



## Mortgage Credit Report Account Registration Form

Thank you for choosing Credit Data Corp. for your mortgage reporting needs! The strict compliance guidelines of the three credit bureaus -- Experian (XPN), Equifax (EFX), and TransUnion (TU) -- require the following documentation be submitted in order to access credit reports:

- \_\_\_ **Completion of this Account Registration Form;**
- \_\_\_ **A copy of your mortgage brokers, bankers, real estate or business license.**
- \_\_\_ **A copy of a principal's driver's license.**
- \_\_\_ **A copy of an advertisement, promotional flyer and/or copy of front page of phone bill showing company name and address as indicated in this Account Registration Form.**
- \_\_\_ **A letter of intent (sample letter of intent included).**

**Please fax ALL required documents to Credit Data Corp at (866) 318-6305.**

Once we receive all of the required documentation, an experienced customer service manager will contact you with all the information needed to move forward in the account set-up process. We will work to get you approved as quickly as possible.

**The final requirement** is the scheduling of an on-site inspection at your place of business with a set-up fee of \$75. An on-site Inspection through a third-party approved company will ensure that:

- The computer used to access or request reports is password protected;
- You have a locking filing cabinet where reports are stored;
- You have a shredder to destroy reports; and
- Your company has a permanent exterior sign.

**Please be aware that the following list of entities and companies are NOT approved to pull credit reports:**

- Companies operating out of a home office;
- Attorneys or law offices;
- Any company or individual who is known to have been involved in credit fraud or unethical business practices or seeks the information for private use;
- Credit counseling/credit repair/financial counseling businesses

If you have any questions about these requirements please don't hesitate to call our offices and speak to one of our customer service specialists today.



17592 Seventeenth Street • Suite 200 • Tustin, California 92780  
866-318-6304 • 866-318-6305 (Fax)



# Application and Agreement

Company Name: \_\_\_\_\_

Other Business Names or DBA: \_\_\_\_\_

Classification of Business:  Corporation  Partnership  Sole Proprietor

Today's Date : \_\_\_\_\_ Years in Business \_\_\_\_\_

Current Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Billing Address (If Different from Above) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Principal's Name \_\_\_\_\_ Title \_\_\_\_\_

Phone # \_\_\_\_\_ Fax # \_\_\_\_\_

Email Address \_\_\_\_\_ Website \_\_\_\_\_

Services Requested:

- XPN Fair Isaac Score  TU Fico  EFX Beacon  4506T  Flood  AVM

### Certification of Type of Location and Business Type

Below is a Certification Statement regarding your type of business and type of business location you are operating:

What **TYPE** of location is your business currently in?

\_\_\_ Residential \_\_\_ Commercial

Please state your business classification:

\_\_\_ Mortgage Company \_\_\_ Real Estate Company

\_\_\_ Other (Please State): \_\_\_\_\_

Estimated Number of Reports Run Monthly \_\_\_\_\_

Describe the specific purpose for which the information will be used: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_





# Credit Data Corp. Agreement

The undersigned company, desires to use the services of **Credit Data Corp.**, agrees that all reports will be submitted and received subject to the following conditions.

1. All reports will be kept "strictly confidential" except as required by law. No information from reports will be revealed to the person reported on or any other person except someone who is responsible for making a credit decision or reporting compliance with State or Federal regulations or laws.
2. The undersigned company agrees to hold Credit Data Corp. and their agents, employee's, officers, and independent contractors harmless from any expense or damage resulting from any credit report issued by **Credit Data Corp.**
3. The undersigned company certifies that all credit reports ordered from **Credit Data Corp.** will be used in connection with a mortgage loan-only involving the consumer. Each request for a report will further indicate the specific purpose involved in each transaction and such reports will be used for no other reason. Customer also agrees not to resell information or reports to anyone.
4. Recognizing that information is secured from fallible human sources, that a complete and accurate application is necessary for the preparation of a complete and accurate credit report and that for the fee charged; **Credit Data Corp.** cannot guarantee the accuracy of the information. The undersigned company understands and agrees that **Credit Data Corp.**, their agents, officers, employees and independent contractors do not guarantee the accuracy of any information. The undersigned company releases **Credit Data Corp.** and their agent and assignees from liability in connection with such reports, and from any loss or expense suffered by the undersigned company, resulting directly or indirectly from information or use of information on credit reports developed by **Credit Data Corp.**
5. Terms of payment are net 30 days of invoice. Such terms are subject to a late penalty charge of 2 percent per month on the outstanding balance more than 30 days past due. If it is necessary for **Credit Data Corp.** to employ an attorney to collect unpaid credit reporting fees, the undersigned company agrees to pay all attorneys fees and costs of collection. We may at our sole discretion request parent company to deduct credit report fees directly from your commission check.
6. Reseller has access to consumer reports from one or more consumer credit reporting agencies.

Accepted by:

_____	<b>Credit Data Corp., Inc.</b>
Applicant (Company Name)	Reseller Company
_____	_____
Authorized Signature	Authorized Signature
_____	_____
Printed Name	Printed Name
_____	_____
Title	Date
_____	_____
Title	Date





## Requirements for Reseller Agreements with End Users

Reseller must enter into a Service Agreement with each End User that contains the required terms as outlined below. Each End User must disclose the nature of its business, certify the permissible purpose for which Consumer Reports will be obtained, and agree that Consumer Reports will be obtained for no other purpose.

Prior to delivering Consumer Reports to an End User, Reseller must first enter into a Service Agreement with that End User that contains the following language:

1. End user is authorized to prequalify Mortgage applicants and has permissible purpose for obtaining consumer reports in accordance with the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) including, without limitation, all amendments thereto ("FCRA"). End User certifies its permissible purpose as:

- In connection to credit transactions 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
- 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
- In connection with a tenant screening application involving the consumer; or
- In accordance with the written instructions of the consumer; or
- For a legitimate business need in connection with a business transaction that is initiated by the consumer; or
- As a potential investor, servicer or current insurer in connection with a valuation of, or assessment of, the credit or prepayment risks.

2. End User certifies that End User shall use the consumer reports: (a) solely for the Subscriber's certified use(s); and (b) solely for the End User's exclusive one-time use. End User shall not request, obtain or use consumer reports for any other purpose including, but not limited to, for the purpose of selling, leasing, renting or otherwise providing information obtained under this Agreement to any other party, whether alone, in conjunction with End User's own data, or otherwise in any service which is derived from the consumer reports. The consumer reports shall be requested by, and disclosed by End User only to End User's designated and authorized employees having a need to know and only to the extent necessary to enable End User to use the Consumer Reports in accordance with the Agreement. End User shall ensure that such designated and authorized employees shall not attempt to obtain any Consumer Reports on themselves, associates, or any other person except in the exercise of their official duties.

3. End User will maintain copies of all written authorizations for a minimum of five (5) years from the date of inquiry.

**4. 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 OF THE UNITED STATES CODE OR IMPRISONED NOT MORE THAN TWO YEARS, OR BOTH.**

\_\_\_\_\_ Initials





5. End User shall use each Consumer Report only for a one-time use and shall hold the report in strict confidence, and not disclose it to any third parties; provided, however, that End User 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. Moreover, unless otherwise explicitly authorized in an agreement between Reseller and its End User for scores obtained from TransUnion, or as explicitly otherwise authorized in advance and in writing by TransUnion through Reseller, End User shall not disclose to consumers or any third party, any or all such scores provided under such agreement, unless clearly required by law.

6. With just cause, such as violation of the terms of the End User's contract or a legal requirement, or a material change in existing legal requirements that adversely affects the End User's agreement, Reseller may, upon its election, discontinue serving the End User and cancel the agreement immediately.

For those End User's that wish to receive TransUnion Scores as part of the consumer credit report being delivered, the agreement between Reseller and End User must also contain the following language:

1. End User will request Scores only for End User's exclusive use. End User may store Scores solely for End User's own use in furtherance of End User's original purpose for obtaining the Scores. End User shall not use Scores for model development or model calibration and shall not reverse engineer the Score. All Scores provided hereunder will be held in strict confidence and may never be sold, licensed, copied, reused, disclosed, reproduced, revealed or made accessible, in whole or in part, to any person except (i) to those employees of End User with need to know and in the course of their employment; (ii) to those third party processing agents of End User who have executed an agreement that limits the use of the Scores by the third party to the use permitted to End User and contains the prohibitions set forth herein regarding model development, model calibration and reverse engineering; (iii) when accompanied by the corresponding reason codes, to consumer who is the subject of the score; or (iv) as required by law.

### **Addendums and Exhibits**

By signing below, you hereby acknowledge agreements contained in Addendum and Exhibits section of this contract:

- Addendum and Exhibit I -- Access and Security Requirements
- Addendum and Exhibit II -- Definitions
- Addendum and Exhibit III -- Score Addendum
- Addendum and Exhibit IV -- FCRA Requirements
- Addendum and Exhibit V -- FICO Score Agreement
- Addendum and Exhibit VI -- Vermont Fair Credit Reporting Statute

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**



17592 Seventeenth Street • Suite 200 • Tustin, California 92780  
866-318-6304 • 866-318-6305 (Fax)



## References and Banking

### References:

**Company Name #1** \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone # \_\_\_\_\_

**Company Name #2** \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone # \_\_\_\_\_

**Company Name #3** \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone # \_\_\_\_\_

### Banking:

By initialing below you agree to give CDC consent to verify the banking information provided below. Initial: \_\_\_\_\_ (required)(may substitute with VOIDED business check)

**Bank Name** \_\_\_\_\_

Account # \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone # \_\_\_\_\_

*For CDC use:*

Verified By \_\_\_\_\_ Phone # \_\_\_\_\_

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_





# Guarantee Agreement

## Personal Guarantee:

In consideration of Credit Data Corp. extending a 30-day line of credit to the undersigned for the purpose of purchasing credit reports, the undersigned hereby agrees to personally guarantee payment to Credit Data Corp., its agents or assigns for all credit reporting charges incurred by the named company. In the event of litigation, the undersigned agrees to pay attorney's fees and collection costs. Credit Data Corp. may elect to run your personal credit report.

Full Name \_\_\_\_\_

Social Security Number \_\_\_\_\_

Home Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

## Credit Card Information

**By initialing here \_\_\_\_\_ you, the undersigned have agreed authorize the billing of your credit card for purposes of obtaining mortgage credit reports.**

Type of Card:  Visa  MC  AMEX  Discover

Card Number \_\_\_\_\_

Expiration Date \_\_\_\_\_

Name on Card \_\_\_\_\_

Billing Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Card Holder Signature \_\_\_\_\_





## Letter of Intent

Please include a letter of intent on your company's letterhead in the application packet.

**ABC Mortgage Company  
123 Main Street  
Los Angeles, California 12345**

Date:

To Whom It May Concern:

We at [COMPANY NAME] will use Credit Data Corp. for the purposes of pre-qualifying homebuyers for a mortgage loan. We understand that we may not pull credit reports for any other reason. My anticipated monthly volume is [EST. MONTHLY VOLUME] reports. I anticipate that our access will be primarily [LOCAL, REGIONAL or NATIONAL].

Sincerely,

*Signature*

Printed Name  
Title



## Addendum and Exhibits

### I - Access Security Requirements

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.”*

## II - Definitions

### Term

<b>Computer Virus</b>	A Computer Virus is a self-replicating computer program that alters the way a computer operates, without the knowledge of the user. A true virus replicates and executes itself. While viruses can be destructive by destroying data, for example, some viruses are benign or merely annoying.
<b>Confidential Encryption</b>	Very sensitive information. Disclosure could adversely impact our company. Encryption is the process of obscuring information to make it unreadable without special knowledge.
<b>Firewall</b>	In computer science, a Firewall is a piece of hardware and/or software which functions in a networked environment to prevent unauthorized external access and some communications forbidden by the security policy, analogous to the function of Firewalls in building construction. The ultimate goal is to provide controlled connectivity between zones of differing trust levels through the enforcement of a security policy and connectivity model based on the least privilege principle.
<b>Information Lifecycle</b>	(Or Data Lifecycle) is a management program that considers the value of the information being stored over a period of time, the cost of its storage, its need for availability for use by authorized users, and the period of time for which it must be retained.
<b>IP Address</b>	A unique number that devices use in order to identify and communicate with each other on a computer network utilizing the Internet Protocol standard (IP). Any All participating network devices - including routers, computers, time-servers, printers, Internet fax machines, and some telephones - must have its own unique IP address. Just as each street address and phone number uniquely identifies a building or telephone, an IP address can uniquely identify a specific computer or other network device on a network. It is important to keep your IP address secure as hackers can gain control of your devices and possibly launch an attack on other devices.
<b>Peer-to-Peer</b>	A type of communication found in a system that uses layered protocols. Peer-to-Peer networking is the protocol often used for reproducing and distributing music without permission.
<b>Router</b>	A Router is a computer networking device that forwards data packets across a network via routing. A Router acts as a junction between two or more networks transferring data packets.
<b>Spyware</b>	Spyware refers to a broad category of malicious software designed to intercept or take partial control of a computer's operation without the consent of that machine's owner or user. In simpler terms, spyware is a type of program that watches what users do with their computer and then sends that information over the internet.
<b>SSID</b>	Part of the Wi-Fi Wireless LAN, a service set identifier (SSID) is a code that identifies each packet as part of that network. Wireless devices that communicate with each other share the same SSID.
<b>Subscriber Code</b>	Your seven digit credit reporting agency account number.
<b>WEP Encryption</b>	(Wired Equivalent Privacy) A part of the wireless networking standard intended to provide secure communication. The longer the key used, the stronger the encryption will be. Older technology reaching its end of life.
<b>WPA (Wi-Fi Protected Access)</b>	A part of the wireless networking standard that provides stronger authentication and more secure communications. Replaces WEP. Uses dynamic key encryption verses static as in WEP (key is constantly changing and thus more difficult to break than WEP)

### III - Score Addendum

Client warrants that they have an agreement for service and an account in good standing with Nationwide Credit for a permissible purpose under the Fair Credit Reporting Act to obtain the information in a Fair Isaac Credit Repository Score(s) (Empirica, FICO, Beacon) and their reason codes.

Client certifies that all scores and reason codes whether oral or written shall be maintained by the applicant in strict confidence and disclosed only to employees whose duties reasonably relate to the legitimate business purpose for which the report is requested and will not sell or otherwise distribute to third parties any information received there under, except as otherwise required by law.

Unless explicitly authorized in this agreement or in a separate agreement, between Broker and End User, for scores obtained from credit repository, or as explicitly otherwise authorized in advance and in writing by credit repository through Broker, End User shall not disclose to consumers or any third party, any not all such scores provided under this agreement, unless clearly required by law. Reason codes may be utilized to assist in preparing an adverse action (denial letter) to consumer.

End User shall comply with all applicable laws and regulations in using the scores and reason codes.

End User may not use trademarks, logos, names or any other proprietary designations, whether registered or unregistered, of the credit repositories, Fair, Isaac and Company, Broker, the affiliates of them or of any other party involved in the provision of the score without such entities written consent.

End User agrees not in any manner either directly or indirectly, to discover or reverse engineer any confidential and proprietary criteria developed or used by Credit Repository/Fair Isaac in performing the Credit Repository Score.

Warranty: Credit Repository, Fair Isaac warrants the Credit Repository Score Model is empirically derived and demonstrably and statistically sound and to the extent the population to which the Credit Repository Score Model is applied is similar to the population sample on which the Credit Repository Score Model was developed, Credit Repository Score Model may be relied upon by Broker and/or End Users to rank consumers in order of the risk of unsatisfactory payment such consumers might present to End Users. Credit Repository/Fair Isaac further warrants that so long as it provides the Credit Repository Score 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 CREDIT REPOSITORY SCORE MODEL/FAIR ISAAC HAVE GIVEN BROKER AND/OR END USERS WITH RESPECT TO THE CREDIT REPOSITORY SCORE MODEL AND SUCH WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED CREDIT REPOSITORY/FAIR ISAAC MIGHT HAVE GIVEN BROKER AND/OR END USERS WITH RESPECT THERETO, INCLUDING, FOR EXAMPLE, WARRANTIES OF MERCHANT LIABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Broker and each respective End User's rights under the foregoing warranty are expressly conditioned upon each respective applicant's periodic revalidation of the Credit Repository Score Model in compliance with the requirements of regulation B as it may be amended from time to time. (12 CFR section 202 et seq.)

## IV – FCRA Requirements

### Federal Fair Credit Reporting Act (as amended by the Consumer Credit Reporting Reform Act of 1996)

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. Responsibilities 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.

We strongly endorse the letter and spirit of the Federal Fair Credit Reporting Act. We believe that this law 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 databases have also been enacted. As a prospective user of consumer reports, we expect that you and your staff will comply with all relevant federal statutes and the statutes and regulations 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.

## V - Addendum to Client Service Agreement for FICO Score

- (i) Your company must warranty that it has a “permissible purpose” under the Fair Credit Reporting Act, as it may be amended from time to time, to obtain the information derived from the Experian/Fair, Isaac Model.
- (ii) Your company is in agreement to limit your use of the Scores and reason code solely to use in your own business with no right to transfer or otherwise sell, license, sublicense or distribute said Scores or reason codes to third parties;
- (iii) A requirement that your company 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 of your employees with a “need to know” and to no other person;
- (iv) Notwithstanding any contrary provision of the Customer Agreement, the Company may disclose the Scores provided to the company under this Customer Agreement to credit applicants, when accompanied by the corresponding reason codes, in the context of bona fide lending transactions and decisions only.
- (v) Your company agrees to comply with all applicable laws and regulations in using the Scores and reason codes purchased from Broker;
- (vi) Your company is prohibited to use, including the company’s employees, agents or subcontractors, of the trademarks, service marks, logos, names, or any other proprietary designations, whether registered or unregistered, of Experian Information Solutions, Inc. or Fair, Isaac and Company, or the affiliates of either of them, or of any other party involved in the provision of the Experian/Fair, Isaac Model without such entity’s prior written consent;
- (vii) You company is prohibited in any attempt or in any manner, directly or indirectly, to discover or reverse engineer any confidential and proprietary criteria developed or used by Experian/Fair, Isaac in performing the Experian/Fair, Isaac Model;
- (viii) Periodically during the Term, Experian/Fair, Isaac will deliver to Broker invoices reflecting fees (including tax) for which Broker is responsible hereunder. Broker will pay Experian/Fair, Isaac the amounts indicated on such invoices within (30) days after the invoice date. Broker’s obligation to pay Fees shall be absolute and unconditional and shall not be affected by any circumstance, including, without limitations, set off, counterclaim, recoupment, defense (other than the defense of payment itself) or other right Broker may have or allege to have against Experian/Fair, Isaac for any reason whatsoever. If Broker does not pay any undisputed portion of invoiced Fees within thirty (30) day period described above, then Broker will also pay interest on the unpaid amount at the rate of one and one-half percent (1.5%) per month or the highest rate permitted by law, whichever is less.
- (ix) The company limits the aggregate liability of Experian/Fair, Isaac to each customer to the lesser of the Fees paid by the Broker to Experian/Fair, Isaac Model resold to the pertinent End User during the six (6) month period immediately preceding the End User’s claim, or the fees paid by the pertinent Customer to Broker under the Resale Contract during said six (6) month period, and excluding any liability of Experian/Fair, Isaac for incidental, indirect, special or consequential damages of any kind.

## VI - 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 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.