

EMPLOYEE SCREENING AGREEMENT

THIS AGREEMENT is between Wolfe & Associates, Inc. d/b/a Wolfe Reality Check, Inc. ("Reality") and _____ ("Client"). This Agreement is entered into on _____, 20____.

1. Services to be Provided by Reality

A. Upon request and relying upon Client's representations that it has a legitimate purpose for information, Reality will provide background checks, verifications and other consumer reports to the Client when available. Reality will only furnish a report for a permissible purpose under the Fair Credit Reporting Act, 15 U.S.C. §1681 et seq. ("FCRA") and no other purpose.

B. Periodically and upon request, Reality will provide to Client copies of certifications, consumer consents, notices and summary of rights under the FCRA as well as other forms which Reality finds helpful in meeting its obligations under the FCRA and other applicable laws. However, it is the responsibility of the Client to be knowledgeable about and to comply with the FCRA, the Driver Privacy Protection Act, 18 U.S.C. §2721 et seq. ("DPPA") and other applicable federal, state and local laws regulating the release and use of such consumer reports it requests.

2. Representations of Client when ordering reports

A. Client represents that it is an existing business with the legitimate need for verification and reports offered by Reality. Client specifically represents that reports will only be obtained for its own use and it is the end user of the reports. It will not further distribute, sell, give or trade such information with any third party. Client will request reports for the following permissible purpose only: employment by hire or contract.

B. Client represents that prior to requesting a report for employment purposes, it will:

(i) disclose to the individual who is the subject of the report that a consumer report or, as applicable, an investigative consumer report, may be obtained;

(ii) obtain the written consent of the individual allowing the obtaining of the consumer report;

(iii) provide to the individual a summary of the individual's rights required under the ("FCRA") and any applicable state law; and

(iv) not utilize any information in violation of any federal or state equal employment opportunity law or regulation.

(v) that a reasonable amount of time prior to taking adverse employment action against the individual who is the subject of the report, when such action will be based in whole or in part upon the information contained in the report furnished by Reality, the Client will, except as otherwise provided by law, advise the subject of the intent to take adverse action and provide a copy of the report to the individual and a description, in writing, of the individual's rights under the FCRA.

(vi) that after taking adverse action based in whole or in part upon information contained in a report furnished by Reality, the Client shall:

(a) provide notice of such action to the individual;

(b) provide the name, address and telephone number of Reality; and

(c) inform the individual that he/she is entitled to a free copy of the report and a right to dispute the record through Reality and that Reality is unable to provide the individual the specific reasons why the adverse action was taken by you.

(vii) that it will comply with the FCRA and similar state laws, in regard to all reports, it will follow the requirements of the ("DPPA") and the various state laws implementing the DPPA in regard to motor vehicle reports.

3. Compliance with Applicable Law

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

B. Client agrees to promptly execute and return to Reality all documentation required, now or in the future, by any government agency or Reality to permit release of information or to ensure compliance with applicable laws or regulations. Such documentation shall become part of this agreement. The failure to return such documentation will result in Client being blocked from receiving the information related to the documentation, and, in some circumstances, all service may be terminated without additional notice.

C. Client consents to any reasonable request by Reality to audit records of the Client in person or by requesting copies of documents and to communicate with employees of the Client, with notice to Client, to determine the appropriateness of any present or past request(s) for information by Client. A failure to cooperate with an audit may result in the immediate termination or suspension of service.

4. Fees for Services

A. Reality will charge a fee for each request made by Client, in accordance with Reality's current fees schedule. Reality reserves the right to change the fees charged upon thirty (30) days notice to Client. Applicable sales or other taxes will be added to all fees. Client understands that Reality may incur access charges imposed by courts and other governmental agencies which are passed along to Client in addition to fees. These costs are subject to change without notice.

B. Payment on all invoices will be due thirty (30) days after billing. For any invoice not paid within thirty (30) days, Reality will add and collect a SERVICE CHARGE of one and a half percent (1½%) per month (or the maximum permitted by applicable law, if lower) with a minimum service charge of \$2. Client agrees to pay Reality's reasonable attorney's fees and costs incurred in enforcing the terms of this Agreement and in the collection of amounts due under this Agreement.

5. Confidentiality of Information

Information provided by Reality to its Clients is considered confidential by law. Upon its receipt, Client shall treat the information as confidential. Such information shall be maintained in confidential files to which access is restricted. Only those employees who need such information to perform their job duties shall have access to the same. Client shall supply to Reality the name and phone number of the contact person or persons with whom Reality may discuss the contents of reports furnished to Client. At the time that Client disposes of any report received it shall cause such to be destroyed by cross shredding, burning or electronic destruction as required by regulations issued by the Federal Trade Commission.

6. Waiver and Release

A. Client acknowledges that Reality relies totally on the information furnished by others. Reality also relies on the information contained in the records of various governmental agencies for other reports. Reality is not responsible for inaccurate or false information received from others and sent to Client. Client agrees to assert no claim and waives liability against Reality for any inaccurate or false information included in any report unless Reality had actual knowledge of the error and failed to correct it.

B. Client agrees to hold Reality harmless and will indemnify Reality from all claims and losses resulting from Client's breach of this Agreement or violation of any applicable law. Reality agrees to hold Client harmless for all claims and losses arising from Reality's violation of any applicable law. Such indemnifications include all costs and reasonable attorney fees incurred by the indemnified party.

7. Misuse of Information

The FCRA prohibits the obtaining of information from a consumer reporting agency for an impermissible purpose. Further, those involved in such improper requesting may be subject to

criminal penalties of imprisonment up to one year and/or a fine of \$5,000 for each offense. 15 U.S.C. § 1681q. Further, the DPPA prohibits obtaining information under false pretenses and restricts the resale or redisclosure of personal information contained in state motor vehicle records. A violation of the DPPA may also result in criminal penalties. 18 U.S.C. § 2733(a). If a Client or one of its employees misrepresents to Reality the reason for a report or requests a report for an impermissible purpose, Reality may terminate service without notice in addition to other remedies available to Reality. Client understands that its misuse of or improper request for information may have a direct impact upon Reality and may cause it to be unable to obtain information for any of its clients resulting in substantial damages for which Client would be liable.

8. Non-Disclosure

Neither party shall, during the term of this Agreement, and any extension thereof and for reasonable time thereafter disclose to another or use, unless authorized by the disclosing party, any of the disclosing party's "Confidential Information". The purpose of this section, "Confidential Information" shall mean all the party's prospect list, client information, any customer records/information, employee list, financial data, business plans, business strategies, proprietary software and any other information of a party disclosed by one party to the other. Notwithstanding anything to the contrary contained in this Agreement, the receiving party shall not be precluded from: a) the use or disclosure of any Confidential Information which is currently known generally to the public or which subsequently has come into the public domain, other than by way of disclosure in violation of this Agreement; b) the use or disclosure of any Confidential Information that becomes available to the receiving party on a non-confidential basis from a source other than the disclosing party, provided that such source is not known by the receiving party to have a legal obligation prohibiting the disclosure of such information; or c) the use or disclosure of any Confidential Information that was developed independently by the receiving party, or d) the disclosure of the Confidential Information is required by law or legal process.

9. Termination of Agreement

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

B. Reality may terminate this agreement by providing a sixty (60) day written notice but upon the occurrence of the following events, Reality may, immediately and without notice terminate or suspend this Service Agreement:

- (i) Default in payment of charges for Reality Services;
- (ii) Misuse of information contained in a Reality report;
- (iii) Improper request for information;

(iv) Failure of Client to comply with or assist Reality in complying with the FCRA or any other applicable law;

(v) A material breach of this Agreement or violation of any law or regulation governing the request, use or release of the information in the reports by Client.

(vi) Unauthorized release of information in a consumer report to a third party or the reselling of any report.

10. Notice of Change in Client's Business

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

11. Miscellaneous Provisions

A. This Agreement constitutes the entire understanding between the parties and supersedes all previous agreements, negotiations and representations. This Agreement may only be modified in writing signed by both parties; however, subsequent representations by Client to show compliance with existing or future laws are effective when signed by Client and become a part of this Agreement. This Agreement is for the exclusive benefit of the parties hereto and no benefit is intended for any third party.

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

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

D. This Agreement is deemed to have become effective and to have been entered into upon its acceptance in the State of North Carolina by Reality. Therefore, this Agreement will be interpreted and enforced in accordance with the laws of the State of North Carolina, without reference to its conflict of laws.

E. Reality may make changes to the software or methods used to provide service to Client and Client must make any necessary changes to maintain working connection to the service at Client's sole cost.

12. Force Majeure

Reality is not responsible for any events or circumstances beyond its control that prevent it from meeting its obligations, which include but are not limited to: war, riots, embargos, strikes, disruptions in communications or acts of God.

Wolfe & Associates, Inc.
d/b/a Wolfe Reality Check, Inc.
(“Reality”)

CLIENT (Name)

By: _____

By: _____

Address: _____

Address: _____

E-mail: _____

E-mail: _____