

K-LAK CORPORATION CREDIT REPORTING SERVICES

Mortgage Agreement

Mortgage Agreement

Customer Subscriber's Service Agreement, entered into as of _____, 20____ by K-LAK Corporation (Hereinafter referred to as K-LAK) and _____
(Customer)

K-LAK Corporation and Customer agree as follows:

Services. K-LAK shall furnish to Customer, on request, consumer credit information stored in K-LAK with appropriate identifying information as to itself and the consumer inquired upon. Credit information on consumers will be furnished in oral or written form.

Customer charges. Customer's agree to pay K-LAK the applicable charge prevailing for the various services rendered to Customer. Such charges will be specified in K-LAK's published Price Schedule or Proposal and are subject to change upon thirty (30) days notice to Customer. The Customer is entitled to all services rendered through K-LAK Corporation. This agreement can be terminated if the Customer is not totally satisfied.

Federal Laws. As provided under the State and Federal Fair Credit Reporting Act, (FCRA) Customer agrees to abide in accordance with the Federal law. All credit reports must be signed for and authorized by the applicant on an authorization form prior to obtaining a credit report. Applicant has the rights to inquire his/her own reports, only directly through any of the National Credit Bureaus.

Mutual Indemnification. Customer shall indemnify, defend and hold K-LAK, Experian, Trans Union, & Equifax harmless from and against any and all claims, cost and liabilities based on the improper use by Customer's failure to obtain proper Authorization. K-LAK shall indemnify, defend and hold the Customer harmless from and against any and all costs, claims and liabilities which may be asserted against Customer based on the improper use by K-LAK credit information furnished to K-LAK by Customer.

Terms. Current monthly invoice statements will itemize only those reports ordered during a thirty-(30) day period. Customers agree to pay K-LAK Corporation on or before the due date. If Customer's payments are thirty (30) days delinquent from the due date, a 1.5% per month @ 15% per year will be assessed to the amount past due in addition to the invoice. Past due accounts are subject to termination and collection.

Duties. K-LAK will exercise its best effort to deliver credit information requested by Customer in an expeditious and efficient manner but it shall have no obligation or liability to Customer for any delay or failure of K-LAK in its performance under this Agreement.

Taxes. The prices and rates for the Services do not include applicable federal, state or local taxes. Customers will be solely responsible for all federal, state, and local taxes levied or assessed in connection with K-LAK performance of Services, other than income taxes assessed with respect to K-LAK's not income. K-LAK may separately reflect on its invoices to Customer the amount of any taxes paid by K-LAK on Customer's behalf, and Customer shall pay K-LAK for such amounts.

K-LAK shall use good faith in obtaining and assembling consumer credit information from sources deemed reliable, but does not guarantee the accuracy of any information reported.

K-LAK makes no warranties, express or implied, including but not limited to, the implied warranties of merchantability or fitness for a particular purpose, respecting the accuracy of any information furnished by K-LAK to the customer or to any customer of the consumer. In no event shall K-LAK, Experian, Trans Union, & Equifax be liable to the Customer in any manner whatsoever for any loss or injury to the Customer resulting from the obtaining or furnishing of consumer reports or information. Customer further agrees to indemnify, defend and hold K-LAK, Experian, Trans Union, & Equifax and its affiliates and divisions and their respective officers, directors, employees, agents, shareholders, and independent contractors harmless from any and all claims, losses and damages arising out of the issuance of such reports or information or the failure of Customer to keep and perform any of its obligations set forth herein or as may be required by law.

If K-LAK takes any action to enforce this Customer Service Agreement or to secure payment of any amount due from Customer to K-LAK, Customer will be liable for all legal and other costs and expenses incurred by K-LAK, including but not limited to reasonable attorneys' fees as provided by law.

The Customer will keep all reports, whether oral or written, strictly confidential, and except as required by law, reveal no information from such reports to any other person except any person whose duty requires him or her to participate in the decision for the transaction for which the report was ordered. If the person being reported upon or his authorized representative requests information concerning the report, such request will be honored and forwarded to K-LAK in accordance with the Act or other applicable laws. The Customer agrees to fully cooperate with and assist K-LAK, and to provide any pertinent information K-LAK may request, in connection with any reinvestigation or verification of information concerning an individual.

The Customer recognizes that information in reports prepared by K-LAK, Experian, Trans Union, & Equifax and its affiliates and divisions, or subcontractors is obtained from and processed by fallible sources (human and otherwise) and that for the fee charged, K-LAK cannot be held liable, either as an insurer or a guarantor, for the accuracy of the information reported. Customer agrees to release, defend and hold K-LAK, Experian, Trans Union, & Equifax and its affiliated companies and divisions, and their respective officers, directors, agents, employees, shareholders and independent contractors harmless from liability for any alleged negligence, but not for willful misconduct, in connection with the preparation, submission or dissemination of any report or any information contained in any such report from K-LAK and from any loss or expense, including actual, incidental or consequential damages, alleged to be suffered by Customer resulting directly or indirectly from a report prepared or distributed by K-LAK or any of its affiliated companies and divisions under the terms of this Agreement.

The parties acknowledge the special and unique purposes of this Agreement and, therefore, agree that, notwithstanding any other provision to the contrary, neither this Agreement nor any of the rights or obligations hereunder shall be assignable by Customer without the prior written consent of K-LAK, which consent shall not be unreasonably withheld.

This Agreement shall be construed under and in accordance with Delaware law.

The invalidity or unenforceability of any particular provision of this Agreement shall not effect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

This Agreement contains all of the understandings of the parties hereto and any amendment hereof must be in writing signed by both parties. This Agreement is binding upon the parties and their respective successors, heirs or assigns.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, THE PARTIES COVENANT AND AGREE THAT IN THE EVENT OF ANY ALLEGED BREACH BY K-LAK UNDER THIS AGREEMENT, K-LAK'S LIABILITY SHALL BE STRICTLY LIMITED TO THE FEE CHARGED TO AND PAID BY CUSTOMER FOR THE REPORTS GENERATED HEREUNDER BY K-LAK AND ALLEGED TO BE INACCURATE.

ACKNOWLEDGMENT: By signing below, Customer hereby acknowledges the receipt of the Federal Trade Commission Notice to Users as prescribed by the Act and which accompanied this Agreement

Customer's type of business: _____

Purpose for which reports will be used. _____

Customer Subscriber Code: _____

In Witness Whereof. K-LAK and Customer have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Customer: _____

Street Address: _____

City/State/Zip: _____

Type of Business: _____ Telephone: _____

Date: _____ By: _____
(Signature) (Title)

ACCEPTED: K-LAK Corporation (DBA) Credit Information Services - Post Office Box 7033, Wilmington, DE 19803

Date: _____ By _____
(Signature) (Title)

PERSONAL GUARANTEE ADDENDUM

The undersigned individual, being employed by and/or financially interested in the Subscriber identified below, and in consideration of K-LAK Corporation entering into a service agreement and related contracts ("Agreements") with such Subscriber, personally and individually guarantees all payment due to K-LAK Corporation by Subscriber under said agreements. The undersigned waives presentment, protest, demand and notice of dishonor or default in connection with this guarantee and any payments due by Subscriber under the Agreements, and the individual expressly recognizes that this Guarantee creates personal obligation, and that any default under this Guarantee may be reflected on the undersigned's personal credit file. The undersigned further expressly acknowledge the right of K-LAK Corporation to check the undersigned's personal credit file and/or other financial references.

Name: _____

Home Address: _____

City, State, Zip Code: _____

Home Phone: _____

Social Security Number: _____

Signature: _____

***** IMPORTANT *****

In the event that your employment or relationship with the above reference Subscriber should terminate, it is your responsibility to notify K-LAK Corporation in writing, so that we may secure another personal guarantor. Otherwise, this Guarantee remains binding against you until you are released from this Guarantee by K-LAK Corporation in writing.

MISCELLANEOUS

Publicity: Except as specifically permitted by K-LAK Corporation in writing, under no circumstances will Applicant disclose to any third party, directly or indirectly, the terms and conditions of this Contract. Any marketing materials containing information advertising this service or availability of service must be approved in writing prior to usage.

Excusable Delays: No party will be liable to the other for any delay or failure in its performance of any of the acts required by this Contract (other than for payment obligations hereunder) if and to the extent that such delay or failure arises beyond the reasonable control of such party, including, without limitation, acts of God or public enemies labor disputes, equipment malfunctions, computer downtime, material or component shortages, supplier failures, embargoes, earthquakes, rationing acts of local, state or national governments or public agencies, utility or communication failures or delays, fire, flood, epidemics, riots and strikes.

Liability & Hold Harmless: K-LAK Corporation, Experian, Trans Union, & Equifax and its officers, directors or employees, or and other persons associated therewith do not make any warranties either express or implied in relation to the information provided to Customer pursuant to the Contract, including but not limited to accuracy or correctness of the information. The Customer will indemnify, defend and hold harmless K-LAK Corporation, Experian, Trans Union, & Equifax and its officers, directors, employees and other persons associated with any claims, causes of action, collection fees or court costs in connection with any claim or demand against K-LAK Corporation, Experian, Trans Union, & Equifax.

Contract in Entirety: This Contract (including the exhibits, amendments and addenda hereto which are incorporated herein by this reference) sets forth the entire understanding of the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous letters of intent, agreements, covenants, negotiations, arrangements, communications, representations, understandings or warranties, whether oral or written, by any officer, employee, or representative of either party relating thereto. There are no other understanding, statements, promises or inducements, oral or otherwise, contrary to the terms of the Contract.

Date: _____

Customer: _____

Address: _____

City, State, Zip Code: _____

Telephone: _____

Fax: _____

Email: _____

Bank Reference: _____

Trade Reference: _____

Is Customer now or ever has been a subscriber of K-LAK Corporation Yes () No ()

If so, what name is (was) subscription issued? _____

Dates of other (previous) subscription: From: _____ To: _____

Person(s) to be in charge of ordering services: _____

Authorized Signature: _____ Date: _____

ACCESS SECURITY REQUIREMENT

We must work together to protect the privacy and information of consumers. The following information security measures are designed to reduce unauthorized access to consumer information. It is your responsibility to implement these controls. If you do not understand these requirements or need assistance, it is your responsibility to employ an outside service provider to assist you. Capitalized terms used herein have the meaning given in the Glossary attached hereto. The credit reporting agency reserves the right to make changes to Access Security Requirements without notification. The information provided herewith provides minimum baselines for information security.

In accessing the credit reporting agency's services, you agree to follow these security requirements:

1. Implement Strong Access Control Measures

- 1.1 Do not provide your credit reporting agency Subscriber Codes or passwords to anyone. No one from the credit reporting agency will ever contact you and request your Subscriber Code number or password.
- 1.2 Proprietary or third party system access software must have credit reporting agency Subscriber Codes and password(s) hidden or embedded. Account numbers and passwords should be known only by supervisory personnel.
- 1.3 You must request your Subscriber Code password be changed immediately when:
 - any system access software is replaced by system access software or is no longer used;
 - the hardware on which the software resides is upgraded, changed or disposed of
- 1.4 Protect credit reporting agency 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).
- 1.5 Create a separate, unique user ID for each user to enable individual authentication and accountability for access to the credit reporting agency's infrastructure. Each user of the system access software must also have a unique logon password.
- 1.6 Ensure that user IDs are not shared and that no Peer-to-Peer file sharing is enabled on those users' profiles.
- 1.7 Keep user passwords Confidential.
- 1.8 Develop strong passwords that are:
 - Not easily guessable (i.e. your name or company name, repeating numbers and letters or consecutive numbers and letters)
 - Contain a minimum of seven (7) alpha/numeric characters for standard user accounts
- 1.9 Implement password protected screensavers with a maximum fifteen (15) minute timeout to protect unattended workstations.
- 1.10 Active logins to credit information systems must be configured with a 30 minute inactive session, timeout.
- 1.11 Restrict the number of key personnel who have access to credit information.
- 1.12 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 your membership application.
- 1.13 Ensure that you and your employees do not access your own credit 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.
- 1.14 Implement a process to terminate access rights immediately for users who access credit reporting agency credit information when those users are terminated or when they have a change in their job tasks and no longer require access to that credit information.
- 1.15 After normal business hours, turn off and lock all devices or systems used to obtain credit information.
- 1.16 Implement physical security controls to prevent unauthorized entry to your facility and access to systems used to obtain credit information.

2. Maintain a Vulnerability Management Program

- 2.1 Keep operating system(s), Firewalls, Routers, servers, personal computers (laptop and desktop) and all other systems current with appropriate system patches and updates.
- 2.2 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, IDs and sample files/programs, and enabling the most secure configuration features to avoid unnecessary risks.
- 2.3 Implement and follow current best security practices for Computer Virus detection scanning services and procedures:
 - Use, implement and maintain a current, commercially available Computer Virus detection/scanning product on all computers, systems and networks.
 - 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.
 - 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.
- 2.4 Implement and follow current best security practices for computer anti-Spyware scanning services and procedures:
 - Use, implement and maintain a current, commercially available computer anti-Spyware scanning product on all computers, systems and networks.
 - 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.
 - Run a secondary anti-Spyware scan upon completion of the first scan to ensure all Spyware has been removed from your computers.
 - 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.

3. Protect Data

- 3.1 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 (i.e., tape, disk, paper, etc.)
- 3.2 All credit reporting agency data is classified as Confidential and must be secured to this requirement at a minimum.
- 3.3 Procedures for transmission, disclosure, storage, destruction and any other information modalities or media should address all aspects of the lifecycle of the information.
- 3.4 Encrypt all credit reporting agency 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.
- 3.5 Only open email attachments and links from trusted sources and after verifying legitimacy.

4. Maintain an Information Security Policy

- 4.1 Develop and follow a security plan to protect the Confidentiality and integrity of personal consumer information as required under the GLB Safeguard Rule.

- 4.2 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.
- 4.3 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.
- 4.4 Implement and maintain ongoing mandatory security training and awareness sessions for all staff to underscore the importance of security within your organization.

5. Build and Maintain a Secure Network

- 5.1 Protect Internet connections with dedicated, industry-recognized Firewalls that are configured and managed using industry best security practices.
- 5.2 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.
- 5.3 Administrative access to Firewalls and servers must be performed through a secure internal wired connection only.
- 5.4 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.
- 5.5 Encrypt Wireless access points with a minimum of WEP 128 bit encryption, WPA encryption where available.
- 5.6 Disable vendor default passwords, SSIDs and IP Addresses on Wireless access points and restrict authentication on the configuration of the access point.

6. Regularly Monitor and Test Networks

- 6.1 Perform regular tests on information systems (port scanning, virus scanning, vulnerability scanning).
- 6.2 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 credit reporting agency systems and networks. These controls should be selected and implemented to reduce the risk of infiltration, hacking, access penetration or exposure to an unauthorized third party by:
 - protecting against intrusions;
 - securing the computer systems and network devices;
 - and protecting against intrusions of operating systems or software.

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, the credit reporting agency requires that you retain the credit application and, if applicable, a purchase agreement for a period of not less than 25 months. When conducting an investigation, particularly following a breach or a consumer complaint that your company impermissibly accessed their credit report, the credit reporting agency will 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.”

Signature/Title

Date

K-LAK CORPORATION
SUBSCRIBER'S PERMISSIBLE PURPOSES RESPONSIBILITY

The Subscriber is a _____ and has a permissible purpose for obtaining consumer reports, as defined by Section §604 of the Federal Fair Credit Reporting Act (FCRA - 15 USC 168 1b) as amended by the Consumer Credit Reporting Reform Act of 1996, hereinafter called "FCRA." The End User certified their permissible purpose as:

1. K-LAK Corporation has access to consumer reports from Experian, Trans Union and Equifax.
 2. 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
 3. 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
 4. In connection with a tenant screen application involving the consumer; or
 5. In accordance with the written instructions of the consumer; or
 6. For a legitimate business need in connection with a business transaction that is initiated by the consumer; or
 7. As a potential investor, servicer or current insurer in connection with a valuation of, or assessment of, the credit or prepayment risks.
- A. The Subscriber certifies that it will request consumer reports pursuant to procedures prescribed by K-LAK Corporation from time to time only for the permissible purpose certified above, and will use the reports obtained for no other purpose.
- B. Subscriber will maintain copies of all written authorizations for a minimum of three (3) years from the date of inquiry
- C. 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.
- D. Subscriber shall agree to use Consumer Reports only for a one-time use, and to hold the report in strict confidence, and not to disclose it to any third parties; provided, however, that Subscriber may, but is not required to, disclose the report to the subject of the report only in connection with an adverse action based on the report.
- E. With just cause, such a delinquency or violation of the terms of this contract or a legal requirement, K-LAK Corporation may, upon its election, discontinue serving the Subscriber and cancel this Agreement immediately.

Authorized Signature: _____ Date: _____

SUBSCRIBER'S AGREEMENT FOR MORTGAGE SCREENING

All potential Subscriber to whom information would be provided must be investigated to ensure that it 1) identifies type of business location; 2) will be accessing information for purposes allowed by the Federal Fair Credit Reporting Act (FCRA) and K-LAK Corporation and Experian, Trans Union and Equifax policy; 3) is an acceptable business type; 4) is a bona fide business entity; 5) has knowledge of the FCRA; and 6) provides access security. Each of the following tasks must be documented and made available to K-LAK Corporation upon request for auditing purposes.

If the Subscriber owns an Apartment Complex:

A.1 Maintain a completed and signed membership application and Subscriber's agreement. The Subscriber must provide the following:

- ◆ Describe the specific purpose(s) for which the credit information will be used
- ◆ Describe their type of business
- ◆ Acknowledge the responsibilities under the FCRA
- ◆ Acknowledge the responsibilities for access security
- ◆ Certify that the Subscriber will not further sell the information

A.2 Provide a business/personal banking reference

A.3 Verify bona fide rental business:

- ◆ Provide a minimum of 3 completed (signed) rental applications (either existing tenants or new applicants is acceptable); or
- ◆ Document filings in Landlord/Tenant Court; or
- ◆ Verify proof of property or properties
- ◆ Verify membership in local/regional/national Apartment Association.

A.4 Verify complex is listed with telephone directory assistance

If the Subscriber is an Individual Landlord:

B.1 See item A.1, above.

B.2 Provide proof of property ownership

- ◆ Copy of deed; **or**
- ◆ Copy of property tax document; **or**
- ◆ Public records search; **or**
- ◆ Property insurance documents; **or**
- ◆ County Assessor's office; **or**

B.3 Provide a copy of completed (signed) rental application or agreement

B.4 Provide identification prior to access our system.

- ◆ Provide photo ID with application; **or**
- ◆ Provide banking reference

Warning: You are limited to accessing Experian, Trans Union and Equifax information only for the purposes for which you have indicated on your membership application/service agreement. Changes to your Subscriber's Agreement must be made in writing and approved by K-LAK Corporation prior to expanding your access privileges.

In Witness Whereof. K-LAK and Customer have caused this Agreement for Landlord/Tenant screening to be executed by their duly authorized representatives as of the date first above written.

Signature

Date

Printed Name/Title

Company Name

ACCEPTED: K-LAK Corporation (DBA) Credit Information Services - Post Office Box 7033, Wilmington, DE 19803

Date: _____ By _____

K-LAK CORPORATION VERIFY AND INVESTIGATE POLICY

The K-LAK Corporation and its employees, affiliates, divisions and/or subcontractors and Subscriber's shall comply with the Federal Fair Credit Reporting Act (FCRA), Enacted October 26, 1970; Reform Act of 1996, Last amended June 30, 2003, U.S.C. § 1681 et seq).

All potential Subscriber's who request information for K-LAK Corporation services will be investigated to ensure that it 1) identifies type of business location; 2) will be accessing information for purposes allowed by the Federal Fair Credit Reporting Act and K-LAK Corporation requirements and policy; 3) is an acceptable business type; 4) is a bona fide business entity; 5) has knowledge of the FCRA; and 6) provides access security. Each of the following tasks must be documented and made available to K-LAK Corporation upon request for auditing purposes.

For all Subscribers:

- A.1 K-LAK will maintain completed and signed Subscriber's application and agreement. The Subscriber's must provide the following:
- ◆ Describe the specific purpose(s) for which the credit information will be used
 - ◆ Describe their type of business
 - ◆ Acknowledge the responsibilities under FCRA
 - ◆ Acknowledge the responsibilities for access security
 - ◆ Certify that the Subscriber is the End User and will not further sell the information
- A.2 K-LAK will verify the Subscriber's business location type, commercial or residential.
- A.3 K-LAK will verify telephone listing with competent authority. (directory assistance or a copy of the current yellow pages advertisement)
- A.4 K-LAK will verify that the Subscriber is a bona fide business entity, conducting business as disclosed on the application and is properly licensed based on local laws. Acceptable Subscriber's documents:
- ◆ Business license, copy or documented verification with issuing authority; or
 - ◆ Articles of Incorporation; or
 - ◆ Business banking reference; or
 - ◆ Corporation verification with state or federal government; or
 - ◆ Sales tax records; or
 - ◆ State and/or federal tax records.

For all Subscribers, the following additional steps will be performed:

- B.1 All business premises will check thoroughly. A physical inspection of the Subscriber's business premises provides the best information to validate the requirement and is the recommended method. Listed are methods to complete this requirement:
- ◆ Conduct a personal inspection of the business premises using an approved inspection form; or
 - ◆ Contract with a commercial vendor to perform the physical inspection using and approved inspection form; or
 - ◆ Verify the business lease, (obtain a copy of the lease or written verification from the landlord)

If the Subscriber intends to access credit information for employment purposes:

B.2 The Subscriber must sign and return the Consumer Employment Reports, or the equivalent, to K-LAK Corporation.

Subscriber's operating from a residence

When a Subscriber is operating from a residence, a more in-depth investigation is required due to the greater security risk from casual disclosure or access, and the mobility of the business. More stringent documentation is also reasonable with these Subscriber(s). Each Subscriber must be identified as operating from a residence and K-LAK Corporation will monitor these account(s). In addition to requirement A.1 through A.4 the following items required to further document the Subscriber:

- C.1 MANDATORY physical inspection, specifically designed to address hours of operation, physical separation, from living quarters and security measures restricting access for business needs only. This is a material requirement of the Agreement.
- C.2 Verify corporation and sole proprietorship with state or federal government
- C.3 Verify business licenses from county or state government or fictitious name application
- C.4 Verification of business or vendor references
- C.5 Business has separate business phone, listed in the name of the business
- C.6 Subscriber's must be assigned an subordinate subscriber code and password
- C.7 Check the Internet to determine if the prospective customer has a web page. If the Prospective customer does have a web page, this page will be viewed to verify that the information on the web page is compatible with purported business, that the prospective Subscriber is not an Unauthorized User, and that the prospective Subscriber is a legitimate business.
- C.8 Annual inspections and update application and service agreement is a requirement.
- C.9 Business hours of operation.

National/Regional Companies

National/Regional Companies are well known publicly and respected. Requirements number A.4 and B.1 above are waived for these companies. A master agreement may be put into place with additional branch or department membership opened.

- D.1 Branch Subscriber's information
 - ◆ Location type
 - ◆ Corporation authentication of request
 - ◆ Permissible Purpose
 - ◆ Business type
 - ◆ FCRA Requirement Acknowledgment
 - ◆ Access Security Requirement Acknowledgment
 - ◆ Facility inspection

Note: Subscriber's are limited to accessing K-LAK Corporation information only for the purposes for which you have indicated on your Subscriber's application and service agreement. Changes to your agreement must be made in writing and approved by K-LAK Corporation prior to expanding your access privileges.

In Witness Whereof. K-LAK and Customer have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Signature

Date

Printed Name/Title

Company Name

ACCEPTED: K-LAK Corporation (DBA) Credit Information Services - Post Office Box 7033, Wilmington, DE 19803

Date: _____ By _____

For questions, please call our office located at: 508 Philadelphia Pike, Suite B, Post Office Box 7033, Wilmington, Delaware 19803, (302) 764-5826, between 9:00 am to 5:00 pm., Monday thru Friday.

CREDIT SCORING SERVICE AGREEMENT FAIR, ISAAC, EMPIRICA AND BEACON

THIS AGREEMENT IS MADE BY AND BETWEEN **K-LAK Corporation** (hereinafter referred to as "K-LAK"), a reseller for Experian, Trans Union Equifax and Fair, Isaac Company Incorporated (Hereinafter referred to as "Fair, Isaac"), and _____ (hereinafter referred to as ("Customer")).

- I. K-LAK Corporation is in the business of providing consumer credit reporting information to customers who are subscribers, and who have a permissible purpose for receiving such information.
- II. Fair, Isaac is in the decision support business with expertise in developing predictive models of credit performance by consumers from historical credit data.
- III. A Customer is a credit grantor who purchases consumer credit reports from K-LAK in connection with consumer credit applications.
- IV. Experian, Trans Union and Equifax have developed a unique and proprietary statistical credit scoring system ("FAIR, ISAAC, EMPIRICA AND BEACON") which evaluates certain information in the credit report on an individual consumer from Experian, Trans Union and Equifax's database and provides a scoring system which rank orders in the consumer with respect to likely credit performance (the "FAIR, ISAAC, EMPIRICA AND BEACON" Scores, hereinafter referred to the three Bureaus Scoring Systems). The Three Bureaus Scoring Systems are available in industry-specific versions, as well as a general version.
 - ◆ Experian use Fair, Isaac
 - ◆ Trans Union use Empirica
 - ◆ Equifax use Beacon
- V. Customer hereby request that K-LAK process credit reports it purchases against the three Bureaus Scoring System and provide one of the three or all three Bureaus Scores. K-LAK agrees to perform such processing.
- VI. Fair, Isaac, Model the developer of the Scoring System for all three Bureaus, warrants that the scoring algorithms used in the computation of the three Bureaus Scores are empirically derived and demonstrably and statistically sound and that to the extent the population to which the three Bureau's Fair, Isaac Model applied is similar to the population sample on which the Fair, Isaac Model for all Bureaus was developed from their credit data with a method of rank order a individual's records with respect to credit risk, and that no scoring algorithm used by the three Bureaus Scoring Systems uses a "prohibited basis" as that term is defined in the Equal Credit Opportunity Act and Regulation B as it may be amended from time to time (12 CFR Section 202 et seq.) promulgated thereunder.
- VII. Customer understands and recognized that factors other than the three Bureaus Scoring System must be considered in making a credit decision, including the credit report, the individual credit application, and economic factors. The factors that are provided by Experian, Trans Union and Equifax as significantly contributing to the three Bureaus Scoring System may be disclosed to consumers as the reasons for taking adverse action, as required by Regulation B. The three Bureaus Scoring Systems itself is proprietary to Fair, Isaac and may not be used as the reason for adverse action under Regulation B. Subscriber may, however, disclose the Fair Isaac, Empirica and Beacon Scores provided to Subscriber under this Agreement to credit applicants, when accompanied by the corresponding score reason codes, in connection with approval/disapproval decisions in the context of bona fide credit extension transactions only.

- VIII. The Customer agrees to pay K-LAK the annual subscriber fees if required for the use of Scores, at the time therein. In addition, Customer agrees to pay the added surcharge for each credit report purchases that uses Scores. All fees are due in the same manner and subject to the same terms and conditions as the fees in the Customer Service Agreement in effect between the parties. All fees may be modified by K-LAK at any time upon a prior thirty (30) day notice.
- IX. K-LAK Corporation a reseller for Experian, Trans Union and Equifax and Fair, Isaac shall use their best efforts to perform their obligations hereunder, but make no guarantees other than as described in Paragraph IV, and shall not be liable for any loss, cost or expense of a Customer resulting from the use of Bureau's Scores. In no event shall either party be liable to Customer for any loss, costs, damages or expenses in excess of the fees charged Customer hereunder for the previous twelve (12) month period.
- X. Each party hereto shall be responsible for compliance with all laws and regulation to which it is subject.
- XI. This Agreement states the entire understanding of the parties as to the subject matter hereof supersedes all prior correspondence, documentation or representations and may not be amended except by written agreement signed by both. However, this Agreement does not supersede any other agreement in effect between the parties relating to credit reporting.
- XII. This Agreement shall be in effect for one year from the date hereof, and thereafter shall be automatically renewed, except the either party any terminate this Agreement at any time upon a prior thirty (30) day notice to the other.
- XIII. No party may assign its rights or obligations hereunder except with the prior written consent of the other party.
- XIV. Nothing contained in this Agreement is intended to create a joint venture or partnership between the parties. Each party shall be fully independent in its business operations.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written below.

Signature

Date

Printed Name/Title

Company Name

ACCEPTED: K-LAK Corporation (DBA) Credit Information Services - Post Office Box 7033, Wilmington, DE 19803

Date: _____ By _____

VERMONT FAIR CREDIT REPORTING CONTRACT CERTIFICATION

Re: Vermont Credit Reporting Law, 9 V. S. A. Sec 248e-Contract Certification

This is to remind you of Vermont's Fair Credit Reporting statute, 9 V. S. A. Sec 248e, and Fair Credit Reporting rule CF 112, and to request your written certification that you are in compliance with the applicable section of this law.

Vermont's statutes and rules differ from the federal Fair Credit Reporting Act, and require a credit report user to obtain the consumer's consent prior to accessing a credit report.

Please sign the Certification and return to K-LAK Corporation along with the rest of the Customer Agreement and Application.

If you have any questions about your compliance with Vermont's credit reporting statutes and rules, or any other state or federal credit reporting law, they need to be directed to your legal counsel.

The undersigned _____ ("Customer"), acknowledges that is subscribers to receive various information services from Experian, Trans Union and Equifax via K-LAK Corporation
In accordance with the Vermont Fair Credit Reporting Statute, 9 V. S. A. Sec 248e (1999), as amended (the "FCRA")
And its other state law counterpart. In connection with Customer's continued use of Experian, Trans Union and Equifax Information services in relation to Vermont consumer, Customer hereby certifies as follows.

Vermont Certification: Customer certifies that it will comply with applicable provisions under Vermont law. In particular, Customer certifies that it will order information services relating to Vermont residents, that are credit reports a defined by the VFCRA, only after customer has received prior consumer consent in accordance with VFCRA Sec 2480e and applicable Vermont Rules. Customer further certifies that the attached copy of VFCRA Sec 2480e and applicable Vermont rules were received from Experian, Trans Union and Equifax via K-LAK Corporation.

Customer: _____

Signed by: _____

Printed Name & Title: _____

Account Number: _____

Please also include the following information:

Compliance officer or person responsible for credit reporting compliance:

Name: _____ Title: _____

Mailing Address: _____

E-Mail Address: _____

Phone: _____ Fax: _____

FCRA REQUIREMENTS

Federal Fair Credit Reporting Act (as amended by the Consumer Credit Reporting Enacted October 26, 1970; Reform Act of 1996, Last amended June 30, 2003, U.S.C. § 1681 et seq).

Although the FCRA primarily regulates the operations of consumer credit reporting agencies, it also affects you as a user of information. We have included a copy of the FCRA with your membership kit. We suggest that you and your employees become familiar with the following sections in particular:

§ 604	Permissible Purposes of Reports
§ 607	Compliance Procedures
§ 615	Requirement on users of consumer reports
§ 616	Civil liability for willful noncompliance
§ 617	Civil liability for negligent noncompliance
§ 619	Obtaining information under false pretenses
§ 621	Administrative Enforcement
§ 623	Responsibility of Furnishers of Information to Consumer Reporting Agencies
§ 628	Disposal of records

Each of these sections is of direct consequence to users who obtain reports on consumers.

As directed by the law, credit reports may be issued only if they are to be used for extending credit, review or collection of an account, employment purposes, underwriting insurance or in connection with some other legitimate business transaction such as in investment, partnership, etc. It is imperative that you identify each request for a report to be used for employment purposes when such report is ordered. Additional state laws may also impact your usage of reports for employment purposes.

Experian, Trans Union and Equifax strongly endorses the letter and spirit of the Federal Fair Credit Reporting Act. We believe that this laws and similar state laws recognize and preserve the delicate balance between the rights of the consumer and the legitimate needs of commerce.

In addition to the Federal Fair Credit Reporting Act, other federal and state laws addressing such topics as computer crime and unauthorized access to protected database have also been enacted. As prospective user of consumer reports, we expect that you and your staff will comply with all relevant federal status and the statues and regulation of the states in which you operate.

We support consumer reporting legislation that will assure fair and equitable treatment for all consumers and users of credit information.