

Red Flag Manager License and Subscription Agreement

This License and Subscription Agreement (“Agreement”) dated _____ (the “Effective Date”) is entered into by and between First Advantage Credco, LLC (“FAC”) and the undersigned client (“Client”).

Recitals

A. FAC provides an electronic policy and procedures program designed to meet its customers’ applicable needs under the Federal Trade Commission’s (“FTC”) recently implemented “Red Flags Rule” (“RED FLAGS APP”).

B. Client desires to receive the RED FLAGS APP from FAC pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FAC and Client agree as follows.

1. **License.** Subject to the terms and conditions of this Agreement, FAC grants to Client a limited, non-transferable, non-exclusive license to access and use the RED FLAGS APP to meet Client’s applicable needs under the FTC’s Red Flags Rule.

2. **Restrictions.** Client will not (a) sell, sublicense, rent, lease, loan, distribute or otherwise transfer its right to access and use the RED FLAGS APP, including any text, graphics or content included in the RED FLAGS APP; (b) use the RED FLAGS APP to process the data of any other person; (c) allow any third party except for Client’s employees to access and use the RED FLAGS APP; (d) reverse engineer, decompile, disassemble or otherwise attempt to obtain source or object code for the RED FLAGS APP; (e) use the RED FLAGS APP to conduct any illegal activity or other activity that infringes on the rights of others, (including any privacy or publicity rights); (f) violate any third party, licenses, copyrights or other intellectual property rights; (g) remove any trademarks and acknowledgements of development; (h) remove any copyright, confidentiality or other proprietary rights notices from the RED FLAGS APP or on any materials printed or exported from the RED FLAGS APP; (i) compete with FAC or FAC’s RED FLAGS APP providers by developing, investing in, or assisting in the development of, a competing product in the compliance marketplace; and (j) commit acts that cause damage or injury to FAC or FAC’s RED FLAGS APP providers. IT IS CLIENT’S SOLE RESPONSIBILITY TO USE THE RED FLAGS APP IN COMPLIANCE WITH ALL APPLICABLE COPYRIGHT LAWS.

3. **Invoicing & Payment.** Client agrees to pay in full according to FAC’s fee schedule which is attached hereto, marked Exhibit “A” and incorporated herein by reference. Fees may be changed, effective upon written notice. An account is delinquent if Client has not paid FAC’s invoice to Client in full within 25 days after the date of the invoice. Payment terms and obligations may be changed at any time, upon written notice to Client. FAC may impose a late charge of 1.5 percent per month or the maximum rates permitted by law on any delinquent account until paid in full and/or suspend providing the RED FLAGS APP hereunder until all delinquent amounts owed have been paid in full. Client agrees to pay all attorney fees and collection costs incurred by FAC in collecting any delinquent account, whether or not litigation is instituted. In the event of any litigation or other action involving this Agreement, the prevailing party shall be entitled to reasonable attorney fees and court costs including at trial, on any appeal, and/or in a bankruptcy or similar proceeding, in addition to any other recovery to which it is entitled.

4. **Ownership of Intellectual Property.** FAC and/or FAC’s RED FLAGS APP provider and its licensors own the RED FLAGS APP and all other intellectual property associated with the RED FLAGS APP (the “**RED FLAGS APP IP**”)(collectively, the “**FAC IP**”).

5. **Acceptable Use of the RED FLAGS APP.** Client will not, and will ensure that its employees do not: (a) transmit any material that (i) is unlawful, harmful, threatening, abusive, harassing, tortuous, defamatory, vulgar, obscene, objectionable or libelous or promotes such activities; (ii) infringes any patent, trademark, trade secret, copyright, or violates any other person’s privacy or publicity rights (iii) violates any contractual or fiduciary relationship; (iv) contains software viruses, Trojan horses, worms, time bombs, cancelbots or any other computer

code, files or programs designed to interrupt, destroy or limit the functionality of any computer software, hardware or telecommunications equipment, including through denial of service attacks; (v) circumvents any “copy-protect” devices; or (vi) contains any network monitoring programs, packet sniffers or otherwise intercepts any data; (b) provide inaccurate, incomplete, outdated or misleading registration information; (c) attempt to circumvent authentication or security protections or otherwise gain unauthorized access to the RED FLAGS APP, or any computers, servers or networks connected to the RED FLAGS APP; (d) send unsolicited emails; (e) intentionally or inadvertently violate any federal, state or other applicable law or regulation; (f) disclose Client’s account number or any passwords by telephone to any unknown caller even if the caller claims to be associated with FAC.

6. Client’s Obligations. Client will at its sole cost and expense (a) select, purchase, install and maintain the hardware, software, peripherals and power necessary to access the Internet and the RED FLAGS APP; (b) be responsible for any breach of this Agreement by any of its employees or any other person; (c) assign employees a unique password and instruct them on the importance of maintaining the confidentiality of those passwords; (d) carefully safeguard its account number and password records. Client is solely responsible for all activities that occur under Client’s account, and agrees to immediately notify FAC of any unauthorized use of Client’s account or any other breach of security. If anyone accesses the RED FLAGS APP, or any FAC IP, without Client’s authorization, Client will indemnify, defend and hold FAC and its RED FLAGS APP provider harmless from all costs, expenses losses and damages related to that access and in addition, will pay the appropriate license and subscription fee for each such person at FAC’s then current rates.

7. Confidentiality. Each party that receives Confidential Information, as defined below (the “**Recipient**”), agrees not to (a) use the Confidential Information of the other party (the “**Disclosing Party**”) except as contemplated by this Agreement or (b) disclose that Confidential Information to any other person except as necessary to perform the Recipient’s obligations under this Agreement or as required by law (and in that event, the Recipient will provide the Disclosing Party advance notice as is reasonable and practicable under the circumstances). If FAC is required to respond to any subpoena, court order or other governmental mandate with respect to Client’s Confidential Information, Client will pay FAC at its then current hourly rate for professional services. The term “**Confidential Information**” means all information, including as it may appear in the Recipient’s notes, summaries and compilations, except for information that: (a) as of the date of this Agreement is in the Recipient’s rightful possession; (b) is generally known to the public through no fault of the Recipient; (c) the Recipient developed without reference to the Disclosing Party’s Confidential Information; and (d) the Recipient receives from an unrelated third party without restriction and without breach of any obligation of confidentiality by that third party. Client acknowledges that all fees and charges related to the RED FLAGS APP are FAC’s Confidential Information.

8. Modifications and Updates. FAC reserves the right to modify, change, update or discontinue any feature of the RED FLAGS APP at any time. At FAC’s sole discretion, FAC may charge an additional fee for new versions or modules that provide new functions and features beyond those existing prior to the enhancements.

9. Term and Termination. This Agreement will be for an initial term of one (1) year beginning on the Effective Date (the “**Initial Term**”). This Agreement will automatically renew for additional, successive one (1) year terms (each, a “**Renewal Term**”) unless either party gives the other party at least 60 days prior written notice before the end of the Initial Term or any Renewal Term. Either party may terminate this Agreement if the other party fails to cure any material breach within thirty (30) days after its receipt of written notice describing the breach in reasonable detail. Further, if at any time during the term of this Agreement, either party ceases to carry on its business, a receiver or similar officer is appointed for either party, or either party makes an assignment for the benefit of its creditors or another arrangement of similar import, or if proceedings under any bankruptcy or insolvency law are commenced by or against either party, then in any such event, the other party may, by giving written notice thereof, terminate this Agreement as of a date specified in such notice of termination. In addition, FAC may suspend providing the RED FLAGS APP to Client without notice if FAC believes that Client has breached any of its obligations hereunder until the breach has been fully cured to FAC’s satisfaction and FAC has received satisfactory assurances that such breach will not reoccur and Client will fully perform its obligations under this Agreement.

10. Effect of Expiration or Termination. If this Agreement expires or terminates, all rights and licenses granted to Client will immediately end and Client’s right to access and use the RED FLAGS APP will cease. At FAC’s option, Client either will return to FAC, FAC’s Confidential Information and any other FAC IP materials in

Client's possession or control, or will permanently destroy or disable that material. Section 4 (Ownership of Intellectual Property), Section 7 (Confidentiality), Section 11 (Disclaimers and Limitation of Liability), Section 12 (Miscellaneous) and Customer's obligation to pay accrued charges and fees will survive the expiration or any earlier termination of this Agreement.

11. Disclaimers and Limitation of Liability. Although FAC, its contractors and licensors attempt to deliver error-free software applications, occasional errors or omissions may occur in the RED FLAGS APP, or the RED FLAGS APP may from time to time be unavailable. THE RED FLAGS APP IS PROVIDED "AS IS." NEITHER FAC NOR ITS CONTRACTORS OR LICENSEES MAKE ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE RED FLAGS APP OR WARRANT ITS ACCURACY, COMPLETENESS, PERFORMANCE, ADEQUACY, CURRENCY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. FAC DISCLAIMS ALL RESPONSIBILITY FOR ANY LOSS OR CLAIM OF ANY KIND RESULTING FROM, ARISING OUT OF, OR IN ANY WAY RELATED TO USE OF THE RED FLAGS APP. FAC'S ENTIRE LIABILITY AND OBLIGATION, AND CLIENT'S SOLE RIGHT AND EXCLUSIVE REMEDY WILL BE LIMITED TO FAC USING COMMERCIALY REASONABLE EFFORTS TO CORRECT MATERIAL ERRORS OR OMISSIONS TO THE RED FLAGS APP. NEITHER THE RED FLAGS APP NOR ANY OTHER CONTENT PROVIDED BY FAC, ITS CONTRACTORS AND LICENSORS, CONSTITUTES LEGAL ADVICE, AND NO ATTORNEY-CLIENT RELATIONSHIP IS CREATED THROUGH CLIENT'S USE OF THE RED FLAGS APP. IF CLIENT REQUIRES LEGAL OR OTHER PROFESSIONAL ADVICE, CLIENT SHOULD CONSULT ITS OWN LEGAL OR OTHER PROFESSIONAL ADVISORS. TO ENSURE THE RED FLAGS APP COMPLIES WITH THE LAW OF THE APPLICABLE JURISDICTION, CLIENT IS ADVISED TO HAVE CLIENT'S LEGAL COUNSEL REVIEW THE RED FLAGS APP OR OTHER CONTENT BEFORE ITS USE.

IMPORTANT LIMITATION OF LIABILITY. IN NO EVENT WILL FAC OR ITS OFFICERS, EMPLOYEES, CONTRACTORS OR LICENSORS BE LIABLE FOR LOSS OF DATA, LOSS OF USE, LOSS OF PROFIT, OR FOR ANY OTHER SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, HOWEVER CAUSED, WHETHER BASED UPON CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, WARRANTY, OR ANY OTHER LEGAL THEORY. IN NO EVENT WILL FAC, ITS OFFICERS, EMPLOYEES, CONTRACTORS OR LICENSORS' CUMULATIVE AGGREGATE LIABILITY UNDER THIS AGREEMENT EXCEED \$1,000.00.

12. Miscellaneous.

a. Entire Agreement; Waiver; Amendments. This Agreement constitutes the entire agreement between the parties and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral. No waiver of any rights will be effective unless assented to in writing by both parties, and the waiver of any breach or default by either party will not constitute a waiver of any other breach or default. This Agreement may be amended only by a writing signed by both parties.

b. Independent Contractor. Client and FAC are independent contractors. They are not partners, agents and have not entered into a joint venture relationship.

c. Assignment. Client may not assign this Agreement without FAC's prior written consent, and any attempt to assign this Agreement (by operation of law or otherwise) without FAC's written consent will be null and void.

d. Choice of Law and Forum Selection. This Agreement will be governed by the laws of California, without regard to its choice of law rules. Client consents to the personal jurisdiction of and venue in California courts located in San Diego County and agrees not to initiate any legal action against FAC in any other location.

e. Attorneys Fees; Costs. In addition to any other relief, the prevailing party in any dispute arising under this Agreement will be entitled to all reasonable legal fees and costs.

f. Force Majeure. A party is not liable under this Agreement for non-performance if the non-performance is caused by events or conditions beyond that party's reasonable control, and provided the party makes reasonable efforts to perform its obligations under the circumstances. The obligations and rights of the party so excused will be

extended on a day-to-day basis for the period of time equal to that of the underlying cause of the delay. This provision does not relieve Client of its obligation to make any payments then owing.

g. Severability. If any provision of this Agreement is held to be invalid or unenforceable, that portion will be construed in a manner consistent with applicable law to reflect, as nearly as possible, the original intentions of the parties, and the remaining provisions will not be affected.

h. Headings; Interpretation. Section headings are for convenience only and will have no substantive meaning. The words "includes" and "including" are not limited in any way and mean "includes or including without limitation." The word "person" includes individuals, corporations, partnerships, limited liability companies, co-operatives, associations and other natural and legal persons. Both parties have had the opportunity to have this Agreement reviewed by their attorneys; therefore, any ambiguous provision will not be construed for or against either party.

i. Counterparts; Signatures. This Agreement may be executed in multiple counterparts, all of which, when taken together, will constitute one single agreement between the parties. This Agreement may be delivered by facsimile or electronic transmission, in which case the signatures of the parties will be deemed to have the same effect as delivery of original signatures.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

Name of Client: _____

By: _____

Print Name: _____

Title: _____

Address: _____

First Advantage Credco, LLC

By: _____

Print Name: _____

Title: _____

Address: 12395 First American Way
Poway, CA 92064

EXHIBIT A

A. Permitted Applications: Client may use the above RED FLAG APP solely for the applications specified below:

1. In accordance with the terms and conditions of the Agreement, Client may use the RED FLAG APP for internal business purposes to meet Client's applicable needs under the FTC's Red Flags Rule.

C. Fees: Client shall pay FAC the following Fees:

- 1. Subscription
 - a. Monthly \$139 / month

(Name of Client)

By: _____
(Authorized Signature)

Name: _____

Title: _____

Date: _____