



Client Service Agreement for Employment Screening Services

This Client Service Agreement (the "Agreement") is made and entered into by and between KRESS Employment Screening Incorporated (KRESS) and the undersigned Subscriber. This Agreement shall be effective at such times as KRESS has sent notification to the Subscriber, whether by e-mail, facsimile, or otherwise to Subscriber indicating its acceptance of the terms and conditions of this Agreement.

1. **KRESS as Agent of Subscriber:** Subscriber acknowledges that KRESS is a Consumer Reporting Agency (CRA) and is an authorized agent of Subscriber for the purpose of investigating, researching, preparing and returning the Consumer Reports ordered by Subscriber.
2. **Services Provided:** KRESS shall provide Consumer Reports at Subscriber's request in connection with the hiring of job applicants (the "Applicant") or retention of employees (the "Employee"). Consumer Reports may include such information as employment history, consumer credit reports, motor vehicle reports, education verifications, criminal and/or civil records and other background information (Consumer Report). In the case of Investigative Consumer Reports, KRESS shall also provide personal references collected and processed by KRESS through various channels of information.
3. **Advice of Legal Counsel:** Subscriber acknowledges that KRESS does not provide legal advice and will not act as legal counsel at the behest of Subscriber. KRESS advises Subscriber that it is important to work with an attorney to develop and maintain a background check and/or screening program that is in compliance with local, state and federal laws and regulations.
4. **Compliance and Applicable Laws:** Subscriber and KRESS shall comply in good faith with all applicable laws in the request, preparation, transmission, dissemination and use of Consumer Reports, including, but not limited to: The Fair Credit Report Act (FCRA) and its amendments, The Drivers Privacy Protection Act (DPPA) and its state equivalent (where applicable), Title VII of the Civil Rights Act of Employment Opportunity Commission (EEOC) guidelines and regulations, and any other state or local laws or regulations as applicable. Subscriber also agrees that information provided by KRESS for the purposes described herein shall not be used in violation of any local, state or federal laws or regulations including Title VII of the Civil Rights Act of Employment Opportunity Commission (EEOC) guidelines and regulations.
5. **Payment Requirements/Collection:** Subscriber agrees to pay KRESS the applicable charges for the various services rendered to Subscriber as specified in the attached proposal. Pricing is subject to change at any time with written notice. Subscriber agrees to pay all applicable charges within thirty (30) days of receipt of the information or consumer report requested. All monetary obligations to KRESS for services rendered which are past due fifteen or more days may, at the election of KRESS, bear interest at the rate of 20% per annum. In the event that legal action is necessary to obtain the payment of any monetary obligations to KRESS, the Subscriber shall be liable to KRESS for all costs and reasonable attorney's fees incurred by KRESS in the collection of such obligations.
6. **Obligations of Subscriber:**
 - a) **Disclosure to Applicant or Employee:** Subscriber shall provide Applicant or Employee with a clear and conspicuous disclosure, in writing, that the Consumer Report will be obtained for employment purposes and such disclosure shall be contained in a document containing only such disclosure. Subscriber shall provide Applicant or Employee such other disclosures as required by FCRA and other applicable state and

local laws for the type of report requested, including all disclosures which are requesting that KRESS prepares that Consumer Report, and before taking any adverse action based in whole or in part upon any information contained in the Report.

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

c) **Use for Employment Purposes Only:** Subscriber shall use the Consumer Report provided by KRESS for employment purposes only and shall not use the Consumer Report in violation of any Federal or State equal employment opportunity laws or regulations. Subscriber shall notify KRESS immediately of any change in purpose for which the information is used and shall not resell or provide confidential information to any third party.

d) **Use for Permissible Purposes:** Subscriber shall be the exclusive user of the Consumer Reports and certifies that such Consumer Reports shall be used solely for the permitted purposes as prescribed by Section 604 of FCRA and all other applicable State and local laws.

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

f) **Confidentiality and Security of Information:** Subscriber acknowledges and understands its obligation to maintain the confidentiality and integrity of any information received by Subscriber. All information requested by Subscriber is for Subscriber's exclusive use and Subscriber shall take reasonable steps to ensure that all information provided by KRESS will be held in the strictest confidence, will be kept confidential and will not be disclosed or resold to any third party not involved in the employment decision for which the information is sought.

g) **Protection of Access Codes:** If Subscriber is issued access code(s) to be used for internet access to KRESS' services (the "Access Code"), Subscriber shall only publicize the Access Code to personnel on a need-to-know basis. Any login or password information provided to Subscriber in connection with the Access Code shall be provided only to an authorized account representative. Subscriber is obligated to provide a list of authorized representatives. Subscriber is likewise required to provide any changes to the list of authorized representatives.

h) **Protection of Reports:** Subscriber shall securely store any hard copy of a Consumer Report and protect it against release and disclosure to unauthorized personnel or third parties. In furtherance of that obligation, Subscriber shall provide a list of authorized representatives. Subscriber is likewise required to provide any changes to the list of authorized representatives.

i) **Record Destruction:** Subscriber shall destroy all consumer data in a confidential manner that would include burn, pulverize, or shred papers containing consumer report information, destroy or erase electronic files or media containing consumer report information so that the information cannot be read or reconstructed and/or hire a document destruction contractor to dispose of material specifically identified as consumer report information.

7. Governing Law, Jurisdiction, and Venue: This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas. The Subscriber agrees and consents to the exclusive jurisdiction of the court of the County of Harris, Texas for all purposes regarding this Agreement and further agrees and consents that venue of any action

brought hereunder shall be exclusively in the County of Harris, Texas.

8. Attorney's Fees and Costs: In the event a dispute arises with respect to this Agreement, the party prevailing in such a 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.

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 assignees of the parties.

11. Disclaimer of Warrant/Limitation of Liability: The Consumer Report obtained by KRESS is derived from records that have been created and maintained by various government agencies, private companies and other contributors that are not under the control of KRESS. Responsibility for the accuracy of the information contained in the consumer report and these records rests solely with the contributing party. The Subscriber waives any and all claim or claims against KRESS arising out of or related to the accuracy of the Consumer Report and/or records.

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

- a) 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
- b) Subscriber 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
- c) KRESS may, with just cause, such as delinquency or violation of the terms of this Agreement or legal requirement of this Agreement or any applicable Federal, State or local law, discontinue serving Subscriber and terminate this Agreement immediately.

The Subscriber hereby has read and agreed to the terms and conditions of this Agreement.

The Subscriber has executed this Agreement on this the _____ day of _____, 20____, intending to be legally bound thereby.

The parties that have executed this Agreement on the date written above and the undersigned represents that he/she has full authority to sign this Agreement thereby binding the Party on behalf of which he/she signs to the terms of this Agreement.

Subscriber

Company Name: _____

Signature: _____

Print: _____

Kress Employment Screening Inc.

By: _____

Title: _____



Application for Service

Completing this form in no way obligates you to utilize the service of KRESS Employment Screening. KRESS has no membership fees or minimum usage requirements. Invoices are itemized in detail with all services being billed monthly on a NET 30 basis. Completing this form will enable us to set up your account and document those individuals that are authorized to request and receive this extremely confidential information.

When completed, please fax these documents to 713-880-3694 or e-mail to grackler@kressinc.com

Business Name: _____

Physical Address: _____ **Billing Address:** _____

City: _____ **State:** ____ **Zip:** _____ **City:** _____ **State:** ____ **Zip:** _____

Phone Number: _____ **Fax Number:** _____

Website: _____ **Federal Tax ID:** _____

Will this account be servicing multiple locations? Yes No

Is there a parent company? Yes No If yes, list name: _____

What product/service do you provide? _____

What industry is your company in? _____ NAIC/SIC Code: _____

Size of company? _____ How many in HR Department? _____ Years in business: _____

Does anyone reside at this address? Yes No Are there other businesses at this address? Yes No

Business References:

Name: _____ **Phone Number:** _____ **Contact:** _____

Name: _____ **Phone Number:** _____ **Contact:** _____

Name: _____ **Phone Number:** _____ **Contact:** _____

The person completing this application attests that the statements/information provided as part of this application is true and correct.

Signature

Date

Printed Name

Title



Account Access

Please designate which individual(s) should have access to your background check account and what level of access that individual should have. All reports and invoices are delivered to the specifications listed below.

Primary Representative: _____ **Phone Number:** _____

Email Address: _____ **Receive: Invoices** **Reports** **Web Access**

Additional Representative: _____ **Phone Number:** _____

Email Address: _____ **Receive: Invoices** **Reports** **Web Access**

Additional Representative: _____ **Phone Number:** _____

Email Address: _____ **Receive: Invoices** **Reports** **Web Access**

Additional Representative: _____ **Phone Number:** _____

Email Address: _____ **Receive: Invoices** **Reports** **Web Access**

Additional Representative: _____ **Phone Number:** _____

Email Address: _____ **Receive: Invoices** **Reports** **Web Access**

Automatic Notifications via e-mail:

Status Report **Yes** **No**

Receive a report indicating progress on incomplete backgrounds on a daily basis.

Rescreen Notifications **6 Months** **1 Year** **2 Years** **5 Years** **7 Years**

Receive notifications when to rescreen employees.

Initial



Additional Fee Approval

Unfortunately, additional fees are a common occurrence in the background screening world. Without approving these fees ahead of time, the KRESS team will have to contact you for approval on a case-by-case basis in order to proceed with the order. By approving the fees now, you will speed up the turnaround time of your background reports, on average, by 24-48 hours. Below is a description of each fee and you can select to approve all fees or set a certain amount you are willing to approve in total. If the fee total is over your selected amount, we will contact you for approval. Thank you for understanding.

Please initial in the marked fields to confirm you have read and understand each additional fee.

Employment Verification Fees: _____

When completing an employment verification, it is common to be directed to a third-party source for the verification of the applicant. These third-party vendors will charge KRESS with a fee to receive the verifications. KRESS passes this fee on to you at the same rate we are charged. *We require \$30 of fee approval for employment and education verification packages.*

Education Verification Fees: _____

A large portion of schools and universities we get our verification information from will charge KRESS with a fee. As we do with all other fees, we pass this on to you at the same rate we are charged. *We require \$30 of fee approval for employment and education verification packages.*

Additional Name Fees: _____

When running a criminal background report, it is not uncommon to find multiple names associated with one person. Whether by marriage, divorce, alias names, stage names, or if they simply had their name legally changed. In order to gather all the necessary information for their background report, we will sometimes have to run additional names.

County Access Fees: _____

Some county courthouses throughout the US will charge KRESS a small fee for access to their records. We will pass along the fee to you, exactly as we're charged. Without this approval, turnaround time tends to increase.

If you would like to approve all additional fees to greatly speed up the turnaround time on background reports, please initial and check yes in the selected area below.

Yes

No

The person completing this application attests that the statements/information provided as part of this application is true and correct.

Signature

Date

Printed Name

Title



Drug Screening Agreement

Please carefully read the questions below and input all the required information. Our standard, same-day tests can include up to 12 panels for drug and alcohol testing. KRESS offers custom panel options, including DOT, Exxon Mobil, and other selections. Customized panel pricing varies and requires several days to set up. Standard turnaround time for drug screenings varies for reasons outside of our control. Call (713) 880-3693 or email halvarado@kressinc.com for more information about drug screening.

Who would you like to be the main point of contact for the Drug Screening? The point of contact receives a copy of the donor pass and will be contacted for updates, changes, or modifications.

Primary Representative: _____ Email: _____

Would the Primary Representative like to receive a copy of the donor pass? Yes No

Additional Representative: _____ Email: _____

Would the Additional Representative like to receive a copy of the donor pass? Yes No

When setting up the testing, would you like the test to be scheduled close to the company address or at a location closest to the applicant?

Use our office address: ____ Applicants' selected address: ____

What is your preferred time frame to allow the applicants to take their drug test? ____ 3 Days ____ 5 Days ____ 7 Days ____ 14 Days

KRESS makes every effort to schedule the drug test using an approved facility. In rare instances, this is not available due to distance and would require a third party to facilitate the drug test. This is used as a last resort. *There is a fee of \$40 dollars.*

Third party fee acknowledgement: ____

The following fees only apply if you're a part of the Randomized Program. Disregard if you're not in the Randomized Program.

Set Up Fee: \$150.00 Quarterly Pull Fee: \$25.00 Annual Maintenance Fee: \$150.00

You will incur a \$25.00 fee, per instance, if your random quarterly employee list is received late or with incomplete and/or incorrect information, which may include new employees not added, employees no longer with the company, and/or employees on leave.

Random program fee(s) acknowledgement: ____

By signing below, I am acknowledging that I have read and understand the information above.

Signature

Date

Printed Name

Title