Consent before receiving a Report, or where a Report has already been delivered, will stop using the Report until the Client has obtained a replacement Consent;
- (c) the Client will notify AIS promptly should any Consent be revoked or varied and the Client will not use any Personal Information obtained under a Consent that has been revoked or varied and will promptly destroy all such Reports;
- (d) the Client will utilize the Reports and Personal Information received from AIS only as explicitly permitted under the Consent and in compliance with all Applicable Laws;
- (e) the Client will maintain all Personal Information contained in Reports in complete and strict confidentiality and not permit any other Person to access or obtain copies of any Reports, except for the Person(s) explicitly authorized in the Consent to obtain or access the Report and whose duty requires such Person to participate in the decision for the transaction for which the Consent was given;
- (f) if the Client is utilizing the services of the National Criminal Records search, the Client agrees that in addition to obtaining Consent, the identification of the Consumer must be viewed as outlined on forms supplied from time to time by AIS and this form must be signed by the hiring manager of the Client (or other individual mutually agreed between the Client and AIS to have this authority) and certify that such hiring manager has completed the personal inspection; and client understands the permissible uses of such reports as they relate to the FCRA and will instruct their client of same legal uses and permissible purposes.

(g) if the Client purchases motor vehicle records (also known as Driver's Abstracts now referred to as "MVR") from AIS, the Client agrees that where required under Applicable Law, it will complete an authorization form that AIS is required to obtain from the Client before supplying an MVR. In the event that the Client does not provide the required authorization, AIS shall be under no obligation to provide and MVR; and

(g) the Client has a Privacy Policy that complies with all Applicable Laws and that the Personal Information in the Reports will be treated as Personal Information under the Client's Privacy Policy. The Client further acknowledges that, where a request is made to AIS in accordance with Applicable Law, AIS is required to disclose all Personal Information reported or held by AIS in accordance with Applicable Law.

7. Representations and Warranties from AIS. AIS hereby represents, warrants and covenants to the Client and acknowledges that the Client is relying on such representations, warranties and covenants in connection with providing the Services:

- (a) it has the right, power and authority to enter into and fully perform this Agreement in accordance with its terms;
- (b) the Services will be rendered using sound, professional practices and by knowledgeable, trained and qualified personnel and the Services will be of high quality (relative to the fees paid) and conform to this Agreement; and
- (c) it will comply with all Applicable Laws.

8. Confidentiality. Each of the parties to this Agreement undertakes and agrees to keep fully confidential all of the terms of this Agreement in addition to any other information of a confidential nature it may obtain access to in relation to the other party's business and agrees not to disclose such information to anyone other than to certain of its employees on a need to know basis only, provided such employees are bound by confidentiality obligations by virtue of their employment with such party. The foregoing obligations of confidentiality shall apply for the duration of the Agreement, including any extension thereof, and for a period of five (5) years from expiry of the Agreement or any extension thereof, and shall be binding on the parties thereto, including their successor and assigns. The obligations of confidentiality hereunder to not apply when any term of the Agreement is required to be disclosed pursuant to an order to a court or regulatory authority of competent jurisdiction provided the party disclosing such information first gives the other party notice of such order or requirement. Furthermore, each party acknowledges that, in the event of a breach or threatened breach of this confidentiality undertaking, damages are an inadequate remedy, and the other party shall be entitled to an injunction restraining such breach or threatened breach and to resort to any other remedy available to it at law or equity.

9. Privacy and Personal Information Protection. The following provisions shall apply in the event that one party makes Personal Information available to the other:

Neither party shall request Personal Information beyond what is necessary to fulfill the purpose(s) for which it is requested. The purpose(s) for requesting Personal Information shall be reasonable. Each of the parties will agree in advance as to the type of Personal Information which is require to be made available. In the event that one party makes Personal Information available to the other party, each of the parties shall:

- (a) comply with applicable United States federal privacy laws as amended from time to time;
- (b) ensure that Personal Information will only be used, accessed, managed, transferred, disclosed to third parties or otherwise processed to fulfill the purpose(s) for which it was made available or as required by applicable law;
- (c) ensure that it has technological, physical and organization security measures in place to protect Personal Information;
- (d) not disclose the Personal Information or knowledge of its existence to any third party, except with the written consent of the other or as required by applicable law;
- (e) ensure that any third party to whom Personal Information is disclosed to is bound by the applicable terms of these provisions; or in the case of AIS, where such disclosure is directly or indirectly permitted or allowed pursuant to the Consent from the individual such Personal Information relates;
- (f) to reasonable cooperate with the other in connection with access requests for Personal Information;
- (g) to amend Personal Information only upon receiving instructions to do so from the other party, its personnel as required by applicable law; and
- (h) promptly return to the other or destroy with care all Personal Information which is no longer necessary to fulfill the purpose(s) for which it was made available, unless otherwise instructed by the other party, its personnel or any other individual or required by Applicable Law.

10. Indemnity. Each party hereinafter the “Indemnifying Party” covenants and agrees to hold the other party and its Representatives hereinafter the “Indemnified Party” harmless from and against any claims, proceedings, suits, actions or costs of any kind or nature incurred by the Indemnified Party or its Representatives, in whole or in part, on account of : (a) a breach by the Indemnifying Party of any of its representations, warranties, or covenants under this Agreement; (b) the procurement, use, supply or publication by the Indemnifying Party or its Representatives of this Report; and (c) any breach of any Applicable Law by the Indemnifying Party with respect to its procurement, use, supply or publication of the Report and Personal Information therein.

11. The Client acknowledges that information and data in Reports is obtained by AIS from and processed by fallible sources (human and otherwise) and that the fee charged by AIS to the Client does not reflect a component for AIS acting as insured or guarantor of the contents of the Reports and the Client therefore acknowledges that AIS is not acting as an insurer or a guarantor of the accuracy of the information and data reported in the Reports. Notwithstanding anything to the contrary in this Agreement, AIS will use reasonable commercial efforts to ensure that the information and data provided to the Client is accurate.

12. Exclusion of Liability and Limitation of Liability. In no event shall either party or its Representatives be liable for any consequential, exemplary, special, indirect, incidental or punitive damages or lost revenue, lost profits or anticipated business arising from or relating to this Agreement or the Reports, however caused (even if they have been advised of the possibility of such damages). Except for a breach of confidentiality, the aggregate liability of both parties with respect to any damages incurred by the other party for any other damages arising from or relating to this Agreement, the subject matter hereof, or the Reports, however caused, under any theory of liability, shall not exceed the amounts received by AIS as payment for the service of providing the Report in question. This limitation applies to all causes of actions or claims in the aggregate including without limitation, breach of contract, breach of warranty, negligence, strict liability, misrepresentation, claims for failure to exercise due care and other torts. AIS and the

Client expressly acknowledges and agrees that the limitations and exclusions contained herein represent the parties' agreement as to the allocation of risk between the parties in connection with AIS' obligations under this Agreement. The payments payable to AIS in connection herewith reflect this allocation of risk and the exclusion of consequential and other damages herein and the monetary limit on liability for any other matter.

13. Miscellaneous.

- (a) Nothing in this Agreement shall constitute the parties as partners of one another, nor shall anything herein constitute the parties as agent for one another. The parties are and at all times will remain independent contractors and neither party shall represent itself as an agent, joint venture, partner or affiliate of the other party.
- (b) Subject to Sections 8 and 9 of this Agreement, AIS' external auditor shall have the right to conduct periodic audits of the Client's us of Reports. AIS will provide reasonable written notice prior to conducting any audit. Any violations discovered as a result of such audit may be cause for immediate action by AIS, including but not limited to, immediate termination of this Agreement, provided the Client does not remedy such violation within thirty (30) days after receiving written notice from AIS specifying the nature of the violation.
- (c) The obligation of either party to perform under this Agreement shall be excused during each period of delay caused by matters beyond such party's reasonable control, including without limitation, government regulation or law, war or insurrection, civil commotion, destruction of production facilities or material by earthquake, fire, flood, storm or other natural disaster, labor disturbances, epidemic or failure of suppliers, public utilities or common carriers.
- (d) This Agreement shall be binding upon and enure the benefit of the parties hereto and their respective successors and assigns, provided, however, that neither party shall assign or otherwise transfer this Agreement or any interest herein without the prior written consent of the other party, which consent shall not be unreasonably withheld.
- (e) This Agreement together with the Schedules attached constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements and understandings between the parties. This Agreement may not be amended or modified except by written instrument executed by each of the parties hereto.
- (f) If any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a court of competent jurisdiction to be invalid or unenforceable, the same shall in no way affect any other provision of this Agreement, the application of such provision in any other circumstances, or the validity or enforceability of this Agreement.
- (g) This Agreement shall be governed by and construed in accordance with the laws of the State of New York, County of Suffolk applicable therein and the parties hereby irrevocably attorn to the jurisdiction of the State of New York.

**WHEREOF** the parties hereto have caused this Agreement to be executed on the date first written above.

ACCURATE INFORMATION SYSTEMS, INC.

By: \_\_\_\_\_  
Authorized Signatory

I have the authority to bind the company.

\_\_\_\_\_  
CLIENT NAME

By: \_\_\_\_\_  
Name:  
Title:

I have the authority to bind the company.

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