



SERVICE AGREEMENT

This SERVICE AGREEMENT ("Agreement") is made and entered into by and between
("CLIENT"), and DANIEL D. STEVENS, INC. (DDS) with offices at 7618 17th Ave.
2ND Floor, Brooklyn, NY 11214. Agreed to terms and conditions are as follows:

- 1. Engagement and Duties.** CLIENT engages DDS and DDS agrees to provide CLIENT with public record information and other authorized background information related services ("Information") necessary to serve CLIENT Employee Screening "ONLY" needs. CLIENT accepts all Information "AS IS" WITHOUT WARRANTY, EXPRESS OR IMPLIED, and agrees to pay DDS the applicable rates and charges therefore set forth in Paragraph 4 below.
- 2. Compliance with Laws.** CLIENT acknowledges that DDS is a Consumer Reporting Agency and cannot provide Legal Counsel. DDS recommends that CLIENT consults their legal representative to confirm that CLIENT represents and warrants that it shall comply with all Federal, State, and local statutes, regulations, and ordinances governing the use, distribution and safeguarding of Information furnished by DDS including, but not limited to, all provisions of the Fair Credit Reporting Act, 15 U.S.C. 1681 et seq. (FCRA), Bureau of Consumer Financial Protection and all regulations promulgated thereunder. CLIENT certifies to DDS that it will not request a consumer report for employment purposes unless:
 - A.** A clear and conspicuous written disclosure is first made in writing, in a document consisting solely of the disclosure, to the consumer before the report may be obtained for employment purposes;
 - B.** The consumer has authorized in writing the procurement of the report; and
 - C.** Information from the consumer report furnished by DDS will not be used in violation of any applicable Federal, State or local law, statute, regulation, or ordinance. CLIENT also certifies that before taking adverse action in whole or in part based on the consumer report for employment purposes, it will provide the consumer a copy of the consumer report, and a copy of the consumer's rights, in a format in accordance with applicable Federal, State, and local law and approved by the FTC & EEOC. CLIENT further certifies that in the event CLIENT takes adverse action against a consumer, based in whole or in part on a consumer report furnished by DDS, CLIENT shall provide the consumer DDS name, address, and telephone number, and a statement that DDS did not make the decision to take adverse action and is unable to provide the consumer with specific reasons why the adverse action was taken.
- 3. Deliverability and Time Service of Information.** CLIENT shall submit all requests for Information to DDS in writing by on-line transmission or by facsimile, and DDS shall submit all Information request results to CLIENT in writing by on-line transmission or by facsimile. Upon receipt of an Information request, DDS shall use its best efforts to provide to CLIENT search results within a reasonable time frame of the receipt of said Information request by DDS from CLIENT. CLIENT understands there will be delays in completing the delivery of some Information requests within the average time frame due to court closures, court orders, acts or regulations of governmental bodies, document retrieval, document verification, failure of a third party's performance, inclement weather, any act of God, and other circumstances beyond the control of DDS, therefore, DDS does not guarantee search results within a definite time frame.
- 4. Consideration and Invoice Payment.** CLIENT shall pay DDS fees, as updated from time to time through published fee schedules, in effect on the date of each Information request, the full amount of the DDS charges incurred by the CLIENT for the sale of the Information requested within thirty (15) days of the DDS invoice date. DDS shall invoice CLIENT, setting forth the compensation due DDS on a detailed billing report. Money actually disbursed by DDS to any court for access fees and document copy costs for research of Information requested by CLIENT shall be reimbursed by CLIENT. CLIENT shall pay interest at the rate of one and one-half percent (1 1/2%) per month on all unpaid DDS charges and any accrued interest thereon, or any portion thereof, from the date such DDS charges, or portions thereof, became due until paid. CLIENT agrees to pay all reasonable attorney's fees and costs incurred by DDS in collection of any amount owed.
- 5. Disclaimer of Warranties.** The Products And Services Are Being Sold Hereunder "As Is" And DDS Makes No Representations Or Warranties, Express Or Implied, As To The Products Or Services Provided By DDS Pursuant To This Agreement, And DDS Expressly Disclaims Warranties Of Merchantability And Warranties Of Suitability Or Fitness For A Particular Purpose.
- 6. Limitation of Liability.** DDS recognizes the importance of furnishing accurate Information to CLIENT and will make all reasonable efforts in providing timely and accurate Information through strict policies, procedures, and audits of its employees and independent contractors. CLIENT understands and agrees that any Information furnished pursuant to this Agreement have been created and are maintained and reported by various Federal, State, and county agencies and other third parties which are not under the control of DDS. Responsibility for the accuracy of the Information rests solely with said various agencies and other third parties which create, maintain, and report said Information. DDS Will Not Be Liable To CLIENT For Damages, And CLIENT Hereby Releases DDS >From Any Liability For Damages Arising Under Any Theory Of Legal Liability To The Fullest Extent That CLIENT May Legally Agree To Release DDS From Liability For Such Damages, Provided However, That CLIENT Does Not Release DDS From Any Liability Arising Solely From The Willful Misconduct Or Gross Negligence Of DDS (Unless Attributed Or Imputed To DDS By Reason Of Any Act Or Omission Of CLIENT Whether As An Agent Of DDS Or Otherwise). In The Event DDS Is Liable To Customer For Any Matter Arising Under Or Relating To This Agreement, Whether Arising In Contract, Equity, Tort Or Otherwise (Including Without Limitation Any Claim For Negligence), The Amount Of Damages Recoverable Against DDS For All Such Matters Will Not Exceed, In The Aggregate, The Amount Paid To DDS By CLIENT For The Service To Which A Given Claim Relates Provided Pursuant To This Agreement, And Recovery Of The Amount Is CLIENT's Sole And Exclusive Remedy Hereunder. In The Event DDS Is Liable To CLIENT For Any Matter Relating To This Agreement, Whether Arising In Contract, Equity Or Tort (Including Without Limitation Any Claim For Negligence), And In Addition To Any Other Limitation Of Liability Or Remedy Set Forth In This Agreement, The Amount Of Damages Recoverable Against DDS Will Not Include Any Amounts For Indirect Or Consequential Damages, Including Lost Profits, Lost Income, Or Lost Savings, Or For Any Amounts With Respect To Claims Against DDS.
- 7. Reinvestigation Provision.** In the event of a dispute over the accuracy of Information provided by DDS, DDS shall reinvestigate such claims within 5 days of receipt of a consumer dispute and provide any necessary corrections without additional cost to CLIENT. In the event such reinvestigation does not reveal inaccuracies, DDS reserves the right to invoice CLIENT pursuant to Section 4 hereof for the additional research.
- 8. Term and Termination.** This Agreement shall become effective upon the approval and execution by DDS and shall continue in full force until terminated by either DDS or CLIENT upon at least thirty (30) days prior written notice of termination to the other. Notwithstanding the foregoing, either DDS or CLIENT may terminate the Agreement immediately upon giving written notice of termination to the other if the other party commits a material breach hereof.
- 9. Limitation of Actions.** No claim may be asserted by either party hereto against the other party with respect to any event, act or omission that occurred more than two (2) years prior to such claim being asserted.
- 10. Indemnity.** CLIENT agrees, whether or not this Agreement has expired or been terminated, to assume liability for, and CLIENT hereby agrees to indemnify, defend and save and keep harmless DDS, its employees, agents, and representatives, from and against any and all liabilities, obligations, losses, damages, penalties, fines, punitive damages, amounts in settlement, claims, actions, proceedings, suits, judgments, costs, interest, expenses and disbursements of any kind and nature whatsoever arising under any theory of legal liability (including attorney's fees and costs) that may be imposed on, incurred by or asserted against DDS, its employees, agents, or representatives, in any way relating to, resulting from, based upon, or arising out of the services performed or information provided pursuant to this Agreement; with the exception if such liabilities, obligations, losses, damages, penalties, fines, punitive damages, amounts in settlement, claims, actions, proceedings, suits, judgments, costs, interest, expenses and disbursements of any kind and nature is a direct result of the Willful Misconduct Or Gross Negligence Of DDS.



11. Attorneys' Fees. If any action at law or in equity, arbitration or other proceeding is brought for the enforcement or interpretation of this Agreement, or because of an alleged breach of the provisions of this Agreement, or in any way arising out of the transactions contemplated by this Agreement, whether sounding in tort or contract or otherwise, the prevailing party is entitled to recover reasonable attorneys' fees and other costs incurred in connection with such action, arbitration or other proceeding (including, but not limited to, expenses and costs of investigation, witness fees and travel), in addition to any other relief to which the prevailing party may be entitled.

12. Entire Agreement of the Parties. This Agreement and the related documents contained as Exhibits and Schedules hereto or expressly contemplated hereby contain the entire understanding of the parties relating to the subject matter contained herein and supersede all prior written or oral and all contemporaneous oral agreements and understanding relating to the subject matter hereof. This Agreement cannot be modified or amended except in writing duly executed by both parties.

13. Notices. Any notices required to be given under this Agreement shall be given in writing to DANIEL D. STEVENS, INC., certified mail, return receipt requested, postage prepaid, at 7618 17th Avenue Brooklyn, NY 11214 Attention: Daniel D. Stevens, and to CLIENT at the address set forth below.

14. Independent Contractor. The relationship created by this agreement is intended to be solely one of independent contracting parties and not of partnership, principal and agent or similar obligation. DDS shall, at all times, be regarded as an independent contractor and shall at no time act as agent or employee for CLIENT. DDS may use any employees or subcontractors as DDS deems necessary to perform the services required of DDS by this Agreement. CLIENT may not control, direct, or supervise DDS' employees or subcontractors in the performance of said services. Each of the parties to this Agreement has relied upon its own investigation and judgment in determining to become a party to this Agreement and has not relied upon any representation or promise of the other party that is not reflected in this Agreement.

15. Binding Effect. This Agreement shall be binding upon and inured to the benefit of DDS and its successors and assigns and CLIENT and its successors and assigns.

16. Severability. The invalidity, illegality or inability to enforce any provision of this Agreement shall not effect the validity, legality or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

17. Governing Law. This Agreement shall be controlled, construed and enforced in accordance with the laws of the State of New York. Any claim or cause of action shall be brought by either party in the County of Kings, State of New York.

18. Arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall not be authorized to award either party extra contractual damages (i.e., compensatory or punitive damages). In the event of a breach of this Agreement, damages shall be limited to an award as may be determined by the Arbitrator. The site of the arbitration shall be Brooklyn, NY.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date indicated below. DANIEL D. STEVENS, INC. (DDS)

Authorized DDS Signature: _____ :

Title: _____ Date: _____

CLIENT

Company Name: _____

Authorized Signature: _____

Title: _____ Date: _____

Print Name: _____

Billing Address: _____ City/State/Zip: _____

Phone: _____ Fax: _____ Email: _____

CLIENT authorizes DDS to charge all past due invoices and statements to the credit card below, as provided by CLIENT THAT ARE MORE THAN 60 DAYS FROM THE DATE OF INVOICE and have not been paid by other means, including check, Electronic Bank Transfer, etc.

Credit Card Type: _____ Name On Card: _____

Card Number #: _____ Expiration Date: _____ CVV Code: _____



Addendum – Exhibit A

NOTICE TO USERS OF CONSUMER REPORTS SUPPLIED BY CREDIT REPORTING AGENCIES: OBLIGATIONS UNDER THE FCRA

All users of consumer reports must comply with all applicable regulations, including regulations promulgated after this notice was first prescribed in 2004. Information about applicable regulations currently in effect can be found at the Consumer Financial Protection Bureau's website,

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Bureau of Consumer Financial Protection's website at 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.

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

I. OBLIGATIONS OF ALL END USERS OF CONSUMER REPORTS

A. Users Must Have a Permissible Purpose - Please circle "dot" that applies

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

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



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

B. Users Must Provide Certifications

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

C. Users Must Notify Consumers When Adverse Actions are taken

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

1. **Adverse Actions Based on Information Obtained from a CRA** If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:
 - The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
 - A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
 - A statement setting forth the consumer's right to obtain a free disclosure of the consumer's file from the CRA if the consumer makes a request within 60 days.
 - A statement setting forth the consumer's right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.
2. **Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies:**
If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer's written request.
3. **Adverse Actions Based on Information Obtained From Affiliates:**
If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.



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

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

E. Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs, users must comply with regulations specifying the procedures to be followed, which will be issued by the 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.

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.

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 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, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.



- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.
- Before taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer's rights. (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2)

The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

B. Employment in the Trucking Industry

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

By signing below, you acknowledge that you understand, agree and will follow the procedures for Consumer Reports as directed by the FCRA as it relates to "End User" obligations for compliance. Any person who knowingly and willfully obtains information on a consumer from a consumer reporting agency under false pretense shall be fined under Title 18 of the United States Code or imprisoned not more than two (2) years, or both.

Authorized Party (Print)

Signature

Company (Print)

Date



Vermont Fair Credit Reporting Contract Certification

The undersigned, _____ ("Subscriber"), acknowledges that it subscribes to receive various information services from DDS 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 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 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 DDS.

Subscriber: _____ (please print)

Signed By: _____

Printed Name: _____

Title: _____

Account Number: _____

Date: _____

Please also include the following information:

Compliance Officer or Person Responsible for Credit Reporting Compliance

Printed Name: _____

Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

E-Mail Address: _____

Phone: _____ Fax: _____



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

§ 2480e. Consumer consent

- (a) A person shall not obtain the credit report of a consumer unless:
 - (1) the report is obtained in response to the order of a court having jurisdiction to issue such an order; or
 - (2) the person has secured the consent of the consumer, and the report is used for the purpose consented to by the consumer.
- (b) Credit reporting agencies shall adopt reasonable procedures to assure maximum possible compliance with subsection (a) of this section.
- (c) Nothing in this section shall be construed to affect:
 - (1) the ability of a person who has secured the consent of the consumer pursuant to subdivision (a)(2) of this section to include in his or her request to the consumer permission to also obtain credit reports, in connection with the same transaction or extension of credit, for the purpose of reviewing the account, increasing the credit line on the account, for the purpose of taking collection action on the account, or for other legitimate purposes associated with the account; and
 - (2) the use of credit information for the purpose of prescreening, as defined and permitted from time to time by the Consumer Financial Protection Bureau.

VERMONT RULES * CURRENT THROUGH JUNE 1999 *****
AGENCY 06. OFFICE OF THE ATTORNEY GENERAL
SUB-AGENCY 031. CONSUMER PROTECTION DIVISION
CHAPTER 012. Consumer Fraud--Fair Credit Reporting
RULE CF 112 FAIR CREDIT REPORTING
CVR 06-031-012, CF 112.03 (1999)
CF 112.03 CONSUMER CONSENT

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

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

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