



Redstar Backgrounds User Agreement

This Agreement is made and entered into by and between Redstar, ("Redstar Backgrounds") and the undersigned ("User"). This Agreement shall be effective at such time as Redstar Backgrounds has sent written notification, whether via email, facsimile, or otherwise, to User indicating its acceptance of the terms and conditions of the Agreement (the "Effective Date").

Redstar Background's Services: Redstar Backgrounds at User's request shall provide consumer reports and investigative consumer reports at in connection with any pre-employment or post-employment background screening of applicants (the "Applicant") or retention of employees (the "Employee"). Screening Reports may include such information criminal and civil records, employment history, education verifications, consumer credit reports, motor vehicle records, and other background information. In the case of investigative consumer reports, Redstar Backgrounds shall provide personal references collected and processed by Redstar Backgrounds through various channels of information.

Redstar Backgrounds as Agent of User: User acknowledges and agrees that Redstar Backgrounds is an authorized agent of User for the purpose of investigating, researching, preparing and returning the Screening Reports ordered by User.

Information Security: User acknowledges and understands its obligation to maintain the confidentiality and integrity of any information and User identification numbers and passwords requested from or through Redstar Backgrounds.

Compliance with Applicable Laws: User and Redstar Backgrounds shall comply in good faith with all applicable laws in the request, preparation, transmission, dissemination and use of Screening Reports, including, but not limited to, the FCRA, Title VII of the Civil Rights Act of Employment Opportunity Commission ("EEOC") guidelines and regulations, Consumer Reporting Act (California Civil Code Sections 1785.1 et seq.), Investigative Consumer California Civil Code Section 1786, et. seq.) and all other applicable laws and regulations relating to the use of consumer credit reports and consumer investigative reports.

User's Obligations:

Disclosure to Applicant or Employee. User shall provide Applicant or Employee with a clear and conspicuous disclosure, in writing, that the Screening Report will be obtained for employment purposes and such disclosure shall be contained in a document containing only such disclosure. User shall provide Applicant or Employee such other disclosures as required by the FCRA and other applicable state and local laws for the type of report requested, including all disclosures which are required before requesting that Redstar Backgrounds prepares the Screening Report, and before taking any adverse action based in whole or in part upon any information contained in the Report.

Written Authorization from Applicant or Employee: User shall obtain from the Applicant or Employee a written authorization to obtain and use the Report as required by the FCRA and all other applicable State and local laws.

Certification to Redstar Backgrounds: Concurrent with making the request for a Report, User shall provide Redstar Backgrounds with certification that complies with section 604(b)(1) of FCRA (15 U.S.C. §1681b(b)(1)), and in the case of a Report that constitutes an investigative consumer report as defined by the FCRA, an additional certification in a form that complies with section 606(a)(2) of FCRA (15 U.S.C. §1681d(a)(2)) and all other certifications as may be required by applicable state and local laws.

Use For Employment Purposes Only: User shall use the Screening Report provided by Redstar Backgrounds for employment purposes only and shall not use the Screening Report in violation of any Federal or State equal employment opportunity law or regulation. User shall notify Redstar Backgrounds immediately of any change in purpose for which the information is used.

Use For Permissible Purposes: User shall be the exclusive user of the Screening Reports and certifies that such Screening Reports shall be used solely for the permitted purposes as proscribed by Section 604 of the FCRA [15 U.S.C. §1681b], California Civil Code Section 1786.12 and all other applicable State and local laws.

Basis for Employment Decisions and Obligations After Adverse Decisions: User shall base all employment decisions and actions on its own policies and procedures and acknowledges and agrees that Redstar Background's employees are not allowed and will not render any opinions regarding the Screening Report. Before taking any adverse action against an Applicant or Employee based in whole or in part on any information provided in the Screening Report provided by Redstar Backgrounds. Per FCRA guidelines, User and/or Redstar Backgrounds is required provide the Applicant or Employee with a copy of their Screening Report. User shall inform the Applicant or Employee that Redstar Backgrounds did not make the decision to take adverse action and cannot give specific reasons for the adverse action taken. User shall further provide a Summary of Rights under the FCRA to the Applicant or Employee.

Confidentiality and Security of Information. User acknowledges and understands its obligation to maintain the confidentiality and integrity of any information received by User. All information requested by User is for User's exclusive use and User shall take reasonable steps to ensure that all information provided by Redstar Backgrounds will be held in strict confidence, will be kept confidential and will not be disclosed to any third party not involved in the employment decision for which the information is sought. Any use of the Screening Report provided by Redstar Backgrounds, other than for the internal uses provided for in this contract is prohibited, including, but not limited to resale or other commercial use, misrepresentation, improper use of the information or access to the information by unauthorized personnel, whether intentionally or due to carelessness, and may subject User to criminal and/or civil liability under the Federal Credit Reporting Act ("FCRA") and other applicable Federal, State and local laws.

Protection of Access Codes: If User is issued an access code to be used for Internet access to Redstar Backgrounds' services (the "Access Code"), User shall only publicize the Access Code to personnel on a need-to-know basis. Any log-on or password information provided to User in connection with the Access Code shall be provided only to an "Account Administrator" and specific individuals designated as "Authorized Users". User shall notify Redstar Backgrounds immediately upon any change of the Account Administrator or Authorized Users.

Protection of Reports: User shall securely store any hard copy of a Screening Report and protect it against release and disclosure to unauthorized personnel or third parties. In furtherance of that obligation, User shall provide to Redstar Backgrounds the name of the person requesting the information for each Screening Report request and, where applicable, shall provide the name of the individual who has been designated as the principal Account Administrator.

Payment Requirements/Collection: User Agrees to promptly pay for all services rendered hereunder in accordance with Redstar Backgrounds employment screening schedule of fees. Pricing is subject to change at any time with written notice. User agrees to pay all applicable charges within thirty (30) days of receipt of the information or Screening report requested. All monetary obligations to Redstar Backgrounds for services rendered which are past due fifteen days or more may, at the election of Redstar Backgrounds, bear interest at the rate of one and one-half percent (1½ %) per month and/or relinquish User's access privileges and release Redstar Backgrounds from any obligation to perform any further services. In the event that legal action is necessary to obtain the payment of any monetary obligations to Redstar Backgrounds, the User shall be liable to Redstar Backgrounds for all costs and reasonable attorneys' fees incurred by Redstar Backgrounds in collection of such obligations.

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

8. Governing Law: This Agreement is deemed to be made, executed and performed in the State of Texas. This Agreement shall be governed by and shall be construed in accordance with the laws of the State of Texas, without reference to principles of conflicts of laws. The parties to this Agreement consent to jurisdiction and venue in the State and Federal courts located in the State of Texas, County of Bexar

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

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

11. **Limitation of Liability:** Redstar Backgrounds and User agree that unless Redstar Backgrounds has committed gross negligence or engaged in intentional wrongdoing in the preparation and transmission of the Screening Report, Redstar Backgrounds total liability to User shall be limited to the return of the fees paid to Redstar Backgrounds for the Screening Report and then only to the extent that the information contained in the Screening Report is found to be the primary basis upon which User incurred injury or damage resulting from the furnishing of the screening Report by Redstar Backgrounds. Redstar Backgrounds and User agree that Redstar Backgrounds shall not be liable to Use for any other damages, costs or expenses whatsoever except as expressly agreed to above or pursuant to Section 12 (a) hereof, and that neither party shall be liable to the other party for punitive, exemplary or consequential damages.

12. Indemnification:

By Redstar Backgrounds. Redstar Backgrounds shall indemnify, defend and hold User harmless from and against any and all claims, demands, costs, expenses and liabilities of any kind or nature whatsoever, including, without limitation, reasonable attorneys' fees and costs, which may be incurred by User to a third party, based upon the gross negligence or intentional wrongdoing by Redstar Backgrounds in preparing or transmitting the Screening Report.

By User. User shall indemnify, defend and hold Redstar Backgrounds harmless from and against any and all claims, demands, costs expenses and liabilities of any kind or nature whatsoever, including, without limitation, reasonable attorneys' fees and costs, which may be incurred by Redstar Backgrounds based upon the illegal or wrongful use by User of the Screening Report, the gross negligence or intentional wrongdoing by User in connection with the use of the Screening Report, unsubstantiated claims brought by the User's Applicant: or User's failure to comply with its obligations under the FCRA or other applicable laws in connection with the procurement or use of the Screening Report.

13. **Warranty:** Redstar Backgrounds represents and warrants that services will be performed in a diligent and professional manner in accordance with applicable industry standards. Redstar Backgrounds shall use its best efforts to provide high quality, timely and accurate information to user, however user recognizes that Redstar Backgrounds cannot guarantee the accuracy of the information provided because such information is obtained from public records and other third party sources that may not always be accurate or current. The Screening report obtained by Redstar Backgrounds is derived from databases and records that have been created and maintained by various government agencies, private companies, and other contributors that are not under the control of Redstar Backgrounds. Responsibility for the accuracy of the information contained in the Screening report and these databases and records rests solely in the contributor. The user waives any and all claim or claims against Redstar Backgrounds arising out of or related to the accuracy of the Screening report, databases and records.

14. **Term:** The term of this Agreement shall continue in force and effect without any fixed date of termination; provided, however, that:

Either party may terminate this Agreement for any reason or no reason at all upon thirty (30) days prior written notice of termination subject to any and all obligations, responsibilities and liabilities incurred prior to termination; or

User may terminate this Agreement, without prior notice, if the other party breaches any provision of this Agreement and fails to cure such breach within ten (10) calendar days after receiving written notice thereof; or

Redstar Backgrounds may, with just cause, such as delinquency or violation of the terms of this Agreement or a legal requirement of this Agreement or any applicable Federal, State or local law, discontinue serving User and terminate this Agreement immediately.

Name

Company

Signature

Date