

## **National Security Profiles, Inc.**

603 Main St., Suite 706  
Knoxville, TN 37902  
1-888-503-3011 or 865-670-0628

### **SERVICE AGREEMENT**

THIS AGREEMENT is between NATIONAL SECURITY PROFILES, INC. (NSP), a Tennessee based corporation with its principal place of business located in Knoxville, TN and \_\_\_\_\_. (“Customer”) with its principal place of business located at \_\_\_\_\_. This Agreement is entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

#### **1. Services Rendered by NSP**

1.1 Upon request and relying upon Customer’s representations that it has a legitimate purpose for information, NSP will provide consumer reports to the Customer. NSP will only furnish a report for a permissible purpose under the Fair Credit Reporting Act, 15 U.S.C. §1681 et seq. (“FCRA”) and no other purpose.

1.2 Periodically NSP may provide to Customer copies of certifications, consumer consents, notices and summary of rights under the FCRA as well as other forms which NSP finds helpful in meeting its obligations under the FCRA and other applicable laws on its website for downloading by Customer. However, it is the responsibility of the Customer to be knowledgeable about and to comply with the FCRA, the Driver Privacy Protection Act, 18 U.S.C. §2721 et seq. (“DPPA”) and other applicable federal, state and local laws regulating the release and use of such consumer reports.

#### **2. Customer responsibilities when ordering report**

2.1 Customer represents that it is an existing business with the legitimate need for consumer reports offered by NSP. Customer specifically represents that reports will only be obtained for its own use and it is the end user of the reports. Customer will request reports for one of the following purposes: insurance underwriting, employment purposes, granting credit, collection of an account, or in connection with a business transaction initiated by the individual who is the subject of the report.

2.2 The Customer represents that after taking adverse action based in whole or in part upon information contained in a report furnished by NSP, the Customer shall:

- (i) provide notice of such action to the individual;
- (ii) provide the name, address and telephone number of NSP; and
- (iii) inform the individual that he/she is entitled to a free copy of the report and a right to dispute the record through NSP and that NSP is unable to provide the individual the specific reasons why the adverse action was taken by you.

2.3 The Customer represents that, in addition to complying with the FCRA and similar state laws, in regard to all reports, it will follow the requirements of the DPPA and the various state laws implementing the DPPA in regard to motor vehicle reports.

#### **3. Customer representations and responsibilities when ordering a report for employment purposes**

3.1 Customer represents that prior to requesting a report for employment purposes, Customer will:

- (i) disclose to the individual who is the subject of the report that a consumer report may be obtained;
- (ii) obtain, except as otherwise permitted by law, the written consent of the individual allowing the obtaining of the consumer report;
- (iii) provide to the individual a summary of the individual’s rights under the FCRA; and
- (iv) not utilize any information in violation of any federal or state equal employment opportunity law or regulation.

3.2 Customer represents that prior to taking adverse employment action against the individual who is the subject of the report, when such action will be based in whole or in part upon the information

contained in the report furnished by NSP, the Customer will provide a copy of the report to the individual and a description, in writing, of the individual's rights under the FCRA. If adverse action is taken, Customer will also follow 2.2 of this Agreement.

#### **4. Compliance with Applicable Law**

4.1 The laws relating to the furnishing and use of information are subject to change. It is the responsibility of Customer to become knowledgeable in such laws and to comply with them. The failure to comply with the then current applicable law may result in a breach of this agreement, termination of service, civil and criminal liability. NSP does not undertake any obligation to advise Customer of its legal obligations.

4.2 Customer agrees to promptly execute and return to NSP all documentation required, now or in the future, by any government agency or NSP to permit release of information or to ensure compliance with applicable laws or regulations including NSP's routine and specific audit requests to verify that requests are being sought for permissible purposes. The failure to return such documentation will result in Customer being blocked from receiving the information related to the documentation, and, in some circumstances, all service may be terminated without additional notice.

#### **5. Charges for Services**

5.1 NSP will charge a fee for each request made by Customer, in accordance with NSP's fees schedule. NSP reserves the right to change the fees charged upon thirty (30) days notice to Customer. Applicable sales or other taxes will be added to all fees.

5.2 NSP will bill Customer monthly for any charges not prepaid. Payment on all invoices will be due fifteen (15) days after billing. For any invoice not paid within fifteen (15) days, NSP will add and collect a SERVICE CHARGE of 10% per month (or the maximum permitted by applicable law, if lower). Customer agrees to pay NSP's reasonable attorney's fees and costs incurred in enforcing the terms of this Agreement and in the collection of amounts due under this Agreement.

#### **6. Confidentiality of Information**

6.1 Information provided by NSP to its Customers is considered confidential by law. Upon its receipt, Customer shall treat the information as confidential. Such information shall be maintained in confidential files to which access is restricted. Only those who need such information to perform their responsibilities shall have access to the same. Customer shall supply to NSP the name and phone number of the contact person or persons with whom NSP may discuss the contents of reports furnished to Customer or to verify information furnished by Customer.

#### **7. Responsibility for Information**

7.1 Customer acknowledges that NSP relies totally on the information contained in the records of various governmental agencies for its reports. NSP is not responsible for inaccurate or false information. Customer agrees to assert no claim and waives liability against NSP for any inaccurate or false information included in any report unless NSP had actual knowledge of the error and failed to correct it.

7.2 Customer will pay for all liabilities and expenses incurred by NSP as a result of Customer's breach of this Agreement or Customer's failure to comply with the FCRA or other applicable laws. Further, Customer agrees to hold NSP harmless and will indemnify NSP from all claims and losses resulting from Customer's breach of this Agreement or violation of any applicable law. NSP agrees to hold Customer harmless for all claims and losses arising from NSP's violation of any applicable law.

#### **8. Misuse of Information**

The FCRA prohibits the obtaining of information from a consumer reporting agency for an impermissible purpose, i.e. reasons other than those listed in paragraph 2.1 above. Further, those involved in such improper requesting may be subject to criminal penalties of imprisonment up to one year and/or a fine of \$5,000 for each offense. 15 U.S.C. § 1681q. Further, the DPPA prohibits obtaining information under false pretenses and restricts the resale or redisclosure of personal information contained in state motor vehicle records. A violation of the DPPA also may result in criminal penalties. 18 U.S.C. § 2733(a). If a Customer or one of its employees misrepresents to NSP the reason for a report or requests a report for

an impermissible purpose, NSP may terminate service without notice in addition to other remedies available to NSP.

## **9. Termination of Agreement**

9.1 Customer may terminate this Agreement at any time upon written notice to NSP. Customer will remain liable for all charges made to its account prior to termination and will promptly pay all sums due.

9.2 NSP may immediately terminate this Agreement upon the occurrence of the following events:

- (i) Default in payment of charges for NSP services;
- (ii) Misuse of information contained in a NSP report;
- (iii) Improper requests for information;
- (iv) Failure of Customer to comply with or assist NSP in complying with the FCRA or any other applicable law;
- (v) A material breach of this Agreement or violation of any law or regulation governing the request, use or release of the information in the reports by Customer.
- (vi) Unauthorized release of information in a consumer report to a third party or the reselling of any report.

9.3 Otherwise, NSP may terminate this Agreement by thirty (30) days written notice by NSP to Customer.

## **10. Ownership of Computer Programs**

This Agreement does not include the sale or license of any computer program used in NSP's providing services under this Agreement. Further, it is understood that such programs are not to be sold, transferred, assigned, given, downloaded or lent to any other person or entity.

## **11. Change in Customer's Business**

Customer shall immediately notify NSP of any of the following events: change in ownership of the Customer (over 50%); a merger, change in name or change in the nature of Customer's business that in any way affects Customer's right to request and receive consumer reports.

## **12. Miscellaneous Provisions**

12.1 This Agreement constitutes the entire understanding between the parties and supersedes all previous agreements, negotiations and representations. This Agreement may only be modified in writing signed by both parties; however, subsequent representations by Customer to show compliance with existing or future laws are effective when signed by Customer with addition in Agreement and are to be construed to be part of this Agreement.

12.2 All communications and notices to be given under this Agreement will be made to the addresses and telephone numbers set forth herein. Each party will notify the other promptly of any change of address or telephone number.

12.3 This Agreement is intended to be subject to, and in compliance with, all applicable state and federal statutes and regulations. Insofar as this Agreement or any provision may subsequently be determined to be at variance or not in compliance with any such statute or regulation, it will be considered to be amended or modified to the extent necessary to make it comply, and NSP and Customer hereby consent and agree to any such amendment or modification. Further, the invalidity of any one provision shall not affect the validity of the other provisions.

12.4 This Agreement is deemed to have become effective and to have been entered into upon its acceptance in the State of Tennessee by NSP. Therefore, this Agreement will be interpreted and enforced in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their duly authorized representatives.

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SUBSCRIBER(Company Name): \_\_\_\_\_

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

Please type or print your name: \_\_\_\_\_

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