

APPLICATION AND SERVICE AGREEMENT

In order to facilitate the confidential dissemination of “Consumer Reports” (as that term is defined in the Fair Credit Reporting Act (“FCRA”)) and other products and services provided by Credit Quick Services (Consumer Reports and other products and services are collectively, the “Services”), the undersigned (the “Applicant”) requests the Services upon the basis outlined below, and if accepted by Credit Quick Services as a customer, agrees that the following shall constitute an enforceable contract between the Applicant and Credit Quick Services.

THE APPLICANT AGREES:

That Applicant will become intimately familiar and comply with all the provisions of the Fair Credit Reporting Act and all other applicable State and Federal law.

Applicant warrants that it is a _____ and has a permissible purpose for obtaining Consumer Reports as defined by Section 604 of the Federal Fair Credit Reporting Act (15 USC 1681b), hereinafter called the “FCRA.” Applicant certifies their permissible purpose as (please initial each box that applies):

- In connection with a credit transaction involving the consumer on whom the information is to be furnished and involving the extension of credit to, or review or collection of an account of the consumer; or
- In connection with the underwriting of insurance involving the consumer or review of existing policy holders for insurance underwriting purposes, or in connection with an insurance claim where written permission of the consumer has been obtained; or
- In connection with a tenant screen application involving the consumer; or
- In accordance with the written instructions of the consumer; or
- For a legitimate business need in connection with a business transaction that is initiated by the consumer; or
- As a potential investor, servicer or current insurer in connection with a valuation of, or assessment of, the credit or prepayment risks.

Applicant certifies that it will request the Services pursuant to procedures prescribed by Credit Quick Services only for the permissible purpose(s) certified above, and will use the Services obtained for no other purpose, and that Applicant will obtain the written authorization of the consumer prior to obtaining a Consumer Report on the consumer. Applicant will maintain copies of all written authorizations for a minimum of five (5) years from the date of inquiry.

If applicant does any business in California, Applicant certifies that Applicant is not a retail seller as defined in Section 1892.3 of the California Civil Code.

Applicant shall use each of the Services only for a one-time use and shall hold the report in strict confidence, and not disclose it to any third parties; provided, however, that Applicant may, but is not required to, disclose a Consumer Report to the subject of the report in connection with an adverse action based on the report. Moreover, Applicant shall not disclose to any third party other than the subject of the report, any credit scores and associated reason codes provided under this Agreement, unless clearly

required by law. Reports and credit scores may be disclosed to properly credentialed and contracted third-parties for certified FCRA permissible purposes of secondary use within the course of the same transaction.

Applicant will maintain internal procedures to minimize the risk of unauthorized disclosure of the Services including following the internal controls outlined in Exhibit A. A third party physical inspection of each of Applicant's unique business locations that will be receiving the Services must be completed prior to each such unique location's receiving the Services. The costs of these inspections shall be borne by Applicant.

The Services will be requested only for applicant's exclusive use. Applicant will not resell or distribute the Services. Applicant will use its best efforts to provide prompt, accurate and complete information to Credit Quick Services.

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, OR IMPRISONED NOT MORE THAN TWO YEARS, OR BOTH.

With just cause, such as a violation of the terms of the Applicant's Service Agreement, or a material change in the existing legal requirements that adversely affects the Applicant's agreement, Credit Quick Services may, upon its election, discontinue servicing the Applicant and cancel the agreement immediately.

Applicant shall not use the trademarks, service marks, logos, names, or any other proprietary designations, whether registered or unregistered, of Credit Quick Services, Experian, Equifax, Trans Union, or Fair, Isaac, other third party suppliers of Credit Quick Services, or any of the affiliates of the above listed companies.

Applicant acknowledges that Credit Quick Services' suppliers maintain databases updated on a periodic basis and that Credit Quick Services' suppliers do not undertake a separate investigation for each inquiry or request for Services made by Applicant. Applicant acknowledges that the prices charged for the Services are based upon the expectation: (a) that the risk of any loss or injury that may be incurred by use of the Services will be borne by Applicant and not by Credit Quick Services or its suppliers; and (b) that neither Credit Quick Services nor any of its suppliers are an insurer or guarantor of the accuracy or reliability of the Services. NEITHER CREDIT QUICK SERVICES NOR ITS SUPPLIERS GUARANTEES OR WARRANTS THE ACCURACY, TIMELINESS, COMPLETENESS, CURRENTNESS, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE SERVICES, INFORMATION IN THE SERVICES OR THE MEDIA ON OR THROUGH WHICH THE SERVICES ARE PROVIDED. NEITHER CREDIT QUICK SERVICES NOR ITS SUPPLIERS SHALL BE LIABLE TO CLIENT FOR ANY LOSS OR INJURY ARISING OUT OF OR CAUSED IN WHOLE OR IN PART BY THE ACTS OR OMISSIONS OF CREDIT QUICK SERVICES AND ITS SUPPLIERS, WHETHER NEGLIGENT OR OTHERWISE, IN PROCURING, COMPILING, COLLECTING, INTERPRETING, REPORTING, COMMUNICATING OR DELIVERING THE SERVICES OR INFORMATION THEREIN.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, UNDER NO CIRCUMSTANCES WILL CREDIT QUICK SERVICES OR ANY OF ITS SUPPLIERS HAVE ANY OBLIGATION OR LIABILITY TO CLIENT HEREUNDER OR ANY THIRD PARTY, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, WARRANTY, OR OTHERWISE: (a) FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES INCURRED BY CLIENT, REGARDLESS OF HOW SUCH DAMAGES, WHETHER FORESEEABLE OR NOT AND HOWEVER CAUSED, EVEN IF CREDIT QUICK SERVICES OR ITS SUPPLIERS ARE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; OR (b) FOR ANY PUNITIVE OR EXEMPLARY DAMAGES.

Applicant releases, indemnifies, defends and holds Credit Quick Services, its suppliers, and their respective officers, directors, employees, contractors, agents, subscribers or affiliates, harmless from and against any and all liabilities, damages, losses, claims, costs and expenses, including reasonable attorneys' fees and costs, which may be asserted against or incurred by any indemnified person, arising out of, resulting from or threatening to result from: (a) the access to, or the use, disclosure, sale or transfer of, or the reliance on, the services provided by Credit Quick Services (the "Services") by Applicant; (b) any inaccuracies contained in any credit or other information; (c) violations of the FCRA or other applicable state and federal laws and regulations due to the acts or omissions of Applicant; (d) any breach or nonperformance by Applicant of any obligations to be performed by Applicant under this Agreement (including without limitation any improper or unauthorized access to or disclosure of information obtained via any Applicant Account Code/Password or system); (e) Applicant's negligence, malfeasance, or tortuous conduct; Applicant acknowledges that the Services are furnished in reliance upon Applicant's indemnities and covenants under this Agreement. Such indemnities and covenants shall survive any termination or expiration of this Agreement.

Applicant acknowledges that any score generated by a proprietary model and furnished to Applicant is the proprietary information of the Credit Quick Services supplier that generated such score. Applicant shall not attempt, in any manner, directly or indirectly, to discover or reverse engineer any confidential and proprietary criteria developed or used by any Credit Quick Services supplier in generating a score or using such supplier's model. National repository suppliers each offer scores developed in conjunction with models developed by Fair Isaac Companies or others (each a "Risk Model") and have made limited warranties with respect to scores, subject to certain limitations, as follows: (a) that the applicable Risk Model is intended to be empirically derived and demonstrably and statistically sound; (b) that to the extent the population to which the Risk Model is applied is similar to the population sample on which the Risk Model was developed, a FICO score may be relied upon to rank consumers in order of the risk of unsatisfactory payments such consumers might present to Applicant; (c) that so long as the repository provides a Risk Model, it will comply with regulations promulgated from time to time pursuant to the Equal Credit Opportunity Act (15 USC § 1692 *et seq.*); (d) THAT THE FOREGOING WARRANTIES ARE THE ONLY WARRANTIES GIVEN WITH RESPECT TO A RISK MODEL OR SCORE AND THAT SUCH WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, THAT MIGHT HAVE GIVEN WITH RESPECT THERETO, INCLUDING, FOR EXAMPLE, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; and (e) that Applicant's rights under the foregoing warranties are expressly conditioned upon Applicant's periodic revalidation for the applicable Risk Model in compliance with the requirements of Regulation B as amended from time to time. IN NO EVENT SHALL THE AGGREGATE LIABILITY OF CREDIT QUICK SERVICES OR ANY SCORE SUPPLIER TO CLIENT EXCEED THE LESSER OF THE FEES PAID (1) BY CLIENT TO CREDIT QUICK SERVICES OR (2) BY CREDIT QUICK SERVICES TO THE SCORE SUPPLIER, FOR THE SCORES SOLD TO CLIENT DURING THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE CLIENT'S CLAIM.

THE APPLICANT FURTHER AGREES THAT WHERE APPLICANT IS PULLING CREDIT REPORTS FOR EMPLOYMENT PURPOSES:

Reports on employees will be requested only by the Applicant's designated representatives. Employees will be forbidden to attempt to obtain reports on themselves, associates, or any other person except in the exercise of their official duties.

Applicant is a _____ and has a need for consumer credit information in connection with the evaluation of individuals for employment, promotion, reassignment or retention as an employee ("Consumer Report for Employment Purposes").

Applicant shall request Consumer Report for Employment Purposes pursuant to procedures prescribed by Credit Quick Services from time to time only when it is considering the individual inquired upon for employment, promotion, reassignment or retention as an employee, and for no other purpose.

Applicant certifies that it will not request a Consumer Report for Employment Purposes unless:

- a. A clear and conspicuous disclosure is first made in writing to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes;
- b. The consumer has authorized in writing the procurement of the report; and
- c. Information from the Consumer Report for Employment Purposes will not be used in violation of any applicable federal or state equal employment opportunity law or regulation.

Applicant further 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. A copy of the Consumer Report for Employment Purposes; and
- b. A copy of the consumer's rights, in the format approved by the Federal Trade Commission, which notice shall be supplied to Subscriber by Reseller.

Applicant shall use the Consumer Report for Employment Purposes only for a one-time use, and shall hold the report in strict confidence, and not disclose it to any third parties that are not involved in the employment decision.

Applicant will maintain copies of all written authorizations for a minimum of five (5) years from the date of inquiry.

With just cause, such as a violation of the terms of the Applicant's Service Agreement, or a material change in the existing legal requirements that adversely affects the Applicant's agreement, Credit Quick Services may, upon its election, discontinue servicing the Applicant and cancel the agreement immediately.

CREDIT QUICK SERVICES AGREES:

Credit Quick Services has access to Consumer Reports from one or more consumer credit reporting agencies.

To furnish pertinent information provided to Credit Quick Services on individuals, firms or corporations, including but not limited to identifying information, credit history, employment and public record information, in file, such information being furnished at the special request of Applicant, as evidenced by the signature on this application.

IT IS MUTUALLY AGREED:

This agreement shall remain in force and effect for one year and thereafter, from year to year, on the same basis as set forth herein until written notice of cancellation shall be given by either party at least 10 days prior to the end of the then current monthly period. It is further agreed, however, that if the Applicant is delinquent in the payment of the monthly charges, or is guilty of violating the terms of this contract, or if there is a material change in existing legal requirements which adversely affects this Agreement, Credit Quick Services may, at its election, discontinue providing service to the Applicant and/or cancel this contract immediately by written notice to the Applicant.

Pricing and payment terms are described in a separate Pricing Confirmation Letter. Credit Quick Services shall have the right to recover expenses, including collection costs and reasonable attorney's fees incurred in collecting overdue amounts. The undersigned Guarantor personally guarantees any and all charges incurred in connection with this agreement and account. The undersigned Guarantor authorizes Credit Quick Services to obtain, from time to time, consumer credit and other public record reports on Guarantor in connection with any extension of credit to, or review or collection of the account of Applicant and/or Guarantor.



This document is a full expression of the agreement between the parties and any prior terms, representations, actions or agreements are of no force and effect. Any modifications to this agreement must be in writing and signed by the parties hereto.

Executed this _____ day of _____, 20____.

By _____ Signature _____

Title _____

Company:

Company Name _____

Address (no PO Box) _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Ownership Form - Nature of Business _____

- Sole Proprietorship;
- Partnership;
- Corporation;
- Other (Specify) _____

Primary Contact _____ Primary Contact Phone _____

Primary Contact Email _____

References:

Bank Name _____

Account Number _____ Date Opened _____

Address _____ City _____ State _____ Zip _____

Phone _____ Contact Person _____

Creditor Name _____

Account Number _____ Date Opened _____

Address _____ City _____ State _____ Zip _____

Phone _____ Contact Person _____

Guarantor:

Guaranteed By _____ SSN _____ - _____ - _____

Home Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____ Email _____

Signature of Guarantor _____

Exhibit A

Access Security Requirements

We must work together to protect the privacy of consumers. The following measures are designed to reduce unauthorized access of consumer credit reports. In accessing consumer credit services from Credit Quick Services, you agree to follow these measures.

1. You must protect your account number and password so that only key personnel employed by your company know this sensitive information. Unauthorized persons should never have knowledge of your password. Do not post this information in any manner within your facility. If a person who knows the password leaves your company or no longer needs to have it due to a change in duties, the password should be changed immediately.
2. System access software, whether developed by your company or purchased from a third party vendor, must have your account number and password “hidden” or embedded and be known only by supervisory personnel. Assign each user of your system access software a unique logon password. If such system access software is replaced by different access software and therefore no longer in use or, alternatively, the hardware upon which such system access software resides is no longer being used or is being disposed of, your password should be changed immediately.
3. Do not discuss your account number and password by telephone with any unknown caller, even if the caller claims to be an employee of your credit provider.
4. Restrict the ability to obtain credit information to a few key personnel.
5. Place all terminal devices used to obtain credit information in a secure location within your facility. You should secure these devices so that unauthorized persons cannot easily access them.
6. After normal business hours, be sure to turn off and lock all devices or systems used to obtain credit information.
7. Secure hard copies and electronic files of consumer reports within your facility so that unauthorized persons cannot easily access them.
8. Shred or destroy all hard copy consumer reports when no longer needed.
9. Erase and overwrite or scramble electronic files containing consumer information when no longer needed and when applicable regulation(s) permit destruction.
10. Make all employees aware that your company can access credit information only for the permissible purposes listed in the Permissible Purpose Information section of your membership application. You or your employees may not access their own reports. Nor should you or your employees access the report of a family member or friend unless it is in connection with a credit transaction or for some other permissible purpose.

Record Retention: The Federal Equal Opportunities Act states that a creditor must preserve all written or recorded information connected with an application for 25 months. In keeping with the ECOA, Experian requires that you retain the credit application and, if applicable, a purchase agreement for a period of not less than 25 months. TransUnion requires that all written authorizations must be retained for a minimum of five (5) years. When conducting an investigation, particularly following a consumer complaint that your company impermissibly accessed their credit report, Credit Quick Services and/or the national credit bureaus may contact you and will request a copy of the original application signed by the consumer or, if applicable, a copy of the sales contract.

“Under Section 621 (a) (2) (A) of the FCRA, any person that violates any of the provisions of the FCRA may be liable for a civil penalty of not more than \$2,500 per violation.”

Exhibit B

Secondary Use Policy

Secondary Use Defined

A Secondary Use of a credit report occurs when a previously ordered report is provided to any Qualified Secondary User other than the End User that originally ordered the credit report, in connection with the same transaction for a permissible purpose.

- For example, a Secondary Use occurs when a mortgage broker (original End User) requests for a credit report to be submitted to a lender (Qualified Secondary User) for the underwriting of the mortgage.

Secondary Use occurs when any or all of the consumer credit data contained in the original report is provided to the Qualified Secondary User in any form: electronic, paper or otherwise. As the original requestor of the consumer credit data, Credit Quick Services' customers are defined as the original End User for the purpose of Secondary Use.

Qualified Secondary Users

A Qualified Secondary User is a lender or other third party that has been properly credentialed as having a permissible purpose under the Fair Credit Reporting Act (FCRA) to access consumer credit data.

Secondary Use Purpose

The purpose of Secondary Use reporting is to provide greater transparency to the consumer as to which entities are viewing consumer credit data in the mortgage loan application and underwriting process. Additionally, Secondary Use reporting ensures that consumer credit data is only accessed in accordance with FCRA guidelines.

Secondary Use Inquiry Posting

The three national credit repositories, TransUnion, Equifax and Experian, mandate that all Secondary Uses be reported for the purposes of posting to the consumers credit file in accordance with the FCRA. The repositories post Secondary Uses to consumers' credit files as "soft" inquiries that **do not impact the consumers' credit scores** and will only be displayed on consumer disclosure reports. The Secondary Use notification sent to the repositories must include the full name of the Qualified Secondary User for posting to the consumer's credit file. The repositories charge for each Secondary Use Inquiry posted.

Secondary Use Fees

TransUnion, Equifax, and Experian each charge a Secondary Use posting fee for every secondary inquiry that is reported on a consumer's file. Credit Quick Services will impose a Secondary Use fee on our customers for each Secondary Use transaction.

Credit Quick Services Responsibilities

As the original reseller of the consumer credit data, Credit Quick Services is responsible for reporting all Secondary Use transactions to TransUnion, Equifax, and Experian for reporting to consumers' credit files. Credit Quick Services currently has agreements with the Government Sponsored Entities (Fannie Mae and Freddie Mac) as well as other major lenders to record Secondary Use transactions from these qualified entities.

Credit Quick Services Customer Responsibilities

As the original End User of consumer credit reports, Credit Quick Services customers must abide by the following:

- End Users must ensure that all Secondary Uses of credit reports to Qualified Secondary Users are reported to Credit Quick Services for accurate posting to the repositories.
- End Users are prohibited from distributing consumer credit reports, in whole or in part, by any means, to entities or individuals that are not Qualified Secondary Users.
- End Users are prohibited from distributing consumer credit reports to any secondary user that does not have permissible purpose under the FCRA to access consumer credit data.
- End Users are prohibited from distributing consumer credit reports to any secondary user that is not in connection with the transaction the report was originated for.
- End Users may only access and use consumer credit data in accordance with the FCRA, Experian, Equifax and TransUnion policies.