

SERVICE AGREEMENT FOR EMPLOYMENT SCREENING SERVICES

This Agreement is made by and between Subscriber and Faxon Investigations, Inc. (consumer reporting agency), subject to the following terms and conditions:

1. **SERVICES PROVIDED:** Faxon Investigations, Inc. agrees to furnish to Subscriber personal identifier record (SSN), employment references, civil and criminal records, motor vehicle records, credit records, education and credential verification, workers' compensation claim history and other background information ("consumer report") on job applicants/employees, as requested by the Subscriber. Faxon Investigations, Inc. will use its best efforts to deliver the consumer reports requested in an expeditious manner, however, Faxon Investigations, Inc. shall have no obligation or liability to Subscriber for any delay or failure to deliver consumer reports caused by the parties providing data or information to Faxon Investigations, Inc., or by any other third-party. Faxon Investigations, Inc. is a federally regulated Consumer Reporting Agency as defined by the Fair Credit Reporting Act for the purpose of providing pre-employment screening information in accordance with all applicable guidelines and confidentiality as stipulated within applicable statutes.
2. **DISCLAIMER OF WARRANTY/LIMITATION OF LIABILITY:** The consumer report obtained by Faxon Investigations, Inc. is derived from databases and records that have been created and maintained by various government agencies, private companies, and other contributors that are not under the control of Faxon Investigations, Inc.. Responsibility for the accuracy of the information contained in the consumer report and these databases and records rests solely in the contributor. The Subscriber waives any and all claim or claims against Faxon Investigations, Inc. arising out of or related to the accuracy of the consumer report, databases and records.
3. **PAYMENT REQUIREMENTS/COLLECTION:** Subscriber agrees to pay Faxon Investigations, Inc. the applicable charges for the various services rendered to Subscriber as specified in Faxon Investigations, Inc.'s employment screening service list, which is subject to change from time to time. Subscriber agrees to pay all applicable charges within thirty (30) days of receipt of the information or consumer report requested. All monetary obligations to Faxon Investigations, Inc. for services rendered which are past due fifteen days or more may, at the election of Faxon Investigations, Inc., bear interest at the rate of twenty-one percent 21% per annum. In the event that legal action is necessary to obtain the payment of any monetary obligations to Faxon Investigations, Inc., the Subscriber shall be liable to Faxon Investigations, Inc. for all costs and reasonable attorneys' fees incurred by Faxon Investigations, Inc. in collection of such obligations.
4. **SUBSCRIBER'S ACKNOWLEDGMENT OF COMPLIANCE WITH THE FAIR CREDIT REPORTING ACT:** The Fair Credit Reporting Act (FCRA) governs the activities of consumer reporting agencies, as well as the users of the information procured from these agencies. A consumer report contains information on a job applicant/employee's character, reputation, and other personal data; therefore, use of such information is strictly regulated by the FCRA. Among other things, the FCRA prohibits employers from obtaining consumer reports unless the employer discloses to the applicant, in writing, that such a report may be acquired, and obtains the written authorization of the applicant/employee to inquire into this background information. The FCRA also requires employers to take additional steps when they make an employment decision based in whole or part on the background information. These steps are intended to give the applicant the opportunity to dispute any information contained in the background or consumer report.

According to FCRA guidelines there is no limitation as to the length of time investigated in an applicant's past unless the applicant earns less than \$75,000 a year. These reports can only contain adverse information for the past seven years.

Faxon Investigations, Inc. urges all employers to review the restrictions and requirements of the FCRA. The Act's citation is Public Law 91-508, Title 15, U.S.C. Sections 1681, et seq, and the text of this Act is available on Faxon Investigations, Inc.'s web page. Please note, particularly, the Permissible Purposes of Reports, as well as requirements on Users of Consumer Reports and Obtaining Information Under False Pretenses.

Employment Purposes: By checking the box to the left, Subscriber certifies that it is requesting Faxon Investigations, Inc. to provide screening services only for the purposes of considering an individual for employment, promotion, reassignment or retention as an employee, and for no other purposes.

Applicant's Authorization Obtained: By checking the box to the left, Subscriber certifies that prior to requesting Faxon Investigations, Inc. to provide screening services for employment purposes on an applicant/employee, it has provided the applicant/employee with a clear and conspicuous written disclosure, in a document consisting solely of the disclosure, that a consumer report is being requested for employment purposes, and it has obtained the written authorization from the applicant/employer to obtain a consumer report for employment purposes. A standard disclosure and authorization form is available from Faxon Investigations, Inc. for these purposes.

Pre-Adverse Action: By checking the box to the left, Subscriber certifies that before taking adverse action (e.g., refusing to hire or promote an applicant/employee), based in whole or part on information contained in the consumer report, it will first:

1. Provide the applicant/employee with a copy of the consumer report;
2. Provide the applicant/employee with a copy of the Consumer Rights, in the format approved by the Federal Trade Commission (A copy of this Consumer Rights form may be obtained from Faxon Investigations, Inc.); and
3. Provide the applicant with ample time to dispute any information contained in the consumer report.

Adverse Action: By checking the box to the left, Subscriber certifies that after providing the applicant/employee with the Pre-Adverse Action information contained above, and after it has given the applicant/employee "ample time" to dispute the information, the Subscriber will send the applicant a follow-up notification that the Subscriber is taking adverse action (e.g., denying employment or promotion) based on the information contained in the consumer report.

Confidentiality and Use of Information: By checking the box to the left, Subscriber certifies that it acknowledges the sensitivity and confidentiality of the information contained in the consumer report and Subscriber agrees that information obtained from a consumer report will not be used in violation of any applicable state or federal equal employment opportunity laws.

Indemnification/Hold harmless: By checking the box to the left, Subscriber acknowledges that it has read and understands the requirements of the Fair Credit Reporting Act, Subscriber agrees that it will comply with all such requirements, and Subscriber agrees that it shall defend, indemnify and hold Faxon Investigations, Inc., its directors, officers, employees, agents, successors and assigns, harmless from any and all claims, liability, costs or damages whatsoever arising out of or related to Subscriber's failure to comply with the requirements of the FCRA. Subscriber further agrees that it shall defend, indemnify and hold Faxon Investigations, Inc., its directors, officers, employees, agents, successors and assigns, harmless from any and all claims, liability or damages whatsoever arising out of or related to the accuracy or use of the services or data provided under this Agreement.

5. **ARBITRATION:** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Phoenix, Arizona, in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

6. **ATTORNEYS FEES AND COSTS:** In the event a dispute arises with respect to this Agreement, the party prevailing in such dispute shall be entitled to recover all expenses, including, without limitation, reasonable attorneys' fees and expenses incurred in ascertaining such party's rights, and in preparing to enforce, or in enforcing such party's rights under this Agreement, whether or not it was necessary for such party to institute suit or submit the dispute to arbitration.

7. **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

8. **WAIVER:** The failure of either party to insist in any one or more cases upon the strict performance of any term, covenant or condition of this Agreement will not be construed as a waiver of a subsequent breach of the same or any other covenant, term or condition; nor shall any delay or omission by either party to seek a remedy for any breach of this Agreement be deemed a waiver by either party of its remedies or rights with respect to such a breach.

9. **SUCCESSORS:** This Agreement shall inure to the benefit of and bind the heirs, personal representatives, successors, and assigns of the parties.

The Subscriber has executed this Agreement on this the _____ day of _____, 20____, intending to be legally bound thereby.

Company Name

Web Address

Full Address

City State ZIP

Print Your Name

(_____) _____ - _____
Phone Number

(_____) _____ - _____
Fax Number

Signature

E-mail Address @ _____

Billing Information

Thank you for choosing Faxon Investigations, Inc..

As a part of our quick approval and payment protection plan, we require your credit card information. Instead of completing a lengthy Account Application Form, we have created this quick account approval system.

Please choose from the following options (check your choice).

- Please invoice and hold the credit card number as a payment guarantee. *
I also authorize **Faxon Investigations, Inc.** to charge the card **35 days** from the invoice date if payment is not satisfied.
- Please charge the credit card and send me a detailed receipt. *
Faxon Investigations, Inc. is authorized to charge my credit card for services that I have requested for my company.

Credit Card Information: (check your choice)

VISA MASTER AMEX DISCOVER

Credit Card Number: _____ **Exp.** _____ / _____

Name On Card: _____

Card Billing Address: _____

Street

City

State

Zip

Name of Company: _____

* The card number and your company information will be verified within few hours.

* Fraudulent card information will be reported to law enforcement agencies as well as credit reporting bureaus immediately.

I hereby agree to the Service Agreement which I have electronically signed and submitted as well as the above terms and conditions.

Cardholder Signature: _____ / _____ / _____
Date

Faxon Investigations, Inc.

P. O. Box 45411 Phoenix, AZ 85064

Fax: 602-230-2926