

For ACRAnet Use Only Company Name: _____ Client #: _____
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CLIENT SERVICE AGREEMENT
 Mortgage Reporting
 (“Agreement”)

This Agreement is made as of the date indicated below by and between _____ the undersigned (hereinafter referred to as “Client”) and ACRAnet, Inc a Nevada Corporation (hereinafter referred to as “ACRAnet”).

- I. Client desires to receive consumer reports, credit worthiness scores, and other information (each and all of such reports, credit worthiness scores and other information being hereinafter included within the term “Consumer Reports”) from ACRAnet. Client agrees that the Consumer Reports will be ordered and used by Client, subject to the terms and conditions of this Agreement and applicable law.
- II. Client represents, warrants and covenants to ACRAnet that:

- A. Client is not a private detective, media, news agency or journalist, detective agency, investigative company, bail bondsman, attorney, law firm, law enforcement, dating service, asset location service, future services, adult entertainment of any kind, check cashing service, massage service, pawn shop, tattoo service, credit or financial counseling firm, “credit repair clinic,” internet locator service, diet center, adoption search firm, or a person that will not be an end-user of the Consumer Reports. Client will notify ACRAnet immediately if any of the foregoing changes.
- B. Client certifies that Client will order Consumer Reports solely for one of the following purposes (Client agrees that other permissible purposes, such as employment screening, may require additional agreements) and for no other purpose: **initial only the following which apply.**

- Initial here** ____ (1) In connection with a mortgage loan origination involving the consumer on whom the information is to be furnished and involving the extension of credit to the consumer.
- Initial here** ____ (2) As a potential investor or servicer, or current insurer, in connection with a valuation of, or an assessment of the credit or prepayment risks associated with, a mortgage credit obligation.
- Initial here** ____ (3) In connection with a quality control program done on loans that Client originated.

Client will order Consumer Reports only for Client’s exclusive use, hold the Consumer Reports in strict confidence, and will not resell or otherwise disclose Consumer Reports (or any part thereof), except to the consumer or if adverse action has been taken based on the Consumer Report and/or is otherwise required by law. Client will (1) verify the identity of each consumer who is the subject of the Consumer Reports; (2) refer consumers to ACRAnet for all substantive inquiries regarding the Consumer Reports; (3) permit ACRAnet to audit, during business hours and without prior notice, Client’s use of Consumer Reports, procedures and to assure compliance with this agreement and the Fair Credit Reporting Act. Client will not transmit any Consumer Report through the Internet without ACRAnet’s prior written consent; and (4) Client will retain permissible purpose documentation for a minimum of five years after date of access.

- III. The Fair Credit Reporting Act (“FCRA”) provides that any person **“who knowingly and willfully obtains information on a consumer from a consumer reporting agency (such as ACRAnet) under false pretenses shall be fined under Title 18, United States Code, imprisoned for not more than two years, or both.”** Client acknowledges that ACRAnet has provided Client a copy of the FTC’s “Notice to Users of Consumer Reports: Obligations of Users under the FCRA,” attached hereto, marked **Attachment “A”**. Client agrees to comply with all requirements of the FCRA and other applicable laws in ordering and using Consumer Reports.

- IV. A. Client shall indemnify, defend, and hold ACRAnet, its agents and its data resources including, but not limited to, Equifax, Trans Union and Experian and their respective agents, employees and independent contractors (herein collectively referred to as “Data Providers”) harmless from and against any damages, losses, obligations, liabilities, claims, actions or causes of action (each and all of such items being hereinafter separately and collectively referred to as the “Claim”) sustained or suffered by ACRAnet arising out of or relating to:
 - (1) Any breach of any representation, warranty, covenant or agreement made by Client in this Agreement, or in any certificate, instrument or agreement delivered by Client pursuant hereto or thereto or in connection with the transactions contemplated hereby or thereby or any facts or circumstances constituting such breach
 - (2) Any Claim by any consumer or any other third party, except to the extent directly caused by Client’s gross negligence.
 - (3) Any Claim sustained or suffered by Client arising out of or relating to Client’s execution, delivery or performance of this Agreement.
 - (4) All reasonable costs and expenses (including, without limitation, reasonable attorneys’, accountants’ and other professional fees and expenses) incurred by them in connection with any action, suit, proceeding, demand, assessment or judgment incident to any of the matters indemnified against under subparagraphs (1), (2) and (3) immediately above.
 - (5) Any Claim resulting from the publishing or other disclosure of the Consumer Report and/or credit scores.

- B. ACRAAnet shall give written notice to Client of any assertion of liability by a third party which might give rise to a Claim by ACRAAnet against the Client based on the indemnity contained herein, stating the nature and basis of said assertion and the amount thereof, to the extent known.
 - C. The defense of any suit, action, legal proceeding or administrative proceeding (each and all of such suits, actions, legal proceedings and/or administrative proceedings being hereinafter referred to as the "Proceeding") that may be threatened, brought or instituted against ACRAAnet on account of any matter which is or may be the subject of the indemnity provided for herein shall be conducted at the sole expense of Client by legal counsel unilaterally selected by ACRAAnet.
 - D. ACRAAnet shall be kept fully informed by Client at all stages of the Proceeding. Client shall not make any settlement in or with respect to any Proceeding without the prior written consent of ACRAAnet. Nothing contained herein shall mean or be construed to mean that ACRAAnet shall not have the right to participate in the Proceeding represented by legal counsel unilaterally selected by ACRAAnet.
 - E. If Client does not assume the defense of any such Claim or litigation resulting there from, ACRAAnet may defend against such Claim or litigation, after giving notice of the same to Client, on such terms as ACRAAnet may deem appropriate, and Client shall be entitled to participate in (but not control) the defense of such action, with Client's legal counsel and at Client's own expense. If Client thereafter seeks to question the manner in which ACRAAnet defended such Claim or the amount or nature of any such settlement, Client shall have the burden to prove by a preponderance of the evidence that ACRAAnet did not defend or settle such Claim in a reasonably prudent manner.
 - F. The remedies provided for in this Section shall be cumulative and shall not preclude assertion by ACRAAnet of any other rights or the seeking of any other remedies against Client.
 - G. Client acknowledges ACRAAnet's Access Security Requirements, attached hereto, and incorporated herein by reference. Client agrees to comply with all such requirements, as may be modified by ACRAAnet from time to time, and to give all employees, agents and subcontractors of Client a copy prior to providing them authority to order, or any other access to, Consumer Reports. Client agrees to take all necessary measures to prevent unauthorized access to information through ACRAAnet. Client will keep access codes strictly confidential and will establish and enforce policies allowing access to information only as permitted by State and Federal Regulation including Washington State Fair Credit Reporting Act (RCW 19.182.005, et seq) or Federal Fair Credit Reporting Act 15 U.S.C. 168(b) et seq. ("FCRA").
- V. The accuracy, completeness, and validity of Consumer Reports are not guaranteed by ACRAAnet and its agents, and all Consumer Reports are provided "AS IS." **ACRAANET AND ITS AGENTS MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES ARISING FROM A COURSE OF DEALING OR A COURSE OF PERFORMANCE, WITH RESPECT TO CONSUMER REPORTS INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO THE ACCURACY, VALIDITY, OR COMPLETENESS OF ANY CONSUMER REPORT, THAT SUCH CONSUMER REPORT WILL MEET CLIENT'S NEEDS, OR THAT SUCH CONSUMER REPORT WILL BE PROVIDED ON AN UNINTERRUPTED BASIS, AND ACRAANET AND ITS AGENTS EXPRESSLY DISCLAIM ALL SUCH REPRESENTATIONS AND WARRANTIES.** ACRAAnet, its agents and its Data Providers will not be responsible or liable for any loss or damage caused by any delay or failure to provide Consumer Reports hereunder or any inaccuracy, incompleteness, or invalidity of any information in a Consumer Report, unless caused by ACRAAnet's gross negligence. Client releases ACRAAnet, its agents and its Data Providers harmless from all such liabilities including, without limitation, indirect, consequential, and special damages and damages for loss of profits, whether incurred by Client or any consumer or other person, whether based on contract, tort (including, without limitation, negligence, duty to warn, strict liability) warranty, or any other legal theory or on equitable grounds, even if they have been advised of the possibility of such damages. Client agrees that their maximum liability for damages in connection with a Consumer Report will not exceed an amount equal to the price paid by Client for such Consumer Report, and that the foregoing limitations, exclusions, and releases are an essential part of this Agreement and form the basis for determining the price of Consumer Reports.
- VI. Client will pay ACRAAnet, according to ACRAAnet's fee schedule as in effect from time to time. ACRAAnet acting through its sales agents may change fees upon written notice to Client. Client's account is delinquent if not paid in full within 10 days after the billing statement date. Upon default, Client shall pay a late charge of 1.5 percent per month on past due amounts and will be subject to suspension of Consumer Reports hereunder until all amounts owed have been paid in full at the option of ACRAAnet acting through its sales agents. Client shall pay all reasonable attorneys' fees and collection costs incurred by ACRAAnet or its sales agent in collecting any delinquent account, whether or not arbitration is instituted.
- VII. Either party may terminate this Agreement, without cause, with a five (5) day prior written notice to the other party. ACRAAnet may terminate this Agreement immediately upon oral or written notice to Client, if Client is in breach of any of Client's obligations with respect to permissible use of, or prevention of unauthorized access to, Consumer Reports. Or if Client breaches any terms of this Agreement, including but not limited to: (a) failure to pay amounts when due, (b) violation of the Fair Credit Reporting Act; or (c) refusal to fully cooperate in allowing access of necessary records for an audit pursuant to Section II(3) of this Agreement. Any Supplements to this Agreement terminate when the Agreement terminates. The termination of this Agreement shall not terminate any of Client's obligations hereunder.
- VIII. Each party shall execute and deliver all such further instruments, documents and papers, and shall perform any and all acts necessary to give full force and effect to all of the terms and provisions of this Agreement.
- IX. This Agreement, and all provisions hereof, shall inure to the benefit of and be binding upon the parties hereto, their respective successors in interest, assigns, administrators, executors, heirs and devisees.
- X. In the event of any dispute between or among the parties hereto respecting or arising out of this agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs in connection therewith, including any attorneys fees incurred after any

arbitration award. An arbitration award, and any judgment entered thereon, shall include an attorneys' fees clause which shall entitle the prevailing party to recover attorneys' fees incurred to enforce the award or judgment, which attorneys' fees shall be an element of post-award or judgment costs. The parties agree that this attorneys' fees provision shall not merge into any arbitration award or judgment.

- XI. No amendment or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith.
- XII. This Agreement shall be governed by and construed in accordance with the laws of the State where the ACRAnet branch servicing this account resides and without regard to the conflicts of laws principles thereof.
- XIII. Any controversy, claim or dispute between or among the parties hereto, including tort and contract claims, shall be determined by binding arbitration conducted in the county in which the ACRAnet branch servicing the account is located. The parties agree that this forum and venue is not inconvenient or improper. Arbitration shall be administered by the American Arbitration Association in accordance with its commercial rules then in effect and a judgment on the award may be entered in any court of competent jurisdiction. The arbitration shall be by a single arbitrator chosen by the parties, or if they cannot agree within five (5) days of exchanging names of proposed arbitrators, by a single arbitrator appointed in accordance with the rules and procedures of the American Arbitration Association. Notwithstanding any other provision of this agreement, either party may, without conflict with this arbitration provision, seek interim provisional, injunctive, or other equitable relief until the arbitration award is rendered or the controversy is otherwise resolved.
- XIV. Each party is duly authorized to enter into and perform this Agreement, and if such party is a corporation or limited liability company, all appropriate and necessary action has been taken by such corporation or limited liability company to authorize the signing and performance of this Agreement.
- XV. ACRAnet may assign ACRAnet's rights under this Agreement without the consent or approval of Client. Client may not assign Client's rights or delegate Client's duties under this Agreement without the prior written consent of ACRAnet. This agreement is effective when ACRAnet accepts it.
- XVI. Client acknowledges that it has received and reviewed a copy of the "Notice to Furnishers of Information: Obligations of Furnishers under the FCRA". (See Attachment B, Appendix B to part 601- Prescribed Notice of Furnisher Responsibilities.)
- XVII. Client acknowledges that it has received and reviewed a copy of the "Credit Scoring Services." (See Attachment C.)
- XVIII. Client acknowledges that it has received and reviewed a copy of the "Access Security Requirements." (See Attachment D.)

Initial here _____ Client will notify ACRAnet immediately as any approved User leaves or is terminated so that the User can be deactivated from the ACRAnet system.

- XIX. Client acknowledges that it has received and reviewed a copy of the "Requirements for California and Vermont Users." (See Attachment E.)
- XX. Client will address any written notice to ACRAnet required by this Agreement to President, ACRAnet, 521 West Maxwell, Spokane, WA 99201 or another address designated in writing by ACRAnet to Client. ACRAnet will address any written notice required by this Agreement to Client at the address noted below or another address designated in writing by Client to ACRAnet.

Street: _____

City: _____

State/Zip: _____

- XXI. This Agreement, together with any addendum hereto, constitutes the entire Agreement between the parties, and supersedes any prior written or oral communications, proposals, and agreements with respect to such subject matter. Letter agreements may not conflict with this Agreement and may address only pricing, administrative fee, minimum monthly usage, minimum monthly charges and deposit, which shall be subject to change by ACRAnet on thirty (30) days' written notice unless otherwise specified. No changes in this Agreement or any supplement may be made except in writing by the President of ACRAnet, Inc.

Company: _____

ACRAnet, Inc

Signature: _____

Signature: _____

Name of signor: _____
(Print or Type)

Name of signor: _____
(Print or Type)

Title: _____

Title: _____

Date: _____

Date: _____

Please return completed contracts to:

ACRAnet – 117
1333 N. 27th St.
Billings, MT 59104
Attention: New Accounts Processing

Phone: 1-800-231-1971
Fax: 1-406-252-6370

ATTACHMENT "A"

To: SERVICE AGREEMENT

Appendix C to Part 601

Prescribed Notice of User Responsibilities

This appendix prescribes the content of the required notice.
**NOTICE TO USERS OF CONSUMER REPORTS:
OBLIGATIONS OF USERS UNDER THE FCRA**

The federal Fair Credit Reporting Act (FCRA) requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. This 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. The FCRA, 15 U.S.C. 1681-1681u, is set forth in full at the Federal Trade Commission's Internet web site (<http://www.ftc.gov>).

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 consumer's privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 of the FCRA 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 unsolicited offers of credit or insurance. The particular obligations of users of this "prescreened" information are described in Section V below.

B. Users Must Provide Certifications

Section 604(f) of the FCRA prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA (by a general or specific certification, as appropriate) 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 of the FCRA. "Adverse actions" include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact -- such as unfavorably changing credit or contract terms or conditions, denying or canceling credit or insurance, offering credit on less favorable terms than requested, or denying employment or promotion.

1. Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action that is based at least in part on information contained in a consumer report, the user is required by Section 615(a) of the FCRA 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 requests the report 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) of the FCRA requires that the user clearly and accurately disclose to the consumer his or her right to obtain disclosure of the nature of the information that was relied upon by making 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 notification 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. (Information that is obtained directly from an affiliated entity relating solely to its transactions or experiences with the consumer, and information from a consumer report obtained from an affiliate are not covered by Section 615(b)(2).)

II. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES

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 prior written authorization from the consumer.

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, provide a copy of the report to the consumer as well as the summary of the consumer's rights. (The user should receive this summary from the CRA, because Section 604(b)(1)(B) of the FCRA requires CRAs to provide a copy of the summary with each consumer report obtained for employment purposes.)

III. OBLIGATIONS OF USERS OF INVESTIGATIVE CONSUMER REPORTS

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. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 of the FCRA requires the following:

The 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, 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 must include the summary of consumer rights required by Section 609 of the FCRA. (The user should be able to obtain a copy of the notice of consumer rights from the CRA that provided the consumer report.)

The 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 that was requested. 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.

IV. OBLIGATIONS OF USERS OF CONSUMER REPORTS CONTAINING MEDICAL INFORMATION

Section 604(g) of the FCRA prohibits consumer reporting agencies from providing consumer reports that contain medical information for employment purposes, or in connection with credit or insurance transactions, without the specific prior consent of the consumer who is the subject of the report. In the case of medical information being sought for employment purposes, the consumer must explicitly consent to the release of the medical information in addition to authorizing the obtaining of a consumer report generally.

V. 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. [Sections 603(l), 604(c), 604(e), and 615(d)] This practice is known as "prescreening" and typically involves obtaining a list of consumers from a CRA 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 bearing 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. This statement must include the address and toll-free telephone number of the appropriate notification system.

VI. OBLIGATIONS OF RESELLERS

Section 607(e) of the FCRA 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) certifications 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.

VII. LIABILITY FOR VIOLATIONS OF THE FCRA

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

ATTACHMENT “B”

To: SERVICE AGREEMENT

Appendix B to Part 601

Prescribed Notice of Furnisher Responsibilities

This appendix prescribes the content of the required notice.
**NOTICES TO FURNISHERS OF INFORMATION:
OBLIGATIONS OF FURNISHERS UNDER THE FCRA**

The federal Fair Credit Reporting Act (FCRA), as amended, imposes responsibilities on all persons who furnish information to consumer reporting agencies (CRAs). These responsibilities are found in Section 623 of the FCRA. State law may impose additional requirements. All furnishers of information to CRAs should become familiar with the law and may want to consult with their counsel to ensure that they are in compliance. The FCRA, 15 U.S.C. 1681-1681u, is set forth in full at the Federal Trade Commission's Internet web site (<http://www.ftc.gov>). Section 623 imposes the following duties:

General Prohibition on Reporting Inaccurate Information:

The FCRA prohibits information furnishers from providing information to a consumer reporting agency (CRA) that they know (or consciously avoid knowing) is inaccurate. However, the furnisher is not subject to this general prohibition if it clearly and conspicuously specifies an address to which consumers may write to notify the furnisher that certain information is inaccurate. Sections 623(a)(1)(A) and (a)(1)(C)

Duty to Correct and Update Information:

If at any time a person who regularly and in the ordinary course of business furnishes information to one or more CRAs determines that the information provided is not complete or accurate, the furnisher must provide complete and accurate information to the CRA. In addition, the furnisher must notify all CRAs that received the information of any corrections, and must thereafter report only the complete and accurate information. Section 623(a)(2)

Duties After Notice of Dispute from Consumer:

If a consumer notifies a furnisher, at an address specified by the furnisher for such notices, that specific information is inaccurate, and the information is in fact inaccurate, the furnisher must thereafter report the correct information to CRAs. Section 623(a)(1)(B)

If a consumer notifies a furnisher that the consumer disputes the completeness or accuracy of any information reported by the furnisher, the furnisher may not subsequently report that information to a CRA without providing notice of the dispute. Section 623(a)(3)

Duties After Notice of Dispute from Consumer Reporting Agency:

If a CRA notifies a furnisher that a consumer disputes the completeness or accuracy of information provided by the furnisher, the furnisher has a duty to follow certain procedures. The furnisher must:

Conduct an investigation and review all relevant information provided by the CRA, including information given to the CRA by the consumer. Sections 623(b)(1)(A) and (b)(1)(B)

Report the results to the CRA, and, if the investigation establishes that the information was, in fact, incomplete or inaccurate, report the results to all CRAs to which the furnisher provided the information that compile and maintain files on a nationwide basis. Sections 623(b)(1)(C) and (b)(1)(D)

Complete the above within 30 days from the date the CRA receives the dispute (or 45 days, if the consumer later provides relevant additional information to the CRA). Section 623(b)(2)

Duty to Report Voluntary Closing of Credit Accounts:

If a consumer voluntarily closes a credit account, any person who regularly and in the ordinary course of business furnishes information to one or more CRAs must report this fact when it provides information to CRAs for the time period in which the account was closed. Section 623(a)(4)

Duty to Report Dates of Delinquencies:

If a furnisher reports information concerning a delinquent account placed for collection, charged to profit or loss, or subject to any similar action, the furnisher must, within 90 days after reporting the information, provide the CRA with the month and the year of the commencement of the delinquency that immediately preceded the action, so that the agency will know how long to keep the information in the consumer's file. Section 623(a)(5)



The Information Network

www.ACRAnet.com

For ACRAnet Use Only

Company Name _____

Subscriber # _____

Attachment “C”

Credit Scoring Services

Client is a credit grantor that purchases Consumer Reports from ACRAnet pursuant to the Agreement in connection with credit transactions involving the consumer subjects of such Consumer Reports. As an enhancement to the basic Consumer Report, ACRAnet has offered Client the opportunity to purchase one or more credit risk scores provided by Trans Union, Equifax, or Experian; including, but not limited to, Fair Isaac & Co. (FICO) and Vantage score models. Use of these scoring models may require additional addendums and be subject to additional terms of use.

Client recognizes that all credit risk scores offered hereunder are statistical scores and may not be predictive as to any particular individual. No such score is intended to characterize any individual as to credit capability. Client recognizes that factors other than credit risk scores should be considered in making a credit decision, including the Credit Report, the individual credit application, economic factors, and various other pertinent information. A statement of the factors that significantly contributed to the credit risk score may accompany the score. If so, such information may be disclosed to the consumer as the reason for taking adverse action, as required by Regulation B. However, the credit risk score itself is proprietary and may not be used as the reason for adverse action under Regulation B. In addition, under the Fair Credit Reporting Act, credit risk scores are not considered part of the consumer’s file. Accordingly, Client agrees only to disclose the actual credit risk score to the consumer when accompanied by the corresponding reason codes or otherwise required by law.

CLIENT HAS MADE ITS OWN ANALYSIS OF THE CREDIT RISK SCORE OR SCORES SELECTED BY CLIENT, INCLUDING THE RELIABILITY OF USING SUCH SCORES IN CONNECTION WITH CLIENTS’S CREDIT DECISION. ACRANET AND ITS AGENTS SHALL NOT BE LIABLE FOR ANY LOSS, COSTS, DAMAGES, OR EXPENSE INCURRED BY CLIENT RESULTING FROM CLIENT’S USE OF CREDIT RISK SCORES, OR THE INACCURACY THEREOF. IN NO EVENT SHALL ACRANET NOR ITS AGENTS BE LIABLE TO CLIENT FOR ANY INCIDENTAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES FOR A CLAIM BY CLIENT RESULTING FROM CLIENT’S USE OF ANY CREDIT RISK SCORE. THE TOTAL AGGREGATE LIABILITY OF ACRANET AND ITS AGENTS FOR A CLAIM BY CLIENT RELATED TO CLIENT’S USE OF ANY CREDIT RISK SCORE SHALL NOT EXCEED THE SURCHARGE PAID BY CLIENT FOR THE CREDIT RISK SCORE TO WHICH SUCH CLAIM RELATES.

Client certifies that in using the FICO/VANTAGE Credit Scoring Models that:

- A. Client will only use the permissible purpose as outlined within the ACRAnet Client Service Agreement (hereinafter referred to as “Agreement”) and the Application for Service in accordance with the FCRA to obtain the information derived from the Fair Isaac and Company Scoring Model (hereinafter referred to as “FICO”) or the Vantage Scoring Model.
- B. Client will limit Client’s use of the scores and reason codes solely to use in Client’s own business with no right to transfer or otherwise sell, license, sublicense or distribute said scores or reason codes to third parties.
- C. Client will maintain internal procedures to minimize the risk of unauthorized disclosure and agree that such scores and reason codes will be held in strict confidence and disclosed only to those employees with a “need to know” and to no other person.
- D. Notwithstanding any contrary provision of the Agreement, Client may disclose the scores provided to Client under the Agreement to the consumer, when accompanied by the corresponding reason codes, in the context of bona fide lending transactions and decisions only as required by law.
- E. Client will comply with all applicable laws and regulations in using the scores and reason codes purchased from ACRAnet.
- F. Client or any of its employees, agents or subcontractors will not use any trademarks, service marks, logos, names, or any other proprietary designations, whether registered or unregistered, of the Data Providers or Fair, Isaac and Company, or their affiliates without such entity’s prior written consent.
- G. Client will not in any manner, directly or indirectly attempt to discover or reverse engineer any confidential and proprietary criteria developed or used by the Data Providers/Fair, Isaac in performing the FICO/Vantage Scoring Model.
- H. Client understands that Data Providers/FICO warrants that the FICO/Vantage Scoring Model are empirically derived and demonstrably and statistically sound and that to the extent the populations to which the FICO/Vantage Scoring Models are applied is similar to the population sample on which the FICO/Vantage Scoring Models were developed, the FICO/Vantage score may be relied upon by Client to rank consumers in the order of the risk of unsatisfactory payment such consumers might present to Clients. FICO/Vantage further warrant that so long as FICO/Vantage provide the FICO/Vantage Model it will comply with regulations promulgated from time to time pursuant to the Equal Credit Opportunity Act, 15 USC Section 1691 *et seq.* THE FOREGOING WARRANTIES ARE THE ONLY WARRANTIES DATA PROVIDERS, FICO, OR VANTAGE HAVE GIVEN CLIENT WITH RESPECT TO FICO/VANTAGE SCORING MODELS AND SUCH WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, DATA PROVIDERS, FICO, OR VANTAGE MIGHT HAVE GIVEN CLIENT WITH RESPECT THERETO, INCLUDING, FOR EXAMPLE, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Client’s rights under the foregoing Warranty are expressly conditioned upon each respective Client’s periodic revalidation of the FICO/Vantage Scoring Model in compliance with the requirement of Regulation B as it may be amended from time to time (12 CFR Section 202 *et seq.*).
- I. Client agrees that the aggregate liability of the Data Providers/FICO to the Client is equal to the lesser of the Fees paid by ACRAnet to the Data Providers/FICO for the FICO/Vantage Scoring Models resold to the pertinent Client during the six (6) month period immediately preceding the Client’s claim, or the fees paid by the pertinent Client to ACRAnet under the Agreement during said six (6) month period and excluding any liability of the Data Providers/FICO for incidental, indirect, special or consequential damages of any kind.



The Information Network

www.ACRAnet.com

For ACRAnet Use Only

Company Name _____

Subscriber # _____

Attachment "D"

Access Security Requirements

User Security

Due to heightened security conditions associated with Internet access and connectivity, Client must agree to the following stipulations. 1) Client understands that the provider #, User ID #, Client # and password provided by ACRAnet secure their Internet based access; and that the security of this access is guarded by their Windows login password. Client agrees to keep this access secure by keeping their login information private. 2) Client agrees that after using ACRAnet's Internet access Client will logoff. Client agrees to abide by the terms and conditions stated herein.

It is a requirement that all end users (Clients) take precautions to secure any system or device used to access consumer credit information. To that end, the following requirements have been established.

A. Implement Strong Access Control Measures

- (1) Client will not provide any Subscriber Codes or any of the above ID information or passwords to anyone. The Data Providers will never contact the Client and request the Subscriber Code number or password.
- (2) Proprietary or third party system access software must have Subscriber Codes and password(s) hidden or embedded. Account numbers and passwords should be known to only supervisory personnel.
- (3) Client must request that Subscriber Code password be changed immediately when:
 - i. Any system access software is replaced by another system access software or is no longer used;
 - ii. The hardware on which the software resides is upgraded, changed or disposed of
- (4) Protect Subscriber Code(s) and password(s) so that only key personnel know this sensitive information. Unauthorized personnel should not have knowledge of your Subscriber Code(s) and password(s).
- (5) Create a separate, unique user ID for each user to enable individual authentication and accountability for access to ACRAnet's infrastructure. Each user of the system access software must also have a unique logon password.
- (6) Ensure that user ID's are not shared and that no Peer-to-Peer file sharing is enabled on those users' profiles.
- (7) Keep user passwords confidential.
- (8) Develop strong passwords that are:
 - i. Not easily guessable (e.g. your name or company name, repeating numbers and letters or consecutive numbers and letters);
 - ii. Contain a minimum of eight (8) alpha/numeric characters for standard user accounts
- (9) Implement password protected screensavers with a maximum fifteen (15) minute timeout to protect unattended workstations.
- (10) Active logins to credit information systems must be configured with a 30 minute inactive session, timeout.
- (11) Restrict the number of key personnel who have access to credit information.
- (12) Ensure that personnel who are authorized access to credit information have a business need to access such information and understand these requirements to access such information are only for the permissible purposes listed in the Permissible Purpose Information section of the ACRAnet Application for Service and the Client Service Agreement.
- (13) Ensure that Client and Client's employees do not access their own consumer reports or those reports of any family member(s) or friend(s) unless it is in connection with a credit transaction or for another permissible purpose.
- (14) Implement a process to terminate access right immediately for users who access ACRAnet information when those users are terminated or when they have a change in their job tasks and no longer require access consumer information.
- (15) After normal business hours, turn off and lock all devices or systems used to obtain consumer information.
- (16) Implement physical security controls to prevent unauthorized entry to Client's facility and access to systems used to obtain consumer report information.

B. Maintain a Vulnerability Management Program

- (1) Keep operating system(s), firewalls, routers, servers, personal computers (laptop and desktop) and all other systems current with appropriate system patches and updates.
- (2) Configure infrastructure such as Firewalls, Routers, personal computers, and similar components to industry best security practices, including disabling unnecessary services or features, removing or changing default passwords, ID's and sample files/programs, and enabling the most secure configuration features to avoid unnecessary risks.
- (3) Implement and follow current best security practices for computer virus detection scanning services and procedures:
 - i. Use, implement and maintain a current, commercially available computer virus detection/scanning product on all computers, systems and networks.
 - ii. If you suspect an actual or potential virus, immediately cease accessing the system and do not resume the inquiry process until the virus has been eliminated.
 - iii. On a weekly basis at a minimum, keep anti-virus software up-to-date by vigilantly checking or configuring auto updates and installing new virus definition files.
- (4) Implement and follow current best security practices for computer anti-spyware scanning services and procedures:
 - i. Use, implement and maintain a current, commercially available computer anti-spyware scanning product on all computers, systems and networks.

- ii. If you suspect actual or potential spyware, immediately cease accessing the system and do not resume the inquiry process until the problem has been resolved and eliminated.
- iii. Run a secondary anti-spyware scan upon completion of the first scan to ensure all spyware has been removed from your computers.
- iv. Keep anti-spyware software up-to-date by vigilantly checking or configuring auto updates and installing new anti-spyware definition files weekly, at a minimum. If your company's computers have unfiltered or unblocked access to the internet (which prevents access to some known problematic sites), then it is recommended that anti-spyware scans be completed more frequently than weekly.

C. Protect Data

- (1) Develop and follow procedures to ensure that data is protected throughout its entire information lifecycle (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (e.g. tape, disk, paper, etc.).
- (2) All information provided by the Data Providers is classified as confidential and must be secured to this requirement at a minimum.
- (3) Procedures for transmission, disclosure, storage, destruction and any other information modalities or media should address all aspects of the lifecycle of the information.
- (4) Encrypt all ACRAnet data and information when stored on any laptop computer and in the database using AES or 3DES with 128-bit key encryption at a minimum.
- (5) Only open e-mail attachments and links from trusted sources and after verifying legitimacy.

D. Maintain an Information Security Policy

- (1) Develop and follow a security plan to protect the confidentiality and integrity of the personal consumer information as required under the GLB Safeguard Rule.
- (2) Establish processes and procedures for responding to security violations, unusual or suspicious events and similar incidents to limit damage or unauthorized access to information assets and to permit identification and prosecution of violators.
- (3) The FACTA Disposal Rules requires that you implement appropriate measures to dispose of any sensitive information related to consumer credit reports and records that will protect against unauthorized access or use of that information.
- (4) Implement and maintain ongoing mandatory security training and awareness sessions for all staff to underscore the importance of security within your organization.

E. Build and Maintain a Secure Network

- (1) Protect Internet connection with dedicated, industry-recognized firewalls that are configured and managed using industry best security practices.
- (2) Internal private Internet Protocol (IP) addresses must not be publicly accessible or natively routed to the Internet. Network address translation (NAT) technology should be used.
- (3) Administrative access to firewalls and servers must be performed through a secure internal wired connection only.
- (4) Any stand alone computers that directly access the internet must have a desktop firewall deployed that is installed and configured to block unnecessary/unused ports, services and network traffic.
- (5) Encrypt Wireless access points with a minimum of WEP 128 bit encryption and/or WPA encryption where available.
- (6) Disable vendor default passwords, service set identifier and IP Addresses on wireless access points and restrict authentication on the configuration of the access point.

F. Regularly Monitor and Test Networks

- (1) Perform regular tests on information systems (port scanning, virus scanning, vulnerability scanning).
- (2) Use current best practices to protect your telecommunications systems and any computer system or network device(s) you use to provide services hereunder to access ACRAnet systems and networks. These controls should be selected and implemented to reduce the risk of infiltration, hacking, access to penetration or exposure to an unauthorized third party by:
 - i. Protecting against intrusions;
 - ii. Securing the computer systems and network devices;
 - iii. And protecting against intrusions of operating systems or software.

G. Unauthorized Access

- (1) In the event of an unauthorized access there will be a thorough investigation as to the root cause; Client agrees to help facilitate the investigation fully.
- (2) Once the cause of the unauthorized access is determined, Client may be required to assume responsibility for costs associated with the unauthorized access and additional conditions may be established in order for ACRAnet to continue to provide Consumer Reports to Client.

For ACRAnet Use Only
Company Name _____
Subscriber # _____

Attachment “E”

Requirements for California and Vermont Users

California Users:

Provisions of the California Consumer Credit Reporting Agencies Act, as amended effective July 1, 1998, will impact the provision of consumer reports to Client under the following circumstances: (a) if Client is a “retail seller” (defined in part by California law as “a person engaged in the business of selling goods or services to retail buyers”) and is selling to a “retail buyer” (defined as “a person who buys goods or obtains services from a retail seller in a retail installment sale and not principally for purpose of resale”) and a consumer about whom Client is inquiring is applying, (b) in person and (c) for credit. Under the foregoing circumstances, ACRAnet, before delivering a Consumer Report to Client, must match at least three (3) items of a consumer’s identification within the file maintained by the Data Providers with the information provided to Data Provider’s via ACRAnet by Client in connection with the in-person credit transaction. Compliance with this law further includes Client’s inspection of the photo identification of each consumer who applies for in-person credit, mailing extensions of credit to consumer responding to a mail solicitation at a specified address, taking special actions regarding a consumer’s presentment of a police report regarding fraud, and acknowledging consumer demands for reinvestigations within certain time frames.

If Client is a “retail seller,” Client certifies that it will instruct its employees to inspect a photo identification of the consumer at the time an application is submitted in person. If Client is not currently, but subsequently becomes a “retail seller,” Client agrees to provide written notice to ACRAnet prior to ordering Consumer Reports in connection with an in-person credit transaction, and agrees to comply with the requirements of the California law as outlined in this Attachment, and with the specific certifications set forth herein.

Client certifies that, as a “retail seller,” it will either (a) acquire a new Client subscriber number for use in processing Consumer Report inquiries that result from in-person credit applications covered by California law, with the understanding that all inquiries using this new Client Subscriber number will require that Client supply at least three items of identifying information from the applicant; or (b) contact Client’s ACRAnet sales representative to ensure that Client’s existing client number is properly coded for these transactions.

Vermont Users:

Client acknowledges that it subscribes to receive various information services from ACRAnet, Inc. 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 Client’s continued use of ACRAnet services in relation to Vermont consumers, Client hereby certifies as follows:

Vermont Certification. Client certifies that it will comply with the applicable provisions under Vermont law. In particular, Client certifies that it will order certain information relating to Vermont residents, that are Consumer Reports as defined by the VFCRA, only after Client has received prior consumer consent in accordance with the VFCRA § 2480e and applicable Vermont Rules. Client further certifies that the attached copy § 2480e of the Vermont Fair Credit Reporting Statute was received from ACRAnet.

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 the 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 Federal Trade Commission.

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.