



AGREEMENT FOR BACKGROUND CHECKS, I9S AND E-VERIFY SERVICES

This Agreement ("Agreement") is between CITIZENS PROPERTY INSURANCE CORPORATION ("**Citizens**"), a legislatively created Florida governmental entity, having its principal place of business at 2101 Maryland Circle, Tallahassee, Florida 32303, and Sterling Infosystems, Inc. dba Sterling ("**Vendor**") having its principal place of business at 1 State Street Plaza, 24th Floor, NY, NY 10004-1561. Citizens and Vendor shall each be known as a "Party," and collectively shall be known as the "Parties."

On, March 11, 2019, Citizens issued an Invitation to Negotiate No. 19-0008, Background Checks for Employees & Agents ("ITN"). Vendor's responses to the Solicitation were accepted by Citizens, subject to the terms set forth in this Agreement ("Vendor's Proposal").

The Agreement, Vendor's Proposal, and the Background Screening Requirements Addendum ("BSRA"), shall constitute the entire agreement in place between the Parties with respect to the provision of the Services described in this Agreement (the "Services"). In the event that a dispute arises or an ambiguity or conflict exists, in regards to the application of any of the service terms of this Agreement (including Exhibit A Price Sheet and Exhibit B Service Level Agreement), the ITN (incorporated by reference), the Vendor's Proposal (incorporated by reference), or the BSRA (Addendum 1), the documents shall have the following precedence in the order listed below:

- a) The Agreement (including Exhibit A Price Sheet, Exhibit B Service Level Agreement, and Exhibit C Vendor Tier 1 Support);
- b) The ITN (incorporated by reference);
- c) Vendor's Proposal (incorporated by reference);
- d) The BSRA (Addendum 1).

In consideration of the mutual promises and restrictions stated in this Agreement, the Parties acknowledge and agree as follows:

Terms of Agreement

1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
 - 1.1. "Agent" means an individual insurance agent, as defined in Section 626.015, Florida Statutes, who is contracted with Citizens under an agent appointment agreement.
 - 1.2. "Background Investigation Report" means any or all of the background reports created by Vendor as outlined in the ITN, which may include, but are not limited to: criminal histories, identity verifications, employment and educational verifications, international background investigations, motor vehicle records, and I9 Forms and E-Verify services as requested by Citizens.
 - 1.3. "Background Investigation Report Request" means a request for Background Investigation

Report Services submitted by Citizens to Vendor via the Platform.

- 1.4. "Business Hours or Business Day" means the hours from 8:00 a.m. ET to 5:00 p.m. ET, Monday through Friday excluding Citizens' holidays and those identified in Exhibit B.
- 1.5. "Candidate" an individual, Agent or Employee, for which Services are requested by Citizens.
- 1.6. "Citizens' Confidential Information" means all information, data, and documentation, whether marked as confidential or not, disclosed to Vendor in the course of this Agreement that is either: (a) Protected under any applicable state or federal law (including Chapter 119, Florida Statutes; Sections 501.171, and 627.351(6), Florida Statutes; Chapter 69O-128, Florida Administrative Code; and, 15 U.S.C. § 6801 et seq.); (b) private information concerning Citizens employees or policyholders (including social security numbers, personal health information, personal credit information, banking information, drivers' license numbers, personal email addresses, personal phone numbers, and home addresses); or, (c) related to any Citizens manuals, lists, operating and other systems or programs, business practices or procedures, insurance policies, claimants or claims, or any business, governmental, and regulatory matters affecting Citizens. "Citizens Confidential Information" does not include any information, data or documentation that: (a) is publicly available through no fault of Vendor or Vendor Staff; or, (b) Vendor developed independently without relying in any way on Citizens Confidential Information.
- 1.7. "Citizens' Users" means a Citizens' Employee or Agent that is issued an identification and passcode to access the Platform.
- 1.8. "Concurrent Users" means the maximum number of Citizens' Users that can simultaneously access the Platform at any one time.
- 1.9. "Deliverables" means the quantifiable, measurable, and verifiable items required to be delivered to Citizens by Vendor under this Agreement. In its most common usage this refers to the transactional result following Citizens' request for Services.
- 1.10. "Effective Date" means the date on which the last Party executes this Agreement.
- 1.11. "Employee" means a person employed for wages or salary by Citizens.
- 1.12. "Platform" means Vendor's proposed real-time, secure, web-based, electronic system that will be used by Citizens to obtain Services and includes all operational requirements within the Sections below.
- 1.13. "Prohibited Persons" means a person who cannot engage or participate in the business of insurance if they have been convicted of a state or federal felony involving dishonesty or breach of trust, or a crime under 18 U.S.C. 1033.
- 1.14. "Report" as referenced in Section 5.2, means information supplied by Vendor either through Citizens' access into Vendor's Platform or within a document prepared by Vendor.
- 1.15. "Services" means all services and Deliverables to be provided by Vendor to Citizens under this Agreement. If any service or Deliverable is not specifically described in this Agreement but is necessary for the proper performance and provisioning of the Services, that service or Deliverable shall be included within the definition of the Services to the same extent and in the same manner as if specifically described herein.
- 1.16. "Tier 1 Support" means the highest support tier of the four offered by Vendor. Tier 1 clients are assigned a Client Success Team, led by a US-based Client Success Partner, as set forth in Exhibit C.
- 1.17. "Vendor Staff" means any of Vendor's employees, agents, subcontractors or representatives who: (a) provide the Services; or, (b) have access to Citizens Confidential Information.

- 1.18. "Work Product" means each Deliverable and any drawing, design, specification, rendering, notebook, tracing, photograph, reference book, equipment, material, negative, report, finding, recommendation, data and memorandum of every description, created for Citizens under this Agreement and shared with or delivered to Citizens by Vendor or Vendor Staff in the course of performing this Agreement.

2. Term and Renewals.

- 2.1. Term of Agreement. This Agreement shall commence on the Effective Date and, unless terminated as provided for herein, shall continue for five (5) years.
- 2.2. Renewals. This Agreement may be renewed for up to five (5) additional renewal years either: (a) by Citizens, at its discretion; or, (b) by mutual written agreement of the Parties. Renewals shall be subject to the same terms and conditions set forth in this Agreement at the time of renewal, including any amendments signed by the Parties.

3. Services; Service and System Requirements.

- 3.1. Human Resources Background Investigation Reporting Services: Vendor will make available Background Investigation Reporting Services, for Citizens Human Resources Department ("HR"), as set forth in Exhibit A.

Listed in Exhibit A are the different types and requirements of Background Investigation Reports Vendor will provide, at a minimum, via the Platform. ***Citizens will include all or a subset of the different report types set forth on Exhibit A in each Background Investigation Report Request.***
- 3.2. Underwriting and Agency Services Background Investigation Reporting Services: Vendor will make available Background Investigation Reporting Services, for Citizens Underwriting and Agency Services Department ("UAS") as set forth on Exhibit A.
- 3.3. System Requirements. The Platform must:
 - 3.4.1. Integrate with Salesforce, Oracle Taleo Recruiting, and Oracle Fusion Human Capital Management ("HCM") platforms.
 - 3.4.2. Platform shall be capable of completely partitioning access to UAS information/data from HR information/data.
 - 3.4.3. Provide 24/7/365 electronic access to Citizens' Users via a secure website with password access protection.
 - 3.4.4. Have the capacity to provide access for up to twenty (20) Concurrent Users.
 - 3.4.5. Have a web-based interface where Citizens' Users can enter a Background Investigation Report Request with the Candidate's name and other required information directly through the Platform, and then select the types of Background Investigation Reports needed.
 - 3.4.6. Provide Citizens' Users the ability to access and retrieve requested Background Investigation Reports.
 - 3.4.7. Have a secure and separately linked electronic page or area, for each Background Investigation Report, which includes all applicable progress notes and information related to that Background Investigation Report Request. This electronic page or area must also include the identity of the Candidate, all requested Background Investigation Reports, and be viewable and printable by Citizens' Users.

- 3.4.8. Include a secure page or area where partial and completed Background Investigation Reports can be accessed.
- 3.4.9. Include a secure archiving Platform that allows Citizens' Users the ability to access all requested Background Investigation Reports for their division.
- 3.4. Service Requirements. The Vendor or Platform must meet the following service requirements:
 - 3.5.1. All Background Investigation Report Requests and Background Investigation Reports are Citizens' Confidential Information.
 - 3.5.2. Vendor will have employees available via online access or by phone to assist Citizens during regular Business Hours in regard to the Services, including, but not limited to, entering and retrieval of Background Investigation Reports, interpreting the report results, and providing assistance with any issues related to the Vendor web-based Platform.
 - 3.5.3. Provide electronic confirmation that a Background Investigation Report Request has been successfully received by Vendor.
 - 3.5.4. Provide a single consolidated Background Investigation Report for each Background Investigation Report Request.
 - 3.5.5. Complete Background Investigation Reports in a reasonable and customary timeframe upon Vendor receipt of Candidate's consent.
 - 3.5.6. Provide a minimum of seven (7) Business Days advance, written notification to Citizens of any planned or proposed outages to the Platform, including any holiday downtime.
 - 3.5.7. Respond to Citizens' technical related issues with the Platform within four (4) Business Days of notice by Citizens.
 - 3.5.8. Provide appropriately trained and qualified employees to perform all requested Services.
 - 3.5.9. Provide multilingual staff members to interpret and translate information for the completion of Background Investigation Reports, as needed.
 - 3.5.10. Vendor is and shall remain a Member of the Professional Background Screening Association (PBSA) during the term of the Agreement.
 - 3.5.11. Provide initial Platform training via webinar for up to 20 Citizens' Users within 20 business days of contract execution and as necessary for any Platform upgrades, edits or patches.
 - 3.5.12. Provide Citizens' all records, retrieved on behalf of Citizens, in an electronic format.
- 3.5. Vendor Staff Qualifications and Removal. All Vendor Staff shall be properly trained and qualified. Upon request, Vendor shall furnish a copy of all technical certifications or other proof of qualification to Citizens. All Vendor Staff must comply with all reasonable administrative requirements of Citizens and with all controlling statutes, laws, and regulations relevant to the Services.

If Vendor knows or learns of circumstances indicating that a Vendor Staff member: (i) lacks the proper training or qualifications to perform the Services; or, (ii) is lacking in honesty or integrity, then Vendor will not allow that person to perform Services. Further, if Citizens determines that a Vendor Staff member is unsuitable for his/her role under this Agreement, for any reason, including but not limited to knowledge, skills, experience, abilities, academic qualifications, credentialing, licensure, veracity, or conduct, Citizens has the right to disallow that person from performing in such role and to require Vendor to promptly provide a qualified

replacement reasonably acceptable to Citizens.

4. Service Warranties and Standards: Disclaimers.

- 4.1. General Warranty. Vendor warrants that the Services will be performed and delivered in a professional, first-class manner in accordance with this Agreement and the standards prevailing in the industry. To this end, Vendor will undertake the following actions without additional consideration during the term of this Agreement and for one (1) year thereafter: (a) promptly make necessary revisions or corrections to resolve any errors and omissions on the part of Vendor; and, (b) confer with Citizens as Citizens deems appropriate for the purpose of interpreting any of the Services or information furnished. Acceptance of or payment for the Services by Citizens shall not relieve Vendor of these responsibilities. The warranty and covenants in this Section will extend to and bind Vendor's subcontractors, if any.
- 4.2. Ability to Perform. As of the Effective Date, Vendor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish Vendor's ability to perform the Services or satisfy its contractual obligations. During the term of this Agreement, Vendor shall immediately notify Citizens Contract Administrator of any change in circumstances that would in any way diminish Vendor's ability to perform the Services or satisfy its contractual obligations. Whether by Vendor's notification, Citizens' sole determination, or otherwise, in any case where Citizens is concerned with Vendor's ability or willingness to perform this Agreement is in jeopardy, Vendor acknowledges and agrees that, upon Citizens' request, Vendor shall timely provide Citizens with all reasonable assurances requested by Citizens to demonstrate that Vendor will continue to be able and willing to perform this Agreement.
- 4.3. Monitoring of Performance. Vendor shall continuously monitor and record its performance to ensure that all of Vendor's responsibilities and obligations hereunder are being met and fulfilled. Citizens may conduct programmatic and other administrative contract monitoring during the term of this Agreement. The purpose of this monitoring is to ensure that all of Vendor's responsibilities and obligations are being met and fulfilled. Such monitoring may include on-site visits, report reviews, invoice reviews, compliance reviews, and a review of any other areas reasonably necessary. On-site visits and requests for information from Vendor for the purposes of this paragraph shall not occur more than once per calendar year. Vendor acknowledges and agrees that Citizens may also monitor and record Vendor Staff communications to the extent they occur within or are connected to any Citizens' resource, such as electronic or telecommunications systems.
- 4.4. Citizens acknowledges (a) that the depth of information collected by Vendor varies among sources and Vendor cannot act as an insurer or guarantor of the accuracy, reliability or completeness of the data, and (b) that the information that Vendor discovers with respect to the subject of a background check report is subject to the reporting limitations of the FCRA and other applicable law.
- 4.5. Vendor may from time to time offer information, guidance, forms, materials, and/or other content (including sample documents) for informational purposes ("Content"), which is not intended to and shall not constitute legal or professional advice, either express or implied. Citizens agrees not to rely on Vendor for (nor shall Vendor render) legal or professional advice. Citizens acknowledges and agrees that it is solely responsible for its legal and employment related decisions and will consult with its own legal counsel (at Citizens' discretion) regarding all employment law related matters, including but not limited to its legal obligations with respect to its procurement and use of the Services and Screening Reports.
- 4.6. EXCEPT AS EXPLICITLY SET FORTH IN THIS AGREEMENT, (A) THE PLATFORM,

CONTENT AND ALL SERVICES ARE PROVIDED ON AN "AS IS," "AS AVAILABLE" BASIS, (B) VENDOR DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND (C) VENDOR DOES NOT WARRANT THAT THE PLATFORM, CONTENT OR SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE AND DISCLAIMS ANY WARRANTY OR REPRESENTATION REGARDING AVAILABILITY OF THE PLATFORM, SERVICES, SERVICE LEVELS OR PERFORMANCE.

4.7. Service Level Standards.

4.7.1. Description. For the term of this Agreement, Vendor shall provide Tier 1 Support to Citizens. In addition to all other requirements in this Agreement, Vendor shall use reasonable and good faith efforts to meet the Service Level Standards set forth in Exhibit B, Service Level Agreement.

4.7.2. Failure to Meet Service Level Standards. Time is of the essence in meeting the Service Level Standards. To the extent the underlying acts or omissions constitute an event of default under another section of this Agreement, Citizens may declare an event of default under that section. Vendor will use its best efforts to minimize the impact or duration of any outage, interruption or degradation of Service.

4.7.3. Termination for Repeated Failures. Citizens shall have, in addition to any other rights and remedies under this Agreement or at law, the right to immediately terminate this Agreement in whole or in part and be entitled to a return of any prepaid fees where Vendor fails to meet any Service Level Standard for two (2) consecutive quarters out of any rolling twelve (12) month period.

4.7.4. Temporary Suspension of Service Level Standards. Vendor will be excused for failing to meet any Service Level Standard if and to the extent such failure is excused under Section 15.17. Vendor shall advise Citizens in writing as soon as possible of any circumstance or occurrence which would excuse or affect Vendor's ability to achieve any of the Service Level Standards. In all such cases, Vendor will continue to make all reasonable efforts to achieve the Service Level Standards. Suspension of a Service Level Standard shall not excuse Vendor from accumulating data relevant to that Service Level Standard and reporting such data to Citizens as part of the reports required herein.

5. Deliverables and Work Product.

5.1. Deliverables and Financial Consequences. Each Background Investigation Report must be delivered by Vendor to Citizens in the time and manner specified in this Agreement. Failure to do so will entitle Citizens to enforce financial consequences which can include: (a) withholding any payment associated with the Deliverable until such delivery is made and/or (b) terminating this Agreement in whole or in part for cause immediately.

5.2. Reports.

5.2.1. Program Overview provides early visibility into spend per month, average review rates, average turnaround times, and average monthly volume metrics.

5.2.2. Periodic Comparison Report includes program and detailed metrics from two customizable time periods for comparison.

5.2.3. Service Detail Report provides insight into the value, impact, and performance of each product that's part of the background screening program. The drill down capability can be used to find a list of criminal hits for a selected time period.

- 5.2.4. Bill Code Detail and Account Detail Reports track program metrics such as order volume, charges, turnaround times, and review rates by bill code or by individual account, respectively.
 - 5.2.5. Invoice Reconciliation: Multiple Reports include charge information, including Package Detail, Bill Code Detail, Account Detail, and Job Title Detail. Additionally, Sterling can provide detailed invoices in Excel format that Citizens can analyze using Excel tools.
 - 5.2.6. Open Orders Report tracks the status of orders within the program that are still open or in progress and helps users understand what products or jurisdictions are causing delays.
 - 5.2.7. Agent Reconciliation: This Report could be accomplished with a number of Reports, including Service Detail, described above. The drill down capability can be used to find a list of orders over that time period.
 - 5.2.8. Ad Hoc Reporting: The analytics dashboards are interactive, giving Citizens the ability to filter and zoom in on data as needed. Citizens can request further custom reporting from the assigned account manager.
- 5.3. Title to Work Product. With the exception of the Pre-Existing Materials described in Section 5.4., Citizens will have all right, title and interest in and to each Work Product and any derivative works relating thereto (including ownership of copyrights). The use of these Work Products in any manner by Citizens shall not support any claim by Vendor for additional compensation. Each Work Product, and any portion thereof, shall be a "work made for hire" for Citizens pursuant to federal copyright laws. To the extent any of the Work Product is not deemed a work made for hire by operation of law, Vendor hereby irrevocably assigns, transfers, and conveys to Citizens, or its designee, without further consideration all of its right, title, and interest in such Work Product, including all rights of patent, copyright, trade secret, trademark, or other proprietary rights in such materials. Vendor acknowledges that Citizens shall have the right to obtain and hold in its own name any intellectual property right in and to the Work Product. Vendor agrees to execute any documents or take any other actions as may reasonably be necessary, or as Citizens may reasonably request, to perfect or evidence Citizens' ownership of the Work Product. This Section shall survive the termination of this Agreement.
- 5.4. Pre-Existing Materials.
- 5.4.1. Citizens acknowledges that, in the course of performing the Services, Vendor may use materials, software, reports, routines, language, instructions, methods, techniques, trade secrets, patents, copyrights, or other intellectual property that have been previously developed, purchased, licensed, or acquired by Vendor or by third parties (collectively, the "Pre-Existing Materials"), and that such Pre-Existing Materials shall remain the sole and exclusive property of Vendor or the third parties. Where Vendor seeks to embed Pre-Existing Materials in the Work Product, Vendor must first obtain written approval from Citizens.
 - 5.4.2. If and to the extent any Pre-Existing Materials of Vendor are embedded or incorporated in the Work Product, Vendor hereby grants to Citizens the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to: (a) use, execute, reproduce, display, perform, distribute copies of and prepare derivative works based upon such Pre-existing Materials and any derivative works thereof for Citizens' internal business purposes only; and, (b) authorize others to do any or all of the foregoing for Citizens' internal business purposes only.
 - 5.4.3. If and to the extent any Pre-Existing Materials of third parties are embedded or incorporated in the Work Product, Vendor shall secure for Citizens an irrevocable,

perpetual, non-exclusive, worldwide, royalty-free and fully paid-up right to use, execute, display, and perform such Pre-Existing Materials. Vendor shall secure such right at its expense and prior to incorporating any such Pre-Existing Materials into any Work Product, and such right must include, if practicable, a right to: (a) copy, modify, and create derivative works based upon such Pre-Existing Materials; and, (b) sublicense all or any portion of the foregoing rights to an affiliate or a third party service provider of Citizens. This Section does not apply to standard office software (e.g., Microsoft Office).

5.5. The provisions of this Section shall survive the termination of this Agreement.

6. **Changes.**

- 6.1. **Change Process.** Citizens may require changes altering, adding to, or deducting from the Services (each, a "Change"), provided that: (a) such Change is within the general scope of this Agreement; and, (b) Citizens will make an equitable adjustment in Vendor's compensation or delivery date if a Change materially affects the cost or time of performance of the Services. Such equitable adjustments require the written consent of Vendor, which consent shall not be unreasonably withheld, delayed or conditioned. The Parties will cooperate in good faith to determine the scope and nature of a Change, the availability of Vendor Staff, the expertise and resources to provide such Change, and the time period in which such Change will be implemented.
- 6.2. **Modifications.** A Change resulting in an increase or decrease to Vendor's compensation or the scope of Services must be evidenced by a formal amendment to this Agreement. All other changes shall be evidenced by either a writing signed by the Contract Manager or designee of each Party or a formal amendment to this Agreement.

7. **Compensation.**

- 7.1. **Maximum Compensation and Budget Requirement.** Citizens' obligation to pay Vendor for all Services accepted and reimbursable expenses under this Agreement (i) shall not exceed a total dollar amount of \$659,000; and, (ii) is contingent on the availability of budgeted funds approved by Citizens' Board of Governors on an annual basis.
- 7.2. **Compensation Schedule** Subject to Section 7.1, Vendor's compensation shall not exceed the specific fees and transaction-based costs identified in Exhibit A, Price Sheet. There is no guarantee of any specific volume of transactions during the term of this Agreement.
- 7.3. **Invoices.** Vendor must timely submit all requests for compensation for Services or expenses, where permitted, in sufficient detail for a pre- or post-audit. The compensation request must include a unique invoice number, be in US dollars, legible, page-numbered, signed, and dated. Vendor shall submit the original invoice to Citizens' Contract Manager or designee as identified in Section 10.2. Contract Managers. All late payment inquiries must be submitted to the attention of Citizens' Accounts Payable department at AccountsPayable@citizensfla.com or Post Office Box 10749, Tallahassee, Florida 32302-2749 on a monthly basis and must include, at a minimum, the following: (a) Agreement/task order number/purchase order number, if applicable; (b) Vendor's name, address, phone number (and remittance address, if different); (c) Vendor's Federal Employment Identification Number; (d) Citizens' Contract Manager's name; (e) invoice date; (f) Services period; (g) taxes listed separately, if applicable (see Section 7.7.); and, (h) itemized Services for which compensation is being sought.
- 7.4. **Payment Processing.** Citizens may require any other information from Vendor that Citizens deems necessary to verify any compensation request placed under this Agreement and Vendor agrees that it will provide such information as reasonably requested by Citizens. Payment shall be due net thirty (30) calendar days of Citizens' actual receipt of a complete and

undisputed invoice. Where a submitted invoice is incomplete, such as not containing the information described in this Section, Citizens will return the incomplete invoice to Vendor for correction within thirty (30) calendar days of Citizens' actual receipt of such invoice. Where Citizens reasonably disputes any part of a complete invoice, such as the amount of the compensation request, Citizens shall pay any undisputed portion of the invoiced amount within (30) calendar days of Citizens' actual receipt of the complete invoice and will describe the basis for the disputed portion of the invoiced amount. Where Vendor disagrees with Citizens dispute of any invoice, the Parties shall seek to resolve the dispute in accordance with the Dispute Resolution Process further described in this Agreement. In no case shall Citizens be subject to late payment interest charges where Vendor has submitted an incomplete invoice or where Citizens has reasonably disputed an invoice. Where Vendor fails to submit an invoice within twelve (12) calendar months of the Services for which compensation is being requested, Vendor acknowledges and agrees that any payment due for such Services is forfeited by Vendor for its failure to timely submit an invoice.

- 7.5. Travel-related Expenses. Vendor agrees to comply with Citizens' then-current Vendor Travel Reimbursement Guidelines. All travel-related expenses must be pre-approved in writing by Citizens' Contract Manager or designee. Citizens shall reimburse Vendor for pre-approved travel-related expenses incurred in the performance of Services following Citizens' receipt of Vendor's reimbursement request submitted in accordance with the then-current Vendor Travel Reimbursement Guidelines.
- 7.6. No Additional Charges. Except for the compensation described in the Compensation Schedule above and travel-related expenses, if permitted, Citizens shall not be billed for or be obligated to pay to Vendor any charges, expenses, or other amounts for the Services or otherwise.
- 7.7. Taxes. Citizens is a State of Florida, legislatively created, governmental entity which does not pay federal excise or state sales taxes on direct purchases of tangible personal property. Vendor represents and warrants that it is an independent contractor for purposes of federal, state, and local employment taxes. Vendor agrees that Citizens is not responsible to collect or withhold any federal, state, or local employment taxes, including personal property tax, income tax withholding, and social security contributions, for Vendor or Vendor Staff. Any and all taxes, interest or penalties, including personal property tax or any federal, state, or local withholding or employment taxes, imposed, assessed, or levied as a result of this Agreement shall be paid or withheld by Vendor or, if assessed against and paid by Citizens, shall be immediately reimbursed by Vendor upon demand by Citizens.

8. Indemnification and Limitation of Liability.

- 8.1. Mutual Indemnification. Vendor and Citizens shall each be fully liable for the actions of their staff and shall fully indemnify, defend, and hold harmless the other, and their officers, members of the Board of Governors, agents, employees, and policyholders (each, an "Indemnitee" and collectively, the "Indemnitees") from third party suits, actions, damages, liabilities, demands, claims, losses, expenses, fines, penalties, fees, and costs of every name and description (collectively, "Claims"), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from any Indemnitee, by reason of any Claim arising out of or relating to: (a) a violation of federal, state, local, international, or other laws or regulations; (b) bodily injury (including death) or damage to tangible personal or real property; (c) breaches of any representations made under this Agreement; (d) any claim that any portion of the Services violates or infringes upon a trademark, copyright, patent, trade secret or intellectual property right; or, (e) failure to timely forward a public records request for handling, subject to the terms of this Agreement.

8.1.1. The obligations of indemnification with respect to any Claim are contingent upon the

Indemnitee providing Indemnitor: (a) written notice of the Claim; (b) the opportunity to settle or defend against the Claim at Indemnitor's sole expense; and, (c) assistance in defending against or settling the Claim at Indemnitor's sole expense. Indemnitor shall not be liable for any cost, expense, or compromise incurred or made by an Indemnitee in any legal action without Indemnitor's prior written consent, which shall not be unreasonably withheld.

8.1.2. Notwithstanding anything in this Agreement to the contrary, Indemnitor shall not indemnify for that portion of a Claim proximately caused by: (a) a negligent act or omission of an Indemnitee; or, (b) an Indemnitee's misuse or modification of the Service or Work Product.

8.1.3. The obligations in this Section are separate and apart from, and in no way limit any rights under any insurance provided by Vendor pursuant to this Agreement or otherwise.

8.1.4. The provisions of this Section shall survive the termination of this Agreement.

8.2. Limitation of Liability. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY: (A) SPECULATIVE OR REMOTE DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH A BREACH OF THIS AGREEMENT; OR, (B) ANY DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT IN EXCESS OF \$1,500,000. THESE LIMITATIONS APPLY REGARDLESS OF WHETHER THE ACTION OR CLAIM IS BASED IN CONTRACT, EQUITY, TORT, OR OTHERWISE. THESE LIMITATIONS SHALL NOT APPLY TO: (A) ANY OBLIGATION OF INDEMNIFICATION SET FORTH IN THIS AGREEMENT; (B) ANY CLAIM OR DAMAGE CAUSED BY A PARTY'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT; OR (C) ANY CLAIM OR DAMAGE CAUSED BY VENDOR'S BREACH OF ITS OBLIGATIONS OF CONFIDENTIALITY SET FORTH IN THIS AGREEMENT. NOTHING IN THIS SECTION OR IN THIS AGREEMENT SHALL BE CONSTRUED AS A WAIVER OF THE LIMIT ON CITIZENS' LIABILITY FOR TORT CLAIMS UNDER SECTION 768.28, FLORIDA STATUTES. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

9. Insurance.

9.1. Vendor Insurance Requirements. During the term of this Agreement, Vendor will maintain at its sole expense the following insurance, purchased from an insurer licensed to transact business in the State of Florida:

9.1.1. Workers' Compensation which provides coverage for Vendor's employees and independent contractors' employees, regardless of the state of hire, in at least the minimum statutory limits required by the State of Florida, and Employers' Liability with limits of \$1 million per accident; provided, however, that such workers' compensation policy may exclude coverage for independent contractor employees who are covered by a workers' compensation policy that meets the requirements (including Employers' Liability coverage) set forth herein.

9.1.2. Commercial General Liability with minimum limits of \$1 million per occurrence (to include contractual liability for liability assumed hereunder) and \$2 million in the aggregate;

9.1.3. Automobile Liability with combined single limits of not less than \$1 million per accident (this policy must include Symbol 1 "Any Auto" coverage); provided however, that if Vendor does not own any vehicles and Vendor does not have a schedule of vehicles covered under a Vendor automobile policy, then the policy may instead include both

Symbol 8 “Hired Autos Only” and Symbol 9 “Nonowned Autos only”. Vendor agrees to secure Symbol 1 “Any Auto” coverage as set forth herein prior to taking ownership of any vehicle, and prior to scheduling any vehicles under a Vendor automobile policy

- 9.1.4. Umbrella Excess General Liability and Auto Liability insurance with minimum limits of \$4 million in the aggregate; the umbrella excess policy must afford coverage equivalent to the commercial general liability and automobile liability coverages required in subsections 9.1.2 and 9.1.3; the policy inception date must also be concurrent with the inception dates of the underlying general liability and automobile liability policies; if vendor maintains commercial general liability and automobile liability coverage that exceeds the minimum limits identified in 9.1.2 and 9.1.3, then Vendor may reduce its umbrella excess coverage limit by the corresponding amount
- 9.1.5. Professional Liability (errors and omissions) with minimum limits of \$1 million per claim and \$2 million in the aggregate;
- 9.1.6. Information Security/Cyber Liability insurance written on a “claims-made” basis covering Vendor and Vendor Staff for expenses, claims and losses resulting from wrongful acts committed in the performance of, or failure to perform, all Services, including, without limitation, claims, other demands and any payments related to electronic or physical security, breaches of confidentiality and invasion of or breaches of privacy. The Information Security/Cyber Liability Insurance must include internet media liability including cloud computing and mobile devices for protection of confidential information whether electronic or non-electronic, network security and privacy; privacy against liability for system attacks, digital asset loss, denial or loss of service, introduction, implantation or spread of malicious software code, security breach, unauthorized access and use, including regulatory action expenses, and notification and credit monitoring expenses with at least the minimum limits listed below. Coverage must be renewed for two (2) years after completion of the Services.
 - a. Each occurrence - \$1,000,000
 - b. Network Security/Privacy Liability - \$1,000,000
 - c. Breach Response/ Notification Sublimit - a minimum limit of fifty percent (50%) of the policy aggregate
 - d. Technology Products E&O - \$1,000,000
- 9.2. Insurance Company Qualifications. Each company issuing policies required under Sections 9.1. must: (i) be licensed to transact business in the State of Florida; and, (ii) have an AM Best Financial Strength rating of “A-” or above.
- 9.3. Defense Costs. The limits of indemnity coverage required under Section 9.1. and 9.2. shall not include costs incurred in defending against a claim and shall not be reduced by the payment of such costs; provided, however, that with respect to professional liability coverage as set forth in Section 9.1.5., Vendor may alternatively maintain coverage with minimum limits of \$2 million per claim and \$4 million in the aggregate.
- 9.4. Vendor’s Insurance is Primary. The insurance required under Section 9.1. shall apply on a primary basis to, and shall not require contribution from, any other insurance or self-insurance maintained by Citizens, Citizens’ Board Member, or any Citizens employee.
- 9.5. Citizens to be an Additional Insured. The Commercial General Liability and Auto Liability policies in Section 9. shall include Citizens as an additional insured. For Commercial General Liability coverage, the policy must include ISO Form #CG 20 10 10 01 or a comparable company specific endorsement.

- 9.6. Waiver of Subrogation. The insurance required under Section 9. shall include a provision waiving the insurer's rights of recovery or subrogation against Citizens.
- 9.7. Coverage for Indemnity Obligations. The Commercial General Liability, Auto Liability, Umbrella Liability, and Professional Liability coverages shall cover claims made under the indemnity provisions of this Agreement.
- 9.8. Notice of Cancellation or Change. To the extent practicable, the Commercial General Liability and Professional Liability policies shall require thirty (30) calendar days prior written notice to Citizens of cancellation, non-renewal or change in any coverage, except for ten (10) calendar days prior written notice for non-payment of premium.
- 9.9. Proof of Coverage. Within thirty (30) calendar days of execution of this Agreement, and upon renewal or reissuance of coverage thereafter, Vendor must provide current and properly completed in-force certificates of insurance to Citizens that evidence the coverages required in Sections 9.1. and 9.2. The certificates for Commercial General Liability, Umbrella Liability and Professional Liability insurance certificates must correctly identify the type of work Vendor is providing to Citizens under this Agreement. The agent signing the certificate must hold an active Insurance General Lines Agent license (issued within the United States). Vendor shall provide copies of its policies upon request by Citizens.

10. Contract Administration

- 10.1. Contract Administrator. Citizens shall name a Contract Administrator during the term of this Agreement whose responsibility shall be to maintain this Agreement. Except for written notices not otherwise specifically required to be delivered to the Citizens' Contract Manager or designee (such as those relating to background checks, invoicing, data security requirements and subcontractors), all written notices shall be delivered to the Contract Administrator in addition to the Citizens Contract Manager named below. As of the Effective Date, the Contract Administrator is:

Lori Newman, Vendor Management Office
301 W Bay Street, Suite 1300
Jacksonville, Florida 32202
904-407-0225
Lori.Newman@citizensfla.com

Citizens shall provide written notice to Vendor of any changes to the Contract Administrator; such changes shall not be deemed Agreement amendments.

- 10.2. Contract Managers. Each Party will designate a Contract Manager during the term of this Agreement whose responsibility shall be to oversee the Party's performance of its duties and operational obligations pursuant to the terms of this Agreement. As of the Effective Date, Citizens' and Vendor's Contract Managers are as follows:

Citizens' Contract Manager
Aprill Lundgren, Vendor Relationship Administrator
Citizens Property Insurance Corporation
301 W. Bay Street, Suite 1300
Jacksonville, FL 32201
904-208-7432
Aprill.Lundgren@citizensfla.com

Vendor's Contract Manager

Sheryl Wooddell
Client Success Partner
Sterling Infosystems, Inc.
1 State St. Plaza 24th Fl.
New York, NY 10004
216-685-7022
Sheryl.Wooddell@sterlingcheck.com

Each Party shall provide prompt written notice to the other Party of any changes to their Contract Manager; such changes shall not be deemed Agreement amendments.

11. Suspension of Services; Agreement Termination; Transition Assistance.

- 11.1. Temporary Suspension of Services. Citizens may, in its sole discretion, temporarily suspend all or certain portions of the Services at any time by providing written notice to Vendor. Upon receiving a suspension notice, Vendor shall cease performing the Services in accordance with the suspension notice. Within ninety (90) calendar days after Citizens provides the suspension notice, or any longer period agreed to by Vendor, Citizens shall either: (a) issue a notice authorizing resumption of the Services, at which time the Services shall resume; or, (b) exercise its right under Section 11.2. to terminate this Agreement without cause. Nothing in this Section allows Citizens to withhold or delay any payment for Services satisfactorily performed prior to the suspension. However, Vendor shall not be entitled to any additional compensation for the suspension of Services.
- 11.2. Termination without Cause. Following the expiration of the twenty fourth (24th) month following the execution of this Agreement, Citizens may terminate this Agreement in whole or in part, at its sole discretion and without the need to specify a reason for termination. The actual date of termination of this Agreement will be thirty (30) calendar days from the date of the written notice, or as otherwise specified in Citizens' written notice (the "Termination Date"). Where Citizens elects to terminate this Agreement in part, Vendor shall continue to provide Services on any portion of the Agreement not terminated. Vendor shall be entitled to payment for Services satisfactorily performed and accepted by Citizens through the Termination Date but shall not be entitled to recover any cancellation charges or damages, including lost profits or reliance damages. Vendor shall not have a reciprocal right to terminate without cause; it being understood that Citizens' payment for Services forms the consideration for Vendor not having this right. In the event of Citizens' termination without cause, Citizens, at Citizens' sole election, may also require Vendor to provide the Transition Assistance as further described in this Agreement.
- 11.3. Termination for Cause. Either Party may terminate this Agreement if the other Party fails to honor its material obligations under this Agreement. Unless otherwise provided herein, before terminating this Agreement, the Party that believes the other Party is failing to perform this Agreement shall notify the breaching Party, in writing, of the nature of the breach and provide a reasonable time certain to cure the breach. The cure period will generally be forty five (45) calendar days from receipt of the notice, provided that a cure period is not required if a cure is not feasible as determined by the non-breaching Party or if the breaching Party has already been notified of the breach and given at least forty five (45) calendar days to correct it. If the breaching Party does not cure the breach within the time provided by the non-breaching Party, and its breach is not legally excusable, the non-breaching Party may thereafter notify the breaching Party, in writing, that it considers the breaching Party in default and may terminate this Agreement and pursue any remedies allowed in law or equity. Instead of terminating this Agreement in whole, Citizens may elect to terminate this Agreement in part, in which case Vendor shall continue to provide Services on any portion of the Agreement not terminated.

- 11.4. Scrutinized Companies; Termination by Citizens. In addition to any other termination rights of Citizens as provided for in this Agreement, Citizens may, at its sole election, terminate this Agreement if Vendor: (a) is found to have submitted a false certification as provided under Section 287.135(5), F.S.; (b) has been placed on the "Scrutinized Companies with Activities in Sudan List;" (c) has been placed on the "Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List;" (d) has been placed on the "Scrutinized Companies that Boycott Israel List;" (e) has been engaged in business operations in Cuba or Syria; or, (f) is engaged in a boycott of Israel.
- 11.5. Termination by Vendor. Vendor may immediately suspend Services or terminate this Agreement, in whole or in part, upon notice of intent to terminate specifying the exact issues involved, and following a ten (10) day cure period, if (i) Citizens fails to pay uncontested amounts when reasonably due, (ii) Citizens files bankruptcy or reorganization or fails to discharge an involuntary petition within sixty (60) days after filing date, or (iii) Vendor reasonably believes that its provision, or Citizens' use, of the Services violates the FCRA or other applicable law.
- 11.6. Transition Assistance. At any time prior to the date this Agreement expires or terminates for any reason (either, the "Termination Date"), Citizens may request Vendor to provide transition assistance services ("Transition Assistance"). Vendor shall provide such Transition Assistance until Citizens notifies Vendor that Citizens no longer requires such Transition Assistance, which shall in no event be more than one-hundred and eighty (180) calendar days following the Termination Date.
- 11.6.1. Transition Assistance shall mean any transition services, functions, or responsibilities that are ordinarily or customarily provided to a purchaser to ensure that the services provided to that purchaser by a vendor are fully transitioned in a smooth and efficient manner to the purchaser or to a successor vendor. Transition Assistance includes the development and implementation of a detailed transition plan, if requested. To the extent the Transition Assistance will involve a successor vendor, Vendor agrees that it will cooperate with such successor vendor. As reasonably required by Vendor, Citizens shall cause any successor vendor to execute Vendor's non-disclosure agreement.
- 11.6.2. Transition Assistance rendered before the Termination Date shall be provided at no additional cost to Citizens. Transition Assistance rendered after the Termination Date shall be provided at the rates negotiated by the Parties prior to the rendering of the post-termination Transition Assistance, which rates shall not exceed the standard market rates Vendor charges to government entities for comparable services; provided however, that if Citizens terminates this Agreement because of a breach by Vendor, then the post-termination Transition Assistance shall be provided at no cost to Citizens. Vendor may withhold Transition Assistance after the Termination Date if Citizens does not provide reasonable assurance that the charges for such Transition Assistance will be paid to Vendor.

12. Disputes.

- 12.1. Dispute Resolution Process. Each Party will make a good faith effort to resolve any disputes relating to this Agreement prior to commencing a legal action. These efforts may include an offer to arrange for executive-level discussions or an offer to submit the dispute to non-binding mediation. This section shall not apply if (a) a Party considers the immediate commencement of a legal action for an injunction necessary to protect its interests (e.g., to protect against the improper use or disclosure of its confidential information); or, (b) the dispute is subject to another provision in this Agreement that includes a different dispute resolution process. For the sake of clarity, Citizens is not subject to the dispute resolution processes set forth in The Florida Administrative Procedure Act, Chapter 120, Florida Statutes.

- 12.2. Jurisdiction and Venue; Waiver of Jury Trial. This Agreement shall be deemed to have been made in the State of Florida and shall be subject to, and governed by, the laws of the State of Florida, and no doctrine of choice of law shall be used to apply any law other than that of the State of Florida. Each Party hereby irrevocably consents and submits to the exclusive jurisdiction of the Circuit Court of Leon County, Florida, for all purposes under this Agreement, and waives any defense to the assertion of such jurisdiction based on inconvenient forum or lack of personal jurisdiction. The Parties also agree to waive any right to jury trial.
- 12.3. The provisions of this Section shall survive the termination of this Agreement.

13. Records; Audits; Public Records Laws.

- 13.1. Record Retention. Vendor shall retain all records relating to this Agreement for the longer of: (a) five (5) years after the termination of this Agreement; or, (b) the period specified by Citizens as necessary to comply with Florida law.
- 13.2. Right to Audit and Inquire. Citizens shall have reasonable access to Vendor's facilities and has the right to review and audit any of Vendor's records relating solely to this Agreement, upon written notice to Vendor of at least three (3) business days. Vendor also agrees to reasonably cooperate with any independent inquiries made by Citizens' Office of Internal Audit and Office of the Inspector General. Vendor shall cooperate with the requestor and provide requested documentation in a timely manner (preferably within five (5) business days). Vendor must resolve any deficiencies discovered during an audit within ninety (90) calendar days from being reported. Citizens may extend the response time period in its sole discretion. Citizens has the right to conduct follow-up audits to assess Vendor's corrective action(s). Any entity performing auditing services on behalf of Citizens pursuant to this Section shall execute a non-disclosure agreement with regard to Vendor's proprietary information, unless precluded from doing so by law. Vendor shall not unreasonably delay or inhibit Citizens' right to audit as set forth in this Section.
- 13.3. Public Records Laws. Vendor acknowledges that Citizens is subject to Florida public records laws, including Chapter 119, Florida Statutes, (collectively, "Florida's Public Records Laws"). Therefore, any information provided to Citizens or maintained by Vendor in connection with this Agreement may be subject to disclosure to third parties.
- 13.3.1. Protection of Vendor's Confidential Information. Section 627.351(6)(x)1.e., Florida Statutes, provides that proprietary information licensed to Citizens under a contract providing for the confidentiality of such information is confidential and exempt from the disclosure requirements of Florida's Public Records Law. Other Florida Statutes allow for various protection of vendor's trade secrets and financial information. In order to protect any information provided to Citizens that Vendor considers to be protected from disclosure under Florida law ("Vendors Confidential Information"), Vendor should clearly label and mark each page or section containing such information as "Confidential", "Trade Secret" or other similar designation.
- 13.3.2. Responding to Request for Vendor Confidential Information. If Citizens receives a Public Records Request ("PRR") or a request from any regulatory or legislative entity regarding Vendor's Confidential Information, it shall promptly notify Vendor in writing. To the extent permitted by law, Citizens shall not produce Vendor's Confidential Information unless authorized by Vendor, or by order of a court of competent jurisdiction. In the event a legal proceeding is brought to compel the production of Vendor's Confidential Information, the Parties agree that Citizens is authorized to deliver Vendor's Confidential Information to the court or other legal tribunal for disposition. If Vendor continues to assert in good faith that Vendor's Confidential Information is confidential or exempt from disclosure or production pursuant to Florida's

Public Records Laws then Vendor shall be solely responsible for defending its position, or seeking a judicial declaration. Nothing in this Agreement shall create an obligation or duty for Citizens to defend or justify Vendor's position. Vendor also agrees to reimburse Citizens for any attorneys' fees, costs, and expenses incurred by Citizens or awarded against Citizens in any legal proceeding in which the issue is a third party's challenge to Vendor's assertion of an exemption under Florida's Public Records Laws.

- 13.3.3. Vendor's Duty to Forward Records Requests to Citizens. Vendor receives a PRR that is in any way related to this Agreement, Vendor agrees to immediately notify Citizens' Records Custodian and forward the PRR to Citizens' Records Custodian for logging and processing. Citizens' Records Custodian's email address is: Recordsrequest@citizensfla.com. Citizens shall be the Party responsible for coordinating the response and production to the PRR. Vendor shall communicate with Citizens to determine whether requested information is confidential and/or exempt from public records disclosure requirements. Vendor agrees to assist Citizens in responding to any PRR in a prompt and timely manner as required by Florida's Public Records Laws.
- 13.3.4. Additional Duties. To the extent Vendor is "acting on behalf of" Citizens as provided under Section 119.011(2), Florida Statutes, Vendor must: (a) keep and maintain public records required by Citizens to perform the Services; (b) upon request of Citizens' Records Custodian, provide Citizens with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law; (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law, for the duration of the term of this Agreement and following the completion of this Agreement if Vendor does not transfer the records to Citizens; and, (d) upon completion of this Agreement, transfer at no cost to Citizens all public records in possession of Vendor or, alternatively, Vendor may keep and maintain all records required by Citizens to perform the Services. If Vendor transfers all public records to Citizens upon completion of this Agreement, Vendor shall destroy any duplicate public records that are exempt, or confidential and exempt from public records disclosure. If Vendor keeps and maintains public records upon completion of this Agreement, Vendor shall meet all applicable requirements for retaining public records. All public records stored electronically must be provided to Citizens, upon request by Citizens' Records Custodian, in a format that is compatible with the information technology systems of Citizens.

IF VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO VENDOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT CITIZENS' RECORDS CUSTODIAN AT (i) (850) 521-8302; (ii) RECORDSREQUEST@CITIZENSFLA.COM; OR, (iii) RECORDS CUSTODIAN, CITIZENS PROPERTY INSURANCE CORPORATION, 2101 MARYLAND CIRCLE, TALLAHASSEE, FL 32303.

- 13.4. Vendor's Failure to Respond to Public Records Request. Vendor must comply with Citizens' request for records, including all documents, papers, letters, emails, or other materials in conjunction with this Agreement, within thirty (30) calendar days of Citizens' request. Vendor's

failure to comply with Citizens request may be subject to penalties in accordance with Chapter 119.10, Florida Statutes. Vendor will hold Citizens harmless from any actions resulting from Vendor's non-compliance with Florida's Public Records Laws. Without limiting Citizens' other rights of termination as further described in this Agreement, Citizens may unilaterally terminate this Agreement for refusal by Vendor to comply with this Section unless the records are exempt from Section 24(a) of Article I of the State Constitution and Section 119.07(1), Florida Statutes.

13.5. The provisions of this Section shall survive the termination of this Agreement.

14. Security, Confidentiality and Restrictions on Use.

14.1. General Requirements. Both Parties shall implement and maintain appropriate safeguards to: (a) ensure the security and confidentiality of the other Party's Confidential Information; (b) protect against any anticipated threats or hazards to the security or integrity of the other Party's Confidential Information; and, (c) protect against unauthorized access to or use of the other Party's Confidential Information that could cause harm or inconvenience to Citizens or any customer of Citizens. Citizens shall not disclose any Screening Reports, or any portion thereof, provided to it by Vendor hereunder except as permitted by this Agreement, in internal business operations as permitted by law, or to the subject of the report.

14.2. Each party ("**Recipient**") will treat, and take all reasonable and necessary steps to prevent the disclosure of, all information provided by the other party ("**Discloser**") that Discloser designates in writing to be confidential (or that would be understood to be confidential by a reasonable person) in the same manner as Recipient treats its own confidential information (which shall be no less than a reasonable degree of care). Discloser represents and warrants that it has all necessary legal rights, title, consents and authority to disclose such confidential information to Recipient. Confidential information shall not include information that (i) is or becomes a part of the public domain through no act or omission of Recipient; (ii) was in Recipient's lawful possession prior to Discloser's disclosure to Recipient; (iii) is lawfully disclosed to Recipient by a third-party with the right to disclose such information and without restriction on such disclosure; or (iv) is independently developed by Recipient without use of or reference to the confidential information.

14.3. Implementation of NIST 800-53 Controls. Except as permitted in writing by Citizens' Contract Manager or designee, Vendor agrees to implement the privacy and security controls that have been mutually agreed as of the date of this Agreement.

14.4. Audit of Vendor's Privacy and Security Controls.

14.4.1. Audit Reports. For each calendar year during the term of this Agreement, upon request, Vendor shall submit to Citizens via email to Citizens' Contract Manager or designee a copy of its annual ISO 27001 security certifications applicable to the Services.

14.4.2. Right of Audit by Citizens. Without limiting any other rights of Citizens herein, Citizens shall have the right to review Vendor's privacy and security controls prior to the commencement of Services and from time to time during the term of this Agreement. Such review may include Citizens' right, at its own expense and with thirty (30) calendar days' notice, to perform (or have performed) an on-site audit of Vendor's privacy and security controls. In lieu of such an audit, Citizens may require Vendor to complete, within thirty (30) calendar days of receipt, an audit questionnaire provided by Citizens regarding Vendor's privacy and security programs. The parties shall use good faith, reasonable efforts to resolve any audit findings in a mutually acceptable manner.

14.5. Data Encryption. Vendor and Vendor Staff will encrypt all electronic data and communications containing Citizens Confidential Information at rest and in transit using a strong cryptographic protocol that is consistent with industry standards except to the extent to render the Services

to Citizens.

- 14.6. Data Storage. Except as permitted in writing by Citizens' Contract Manager or designee, Vendor and Vendor Staff shall not store Citizens Confidential Information on portable external storage devices or media (such as "thumb drives," compact disks, or portable disk drives) or outside the continental United States.
- 14.7. Security of Vendor Facilities. All Vendor and Vendor Staff facilities in which Citizens Confidential Information is located or housed shall be maintained in a reasonably secure manner. Within such facilities, all printed materials containing Citizens Confidential Information should be kept locked in a secure office, file cabinet, or desk (except when materials are being used).
- 14.8. Labeling of Confidential Information. Any documents or electronic files created by Vendor or Vendor Staff that contain Citizens Confidential Information must be conspicuously labeled or marked so that the individual viewing or receiving the information understands that the information is confidential.
- 14.9. Photocopying and Faxing Restrictions. Vendor and Vendor Staff shall not make photocopies or send facsimiles of Citizens Confidential Information unless there is a business need.
- 14.10. Disposal of Confidential Information. The disposal of all printed materials containing Citizens Confidential Information must be done in a manner that renders the information inaccessible to others (the use of a reputable third party shredding company is permissible).
- 14.11. Authority to Disclose Confidential Information to Others. Vendor acknowledges and agrees that any Citizens Confidential Information disclosed to or acquired by Vendor is disclosed and/or acquired solely for the purposes of facilitating the provision of the Services. Vendor shall restrict access to Citizens Confidential Information to Vendor Staff who will actually perform Services and Vendor shall provide such Vendor Staff with work environments that protect against inadvertent disclosure to others. Vendor shall be solely responsible for informing any individual or entity with access to Citizens Confidential Information of the provisions of this Agreement and shall be responsible for any acts of those individuals and entities that violate such provisions.
- 14.12. Unauthorized Disclosure of Confidential Information. Vendor will notify Citizens Contract Administrator without undue delay of any potential or actual unauthorized disclosure, misuse, or misappropriation of Citizens Confidential Information of which it becomes aware and will cooperate in remedying such situation promptly. Pursuant to Section 501.171, Florida Statutes, if Vendor maintains computerized data that includes personal information, as defined in such statute, on behalf of Citizens, Vendor shall disclose to Citizens any breach of the security of the system as soon as practicable, but no later than ten (10) calendar days following the determination of the breach of security or reason to believe the breach occurred.
- 14.13. Return of Confidential Information. During the term of this Agreement, upon Citizens written request or upon the termination of this Agreement for any reason, Vendor shall promptly return to Citizens all copies, whether in written, electronic or other form or media, of Citizens Confidential Information in its possession, or securely dispose of all such copies, and certify in writing to Citizens that Citizens Confidential Information has been returned to Citizens or disposed of securely.
- 14.14. Notification of Anticipatory Breach. Vendor agrees that should it, for any reason, not be able to provide or maintain appropriate safeguards to fulfill its obligations under this Section, it will immediately notify Citizens Contract Administrator in writing of such inability and such inability on Vendor's part will serve as justification for Citizens' termination of this Agreement, at Citizens' sole election, at any time after the inability becomes known to Citizens.

- 14.15. Remedies. Vendor acknowledges that breach of Vendor's obligation of data security and confidentiality may give rise to irreparable injury to Citizens and Citizens' customers, which damage may be inadequately compensable in the form of monetary damages. Accordingly, Citizens may seek and obtain injunctive relief against the breach or threatened breach of the provisions of this Section, in addition to any other legal remedies which may be available, including, at the sole election of Citizens, the immediate termination, without penalty to Citizens, of this Agreement in whole or in part.
- 14.16. Subcontractors. Except as permitted in writing by Citizens' Contract Manager or designee, the provisions of this Section shall apply to each of Vendor's subcontractors at any level who obtain access to Citizens Confidential Information in connection with this Agreement.
- 14.17. The provisions of this Section shall survive the termination of this Agreement.

15. Miscellaneous.

- 15.1. Business Continuity and Disaster Recovery Plan. Vendor shall have a viable, documented, effective and annually tested business continuity/disaster recovery strategy plan in place to mitigate the potential disruption of Services. Within thirty (30) calendar days of receipt of written request by Citizens, at its own cost and expense, Vendor shall provide to Citizens evidence and results of its tested business continuity/disaster recovery plan.
- 15.2. Relationship of the Parties. Vendor is an independent contractor with no authority to contract for Citizens or in any way to bind or to commit Citizens to any agreement of any kind or to assume any liabilities of any nature in the name of or on behalf of Citizens. Under no circumstances shall Vendor or Vendor Staff hold itself out as or be considered an agent, employee, joint venturer, or partner of Citizens. In recognition of Vendor's status as an independent contractor, Citizens shall carry no Workers' Compensation insurance or any health or accident insurance to cover Vendor or Vendor Staff. Citizens shall not pay any contributions to Social Security, unemployment insurance, federal or state withholding taxes, any other applicable taxes whether federal, state, or local, nor provide any other contributions or benefits which might be expected in an employer-employee relationship. Neither Vendor nor Vendor Staff shall be eligible for, participate in, or accrue any direct or indirect benefit under any other compensation, benefit, or retirement plan of Citizens.
- 15.3. Vendor Conflicts of Interests. Vendor, and all principals in its business, must execute a Conflict of Interest Form as required by Citizens. Vendor shall not have a relationship with a Citizens officer or employee that creates a conflict of interest. If there is the appearance of a conflict of interest, Vendor will promptly contact Citizens' Contract Manager or designee to obtain a written decision as to whether action needs to be taken to ensure a conflict does not exist or that the appearance of a conflict is not significant.
- 15.4. No Gifts. Vendor shall not give a gift or make an expenditure to or for the personal benefit of a Citizens officer or employee.
- 15.5. Convicted Vendor List. Vendor shall immediately notify Citizens' Contract Manager or designee in writing if it or any of its affiliates are placed on the convicted vendor list maintained by the State of Florida pursuant to Section 287.133, Florida Statutes, or on any similar list maintained by any other state or the federal government.
- 15.6. Compliance with Laws. Vendor and Vendor Staff will comply with all applicable laws, ordinances, rules, and regulations governing Vendor's performance under this Agreement. This includes: (a) registration and annual renewal of authority to transact business in the State of Florida (via www.sunbiz.org) or Vendor's annual written attestation that such authorization is not required; and, (b) maintaining all other necessary permits or licenses from federal, state, and local regulatory/licensing authorities.

- 15.7. Subcontracting. Vendor shall not enter into any subcontracts for the performance of the Services or assign or transfer any of its rights or obligations under this Agreement, without Citizens' prior written consent and any attempt to do so shall be void and without effect. Citizens' consent to Vendor's request to subcontract any of the Services shall not relieve Vendor of any of its duties or obligations under this Agreement, and Vendor shall indemnify and hold Citizens harmless from any payment required to be paid to any such subcontractors.
- 15.8. Severability. If a court deems any provision of this Agreement void or unenforceable, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable and all other provisions shall remain in full force and effect.
- 15.9. Headings. The sections and headings herein contained are for the purposes of identification only and shall not be considered as controlling in construing this Agreement.
- 15.10. Publicity; Use of Names and Logos. Vendor may use Citizens' name and logo in its marketing materials, website and social media to indicate that it is a participating or contracted vendor for Citizens. However, Vendor may not in any way state, imply or infer that it holds a "preferred," "approved," "awarded," "selected" or otherwise special status with Citizens in any such materials. This prohibition includes, but is not limited to, the use of endorsements or quotes from Citizens officials, Citizens vendor scores, or any other Citizens-related materials that may directly or indirectly imply that Vendor enjoys a special or preferred status with Citizens. Citizens reserves the right to determine that its name and/or logo have been misused and to request that Vendor cease using its name and/or logo in any way it deems inappropriate. Failure to comply will result in corrective action, up to and including contract termination. Vendor may only use the approved Citizens logo, which may be obtained by sending a request via email to: newsroom@citizensfla.com.
- 15.11. Waiver. The delay or failure by a Party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of the Party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.
- 15.12. Agreement Disclosure Acknowledgement Addendum ("Addendum"). Vendor agrees that the Addendum attached hereto is hereby incorporated into this Agreement in order to address the public posting of this Agreement and its disclosure to third parties.
- 15.13. Entire Agreement. This Agreement, and any exhibits, schedules and attachments hereto, set forth the entire agreement and understanding of the Parties with respect to the subject matter hereof, and supersedes any prior or contemporaneous proposals, agreements or understandings with respect to the subject matter hereof.
- 15.14. Modification of Terms. Except as otherwise provided for herein, this Agreement may only be modified or amended upon a mutual written contract amendment signed by Citizens and Vendor or as otherwise permitted by this Agreement. Vendor may not unilaterally modify the terms of this Agreement in any manner such as by affixing additional terms to any Deliverable (e.g., attachment or inclusion of standard preprinted forms, product literature, "shrink wrap" or "click through" terms, whether written or electronic) or by incorporating such terms onto Vendor's order or fiscal forms or other documents forwarded by Vendor for payment and any such terms shall have no force or effect upon Citizens or this Agreement. Citizens' acceptance of any Service or processing of documentation on forms furnished by Vendor for approval or payment shall not constitute acceptance of any proposed modification to terms and conditions or any conflicting terms and conditions.
- 15.15. Assignments. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of each Party, but only as permitted under this Agreement. Neither party may assign this Agreement without the prior written consent of the other party; however, either party

may assign this Agreement without prior written consent (i) to any of its affiliated companies, (ii) pursuant to a corporate reorganization, merger or consolidation of its business, or (iii) pursuant to the sale of all or substantially all of its assets, provided any and all of Citizens' successors or assignees shall execute a separate Background Screening Requirements Addendum and Credentialing Application, as may be required by Vendor. Each Party binds itself and its respective successors and assigns in all respects to all of the terms, conditions, covenants and provisions of this Agreement. In the event of any assignment, Vendor shall remain liable for performance of this Agreement unless Citizens expressly waives such liability. Nothing herein shall be construed as creating any personal liability on the part of any officer, employee or agent of Citizens.

- 15.16. Assignment of Antitrust Claims. Vendor and Citizens recognize that in actual economic practice, overcharges resulting from antitrust violations are usually borne by the ultimate consumer. Therefore, Vendor hereby assigns to Citizens any and all claims under the antitrust laws of Florida or the United States for overcharges incurred in connection with this Agreement.
- 15.17. Force Majeure. Neither Party shall be responsible for delays or disruptions in performance if the cause of the delay or disruption was beyond that Party's reasonable control (or the reasonable control of its employees, subcontractors, or agents) to the extent not occasioned by the fault or negligence of the delayed or disrupted party. In no case shall Vendor's labor matters, such as strikes or availability of subcontractors, if any, be considered a force majeure event. Further, this Section may not be invoked to excuse or delay Vendor's compliance with its obligations to protect Citizens Confidential Information. To be excused from delays or disruptions hereunder, Vendor must promptly notify Citizens in writing of the delay or disruption. If the delay or disruption is justified, as solely determined by Citizen, Citizens will give Vendor a reasonable extension of time to perform; provided, however, that Citizens may elect to terminate this Agreement in whole or in part if Citizens determines, in its sole judgment, that such a delay or disruption will significantly impair the value of this Agreement to Citizens. Vendor shall not be entitled to any increase in price or payment of any kind from Citizens for direct, indirect, consequential, or other costs or damages arising because of such delays or disruptions.

Because of the nature of Citizens' business, Citizens requires that Vendor take every reasonable measure to avoid or minimize any delay or disruption under this Section, including the timely activation of Vendor's business continuity and disaster recovery plans. Where Vendor fails to undertake such efforts, the delay or disruption shall be included in the determination of any service level achievement.

If a force majeure event results in a partial reduction in Vendor's capacity to serve its clients, Vendor agrees that Citizens will receive the same or better priority as Vendor's other clients with respect to the allocation of Vendor's resources.

- 15.18. Compliance with Information Accessibility Standards. To the extent the Services include providing Citizens or any third party with access to website content, Vendor shall (a) comply with Web Content Accessibility Guidelines version 2.0 (WCAG 2.0); (b) comply with any additional accessibility standards legally required on or after the Effective Date; and, (c) be able to produce a Voluntary Product Accessibility Template (VPAT) for review by Citizens on an annual basis. If at any time Vendor is not in compliance with the accessibility standards required hereunder, Vendor shall make commercially reasonable efforts to correct the underlying deficiency and the indemnity provisions of this Agreement shall apply.
- 15.19. Vendor shall provide notice (an alert via the Platform is sufficient) with respect to any change to, or discontinuation of any Services and/or the Platform as necessary to comply with applicable law or vendor requirements.
- 15.20. Citizens acknowledges that Vendor's suppliers, vendors, and/or partners may require Citizens

to execute reasonable and appropriate additional terms and conditions and/or documentation as a condition precedent to Vendor providing certain services.

- 15.21. In connection with either Party enforcing its rights under this Agreement through the filing of a lawsuit, the prevailing Party shall be entitled to recover all costs incurred, including reasonable attorneys' fees, in addition to any other relief to which it is entitled.
- 15.22. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute but one and the same Agreement. The Parties agree that a faxed or scanned signature may substitute for and have the same legal effect as the original signature.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been duly executed by authorized representatives of the Parties.

CITIZENS PROPERTY INSURANCE CORPORATION

STERLING INFOSYSTEMS, INC. D/B/A STERLING

DocuSigned by:
Violet Bloom
F390B38167024A0...

Signature

DocuSigned by:
Alla Schay
152714632E7C4D3...

Signature

violet bloom

Print Name

Alla Schay

Print Name

violet bloom

Title

General Manager

Title

12/19/2019

Date Signed

12/19/2019

Date Signed

DocuSigned by:
Steve Bitar
514584FBD9DE424...

Signature

Steve Bitar

Print Name

Chief

Title

12/19/2019

Date Signed

ADDENDUM 1

BACKGROUND SCREENING REQUIREMENTS ADDENDUM (FCRA)

In connection with the Service Agreement (“Agreement”) by and between Sterling Infosystems, Inc. dba Sterling (“Sterling”) and Citizens Property Insurance Corporation (“End User” or “Client”), Sterling will furnish End User with Screening Reports conditioned upon End User’s compliance with its obligations set forth below (and in the Agreement). This Background Screening Requirements Addendum (this “Addendum”) is incorporated into and made part of the Agreement. Capitalized terms used but not defined in this Addendum shall have the meanings ascribed to them in the Agreement.

1. **FCRA Certification.** To the extent that End User is located in the United States and/or End User’s procurement and/or use of Screening Reports is subject to the FCRA, End User certifies that it will do the following:
 - 1.1. **Permissible Purpose.** End User hereby certifies that all of its orders for Screening Reports from Sterling shall be made, and the resulting reports shall be used for employment purposes, as defined in the FCRA, including evaluating a consumer for employment, promotion, reassignment or retention as an employee, where the consumer has given prior written permission.
 - 1.2. **Compliance with Laws.** End User shall comply with all federal (including, without limitation, the FCRA), state, local, and international laws and regulations applicable to End User in connection with its procurement and use of Screening Reports furnished by Sterling.
 - 1.3. **Receipt of Required Notices.** End User acknowledges that it has received and reviewed a copy of the notices titled (i) *Notice to Users of Consumer Reports: Obligations of Users Under the Fair Credit Reporting Act (“Notice to Users”)*, which explains End User’s obligations under the FCRA as a user of consumer information and a copy of which is attached hereto as Exhibit A-1, and (ii) *A Summary of Your Rights Under the Fair Credit Reporting Act*, a copy of which is attached hereto as Exhibit A-2. End User certifies that it will comply with all applicable provisions of Notice to Users.
 - 1.4. **Disclosure and Authorization.** End User agrees and certifies that prior to procurement or causing the procurement of a consumer report for employment purposes: (a) A clear and conspicuous disclosure has been made in writing to the consumer, in a document that consists of only the disclosure, explaining that a consumer report may be obtained for employment purposes and such disclosure satisfied all of the requirements of the FCRA as well as any applicable state or local laws; and (b) The consumer has authorized in writing the procurement of the report by End User.
 - 1.5. **Investigative Consumer Reports.** In addition to the disclosure and authorization requirements in Section 1.4 above, End User agrees and certifies that prior to procurement or causing the procurement of an investigative consumer report for employment purposes: (a) It has been clearly and accurately disclosed to the consumer that an investigative consumer report including information as to the consumer’s character, general reputation, personal characteristics and/or mode of living may be made; and (b) Such disclosure (i) is made in a writing mailed, or otherwise delivered, to the consumer, not later than three days after the date on which the report was first requested, (ii) contains a statement informing the consumer of his/her right to request a complete and accurate disclosure of the nature and scope of the requested investigation and his/her right to request a copy of the rights of the consumer under the FCRA titled *A Summary of Your Rights Under the Fair Credit Reporting Act*, and (iii) satisfied all of the requirements of the FCRA as well as any applicable state or local laws. If the consumer makes a request within a reasonable time after his/her receipt of the required disclosure, End User certifies that it shall make a complete and accurate disclosure of the investigation requested. Such disclosure shall be made in a writing mailed, or otherwise delivered, to the consumer not later than five (5) days after the date on which the request for such disclosure was received from the consumer or such report was first requested, whichever is the later.
 - 1.6. **Adverse Action.** Pursuant to the FCRA and, where applicable, state and local laws and regulations, before taking any adverse action based in whole or in part on a Screening Report, End User must adhere to certain obligations. At a minimum, in using a Screening Report for employment purposes, before taking any adverse action based in whole or in part on the Screening Report, End User shall provide to the consumer to whom the Screening Report relates: (a) A pre-adverse action notice/letter stating that End User is considering taking adverse action; (b) A copy of the full and complete Screening Report; (c) A copy of the notice titled *A Summary of Your Rights Under the Fair Credit Reporting Act* and any applicable state summary of rights; (d) A reasonable opportunity of time to correct any erroneous information contained in the Screening Report; and (e)

Contact information for Sterling. If End User thereafter takes adverse action, End User shall also provide a final adverse action notice to the consumer to whom the Screening Report relates. Such notice shall comply with all applicable laws, and shall include the name, address, and phone number of Sterling; a statement that Sterling did not make the decision to take the unfavorable action and cannot give specific reasons for it; and a notice of the person's right to dispute the accuracy or completeness of any information Sterling furnished, and to get an additional free report from Sterling if the person asks for it within 60 days.

- 1.7. **Equal Employment Opportunity.** End User further certifies that information from any Screening Report will not be used in violation of any applicable federal or state equal opportunity law or regulation.
- 1.8. **Continuing Certification.** End User certifies that each and every time it requests a Screening Report regardless of ordering mechanism, it is at the time that the order is placed reaffirming its certifications herein, including without limitation, Section 1.4 above.
- 1.9. **Required Certification Updates.** If Sterling determines, in Sterling's sole discretion, that regulatory or industry changes require updates to the Employer Certification in this Section 1, Sterling retains the right to request and require additional documentation and certifications from End User. End User understands that any failure to cooperate with reasonable requests for such documentation and certifications may constitute grounds for immediate suspension of the Services and termination of the Agreement.
- 1.10. End User may request that Sterling administer the forms described in Section 1.4 on its behalf as an administrative function to the extent End User utilizes Sterling's system and at the request and initiation of End User in each instance. On behalf of End User, and at the request and initiation of End User in each instance, Sterling will administer the adverse action notices described in Section 1.6 on behalf of End User as an administrative function and upon initiation by End user once End User has made its employment decision.

2. State Certifications.

- 2.1. **California Certification.** End User hereby certifies that, under the Investigative Consumer Reporting Agencies Act ("ICRAA"), California Civil Code Sections 1786 et seq., and the Consumer Credit Reporting Agencies Act ("CCRAA"), California Civil Code Sections 1785.1 et seq., to the extent End User is located in the State of California, and/or End User's request for and/or use of Screening Reports pertains to a California resident or worker, End User will do the following:
 - 2.1.1. Request and use Screening Reports solely for permissible purpose(s) identified under California Civil Code Sections 1785.11 and 1786.12.
 - 2.1.2. When, at any time, a Screening Report is sought for employment purposes other than suspicion of wrongdoing or misconduct by the consumer who is the subject of the investigation, provide a clear and conspicuous disclosure in writing to the consumer, which solely discloses: (i) that an investigative Screening Report may be obtained; (ii) the permissible purpose of the investigative Screening Report; (iii) that information on the consumer's character, general reputation, personal characteristics and mode of living may be disclosed; (iv) the name, address, and telephone number of Sterling; and (v) the nature and scope of the investigation requested, including a summary of the provisions of California Civil Code Section 1786.22.
 - 2.1.3. When, at any time, a Screening Report is sought for employment purposes other than suspicion of wrongdoing or misconduct by the consumer who is the subject of the investigation, only request a Screening Report if the applicable consumer has authorized in writing the procurement of the Screening Report.
 - 2.1.4. Provide the consumer a means by which he/she may indicate on a written form, by means of a box to check, that the consumer wishes to receive a copy of any Screening Report that is prepared.
 - 2.1.5. If the consumer wishes to receive a copy of the Screening Report, send (or contract with another entity to send) a copy of the Screening Report to the consumer within three business days of the date that the Screening Report is provided to End User. The copy of the Screening Report shall contain the name, address, and telephone number of the person who issued the report and how to contact him/her.
 - 2.1.6. Under all applicable circumstances, comply with California Civil Code Sections 1785.20 and 1786.40 if the taking of adverse action is a consideration, which shall include, but may not be limited to, advising the consumer against whom an adverse action has been taken that the adverse action was based in whole or in part upon information contained in the Screening Report, informing the consumer in writing of Sterling's name, address, and telephone number, and provide the consumer with a written notice of his/her rights under the ICRAA and the CCRAA.

2.1.7. Comply with all other requirements under applicable California law, including, but not limited to any statutes, regulations and rules governing the procurement, use and/or disclosure of any Screening Reports, including, but not limited to, the ICRAA and the CCRAA.

2.2. **Vermont Certification.** In addition to the *Notice to Users*, if End User is a user of Vermont Screening Reports, End User certifies that it will comply with the applicable provisions of Vermont law, including, without limitation, Section 2480e of the Vermont Fair Credit Reporting Statute. End User further certifies that it has received a copy of Section 2480e of the Vermont Fair Credit Reporting Statute, attached hereto as Exhibit A-3.

3. General Use Requirements. End User further certifies that:

- 3.1. It will use each Screening Report only for a one-time use and will request Screening Reports only for End User's exclusive use, except to the extent that disclosure to others is required by law.
- 3.2. It shall provide access to Screening Reports provided by Sterling only to employees, agents and representatives of End User who fully review and understand End User's obligations under the FCRA and the Agreement and who agree to comply with those obligations.
- 3.3. It shall ensure that its users do not request and/or obtain Screening Reports on themselves, coworkers, employees, family members or friends unless it is in connection with a legitimate business transaction and procured in accordance with the terms of this Addendum.
- 3.4. It shall hold the Screening Reports in strict confidence. End User shall maintain all Screening Reports in a secure and confidential manner and shall follow all applicable laws relating to storage and dissemination of information. Furthermore, End User shall dispose of any Screening Reports and any other documentation containing personally identifiable information received from Sterling in accordance with applicable law, including without limitation, the FACTA Disposal Rules.
- 3.5. End User shall implement and maintain a comprehensive information security program that contains administrative, technical, and physical safeguards that are appropriate to the End User's size and complexity, the nature and scope of its activities, and the sensitivity of the information provided to End User by Sterling; and that such safeguards shall be reasonably designed to (i) ensure the security and confidentiality of the information provided by Sterling, (ii) protect against any anticipated threats or hazards to the security or integrity of such information, and (iii) protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any consumer. Such safeguards shall include, at a minimum, the requirements contained in Exhibit B to this Agreement ("Access Security Requirements").
- 3.6. It shall retain copies of all written authorizations and disclosures and any reports it receives from Sterling for a period of five (5) years and will make such reports available to Sterling upon request.
- 3.7. It shall not resell, sublicense, deliver, display, use for marketing purposes or otherwise distribute any Screening Reports provided by Sterling to any third party. ANY PERSON WHO WILLFULLY AND KNOWINGLY OBTAINS, RESELLS, TRANSFERS, OR USES INFORMATION IN VIOLATION OF LAW MAY BE SUBJECT TO CRIMINAL CHARGES AND/OR LIABLE TO ANY INJURED PARTY FOR TREBLE DAMAGES, REASONABLE ATTORNEY'S FEES AND COSTS. OTHER CIVIL AND CRIMINAL LAWS MAY ALSO APPLY
- 3.8. It understands that 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.

4. Product-Specific Requirements.

- 4.1. **SSN Trace.** If Screening Reports include Social Security Number Trace ("SSN Trace"), End User shall not use Social Security Number trace results in any way, directly or indirectly, for the purpose of making employment decisions. End User also confirms that it will not use Social Security Number trace information in any way that would violate the privacy obligations or any other terms and provisions of the Gramm-Leach-Bliley Act (15 U.S.C 6801 et seq.) or the Federal Drivers Privacy Protection Act (18.U.S.C. Section 2721 et seq.) or any other similar U.S. state or local statute, rule or regulation.
- 4.2. **U.S. MVRs.** If Screening Reports include United States motor vehicle reports ("MVRs"), End User:
 - 4.2.1. Shall comply with the Drivers Privacy Protection Act ("DPPA") and any applicable state laws.
 - 4.2.2. Shall be responsible for understanding and for staying current with all specific state forms, certificates of use or other documents or agreements including any changes, supplements or amendments thereto imposed by the states

(collectively referred to as “Specific State Forms”) from which it will order MVRs. End User certifies that it will file all applicable Specific State Forms required by individual states.

4.2.3. Certifies that no MVRs shall be ordered without first obtaining the written consent of the data subject to obtain “driving records,” evidence of which shall be transmitted to Sterling in the form of the data subject’s signed release authorization form. End User also certifies that it will use this information only in the normal course of business (i) to obtain lawful information relating to the holder of a commercial driver’s license, or (ii) to verify information provided by a candidate or employee. End User shall protect the privacy of the information of the data subject in an MVR and shall not transmit any data contained in the resulting MVR via any unsecured means.

4.3. **Massachusetts iCORI.** To the extent End User is requesting Sterling to provide Massachusetts iCORI information: (i) End User notified the consumer in writing of, and received permission via a separate authorization for Sterling to obtain and provide CORI information to End User; (ii) End User is in compliance with all federal and state credit reporting statutes; (iii) End User will not misuse any CORI information provided in violation of federal or state equal employment opportunity laws or regulations; and (iv) End User will provide Sterling with a statement of the annual salary of the position for which the subject is screened.

4.4. **Credit Reports.** If Screening Reports include credit reports, End User:

4.4.1. Certifies that it will promptly notify Sterling of any change in its location, structure, ownership or control, including but not limited to the addition of any branch(es) that will be requesting and/or accessing credit reports.

4.4.2. Acknowledges and understands that credit bureaus may prohibit the following persons, entities and/or businesses from obtaining credit reports: adult entertainment service of any kind; asset location service; attorney or law firm engaged in the practice of law (unless engaged in collection or using the report in connection with a consumer bankruptcy pursuant to the written authorization of the consumer); bail bondsman (unless licensed by the state in which they are operating); child location service – company that locates missing children; credit counseling (except not-for-profit credit counselors); credit repair clinic; dating service; financial counseling (except a registered securities broker dealer or a certified financial planner); with respect to U.S. credit reports, foreign company or agency of a foreign government; genealogical or heir research firm; law enforcement agency; massage service; news agency or journalist; pawn shop; private detective, detective agency or investigative company; repossession company; subscriptions (magazines, book clubs, record clubs, etc.); tattoo service; time shares - company seeking information in connection with time shares (exception: financiers of time shares); weapons dealer, seller or distributor.

5. **Right to Audit.** End User agrees to cooperate with any reasonable audit request by Sterling and/or a third-party data supplier of Sterling to assure compliance with the terms of this Addendum; provided that (i) Sterling shall give End User reasonable prior notice of any such audit; (ii) any such audit shall be subject to End User’s security policies and third-party confidentiality obligations, and (iii) Sterling shall conduct or cause to be conducted such audit in a manner designed to minimize disruption of End User’s normal business operations. End User understands that any failure to cooperate with reasonable requests regarding an audit constitutes grounds for immediate suspension of the Services and termination of the Agreement.

6. **Hold Harmless.** End User agrees to indemnify and hold harmless Sterling, its suppliers, and their successors and assigns, and their current and former officers, directors, employees, and agents, both individually and in their official capacities from any liability and attorneys’ fees incurred due to End User’s violation of any of the terms of this Addendum or failure to comply with applicable law.

Client:	CITIZENS PROPERTY INSURANCE CORPORATION
Signature:	
Print Name:	
Title:	
Date:	

EXHIBIT A-1

All users of consumer reports must comply with all applicable regulations. Information about applicable regulations currently in effect can be found at the Consumer Financial Protection Bureau's website, www.consumerfinance.gov/learnmore.

**NOTICE TO USERS OF CONSUMER REPORTS:
OBLIGATIONS OF USERS UNDER THE FCRA**

The Fair Credit Reporting Act (FCRA), 15 U.S.C. §1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Consumer Financial Protection Bureau's (CFPB) website at www.consumerfinance.gov/learnmore. At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at CFPB's website. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS

A. Users Must Have a Permissible Purpose

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of the permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. [Section 604\(a\)\(1\)](#)
- As instructed by the consumer in writing. [Section 604\(a\)\(2\)](#)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. [Section 604\(a\)\(3\)\(A\)](#)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. [Sections 604\(a\)\(3\)\(B\) and 604\(b\)](#)
- For the underwriting of insurance as a result of an application from a consumer. [Section 604\(a\)\(3\)\(C\)](#)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. [Section 604\(a\)\(3\)\(F\)\(i\)](#)
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. [Section 604\(a\)\(3\)\(F\)\(ii\)](#)
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. [Section 604\(a\)\(3\)\(D\)](#)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. [Section 604\(a\)\(3\)\(E\)](#)
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. [Sections 604\(a\)\(4\) and 604\(a\)\(5\)](#)

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making "prescreened" unsolicited offers of credit or insurance. [Section 604\(c\)](#). The particular obligations of users of "prescreened" information are described in Section VII below.

B. Users Must Provide Certifications

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purpose.

C. Users Must Notify Consumers When Adverse Actions Are Taken

The term "adverse action" is defined very broadly by Section 603. "Adverse actions" include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA – such as denying or canceling credit or insurance, or denying employment or promotion. No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

1. Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer's right to obtain a free disclosure of the consumer's file from the CRA if the consumer makes a request within 60 days.
- A statement setting forth the consumer's right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

2. Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer's written request.

3. Adverse Actions Based on Information Obtained From Affiliates

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer

makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

D. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files

When a consumer has placed a fraud alert, including one relating to identify theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p) and resellers, Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer's alert.

E. Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs, users must comply with regulations specifying the procedures to be followed. Federal regulations are available at www.consumerfinance.gov/learnmore.

F. Users Have Obligations When Disposing of Records

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. Federal regulations have been issued that cover disposal.

II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES

If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations prescribed by the CFPB.

Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) ("Notice to the Home Loan Applicant").

III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES

A. Employment Other Than in the Trucking Industry

If the information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or

state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.

- **Before** taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer's rights (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2).

The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

B. Employment in the Trucking Industry

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking company by contacting the company.

IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED

Investigative consumer reports are a special type of consumer report in which information about a consumer's character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:

- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided by the CRA that conducts the investigation.)
- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS

Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with Federal, state or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION

Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes – or in connection with a credit transaction (except as provided in federal regulations) – the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or a permitted by statute, regulation, or order).

VII. OBLIGATIONS OF USERS OF “PRESCREENED” LISTS

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(1), 604(c), 604(e), and 615(d). This practice is known as “prescreening” and typically involves obtaining from a CRA a list of consumers who meet certain preestablished criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer’s CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, the CFPB has established the format, type size, and manner of the disclosure required by Section 615(d), with which users must comply. The relevant regulation is 12 CFR 1022.54.

VIII. OBLIGATIONS OF RESELLERS

A. Disclosure and Certification Requirements

Section 607(e) requires any person who obtains a consumer report for resale to take the following steps:

- Disclose the identity of the end-user to the source CRA.
- Identify to the source CRA each permissible purpose for which the report will be furnished to the end-user.
- Establish and follow reasonable procedures to ensure that reports are resold only for permissible purposes, including procedures to obtain:
 - (1) the identify of all end-users;
 - (2) certifications from all users of each purpose for which reports will be used; and
 - (3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

B. Reinvestigations by Resellers

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When any CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

C. Fraud Alerts and Resellers

Section 605A(f) requires resellers who receive fraud alerts or active duty alerts from another consumer reporting agency to include these in their reports.

IX. LIABILITY FOR VIOLATIONS OF THE FCRA

Failure to comply with the FCRA can result in state government or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

The CFPB’s website, www.consumerfinance.gov/learnmore, has more information about the FCRA, including publications for businesses and the full text of the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1618 et seq.:

Section 602	15 U.S.C. 1681	Section 615	15 U.S.C. 1681m
Section 603	15 U.S.C. 1681a	Section 616	15 U.S.C. 1681n
Section 604	15 U.S.C. 1681b	Section 617	15 U.S.C. 1681o
Section 605	15 U.S.C. 1681c	Section 618	15 U.S.C. 1681p
Section 605A	15 U.S.C. 1681cA	Section 619	15 U.S.C. 1681q
Section 605B	15 U.S.C. 1681cB	Section 620	15 U.S.C. 1681r
Section 606	15 U.S.C. 1681d	Section 621	15 U.S.C. 1681s
Section 607	15 U.S.C. 1681e	Section 622	15 U.S.C. 1681s-1
Section 608	15 U.S.C. 1681f	Section 623	15 U.S.C. 1681s-2
Section 609	15 U.S.C. 1681g	Section 624	15 U.S.C. 1681t
Section 610	15 U.S.C. 1681h	Section 625	15 U.S.C. 1681u
Section 611	15 U.S.C. 1681i	Section 626	15 U.S.C. 1681v
Section 612	15 U.S.C. 1681j	Section 627	15 U.S.C. 1681w

Section 613
Section 614

15 U.S.C. 1681k
15 U.S.C. 1681l

Section 628
Section 629

15 U.S.C. 1681x
15 U.S.C. 1681y

EXHIBIT A-2

Para información en español, visite www.consumerfinance.gov/learnmore o escribe a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under FCRA. **For more information, including information about additional rights, go to www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
 - a person has taken adverse action against you because of information in your credit report;
 - you are the victim of identity theft and place a fraud alert in your file;
 - your file contains inaccurate information as a result of fraud;
 - you are on public assistance;
 - you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.consumerfinance.gov/learnmore for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.consumerfinance.gov/learnmore for an explanation of dispute procedures.
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete, or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need – usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the

employer. Written consent generally is not required in the trucking industry. For more information, go to www.consumerfinance.gov/learnmore.

- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- The following FCRA right applies with respect to nationwide consumer reporting agencies:

CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY FREEZE

You have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer’s credit file. Upon seeing a fraud alert display on a consumer’s credit file, a business is required to take steps to verify the consumer’s identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years.

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit www.consumerfinance.gov/learnmore.

<p>States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. For information about your federal rights, contact: TYPE OF BUSINESS:</p>	<p>CONTACT:</p>
<p>1.a. Banks, savings associations, and credit unions with total assets of over \$10 billion and their affiliates</p> <p>b. Such affiliates that are not banks, savings associations, or credit unions also should list, in addition to the CFPB:</p>	<p>a. Consumer Financial Protection Bureau 1700 G Street, N.W. Washington, DC 20552</p> <p>b. Federal Trade Commission Consumer Response Center</p>

	<p>600 Pennsylvania Avenue, N.W. Washington, DC 20580 (877) 382-4357</p>
<p>2. To the extent not included in item 1 above:</p> <p>a. National banks, federal savings associations, and federal branches and federal agencies of foreign banks</p> <p>b. State member banks, branches and agencies of foreign banks (other than federal branches, federal agencies, and Insured State Branches of Foreign Banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act.</p> <p>c. Nonmember Insured Banks, Insured State Branches of Foreign Banks, and insured state savings associations</p> <p>d. Federal Credit Unions</p>	<p>a. Office of the Comptroller of the Currency Customer Assistance Group 1301 McKinney Street, Suite 3450 Houston, TX 77010-9050</p> <p>b. Federal Reserve Consumer Help Center P.O. Box 1200 Minneapolis, MN 55480</p> <p>c. FDIC Consumer Response Center 1100 Walnut Street, Box #11 Kansas City, MO 64106</p> <p>d. National Credit Union Administration Office of Consumer Financial Protection (OCFP) Division of Consumer Compliance Policy and Outreach 1775 Duke Street Alexandria, VA 22314</p>
<p>3. Air carriers</p>	<p>Asst. General Counsel for Aviation Enforcement & Proceedings Aviation Consumer Protection Division Department of Transportation 1200 New Jersey Avenue, S.E. Washington, DC 20590</p>
<p>4. Creditors Subject to the Surface Transportation Board</p>	<p>Office of Proceedings, Surface Transportation Board Department of Transportation 395 E Street, S.W. Washington, DC 20423</p>
<p>5. Creditors Subject to the Packers and Stockyards Act, 1921</p>	<p>Nearest Packers and Stockyards Administration area supervisor</p>
<p>6. Small Business Investment Companies</p>	<p>Associate Deputy Administrator for Capital Access United States Small Business Administration 409 Third Street, S.W., Suite 8200</p>

	Washington, DC 20416
7. Brokers and Dealers	Securities and Exchange Commission 100 F Street, N.E. Washington, DC 20549
8. Federal Land Banks, Federal Land Bank Associations, Federal Intermediate Credit Banks, and Production Credit Associations	Farm Credit Administration 1501 Farm Credit Drive McLean, VA 22102-5090
9. Retailers, Finance Companies, and All Other Creditors Not Listed Above	Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue, N.W. Washington, DC 20580 (877) 382-4357

EXHIBIT A-3

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.

EXHIBIT B
ACCESS SECURITY REQUIREMENTS

The parties acknowledge they must work together to protect the privacy of consumers. The following measures are designed to reduce unauthorized access of consumer reports. In accessing consumer information, End User agrees to implement and maintain the following measures:

1. All credentials such as user names/identifiers (user IDs) and user passwords must be kept confidential and must not be disclosed to an unauthorized party. End User agrees it will not discuss its Sterling credentials by telephone with any unknown caller, even if the caller claims to be an employee of End User or Sterling.
2. IT resources owned by the End User but used to access Sterling systems ("system access software"), whether developed by it or purchased from a third party vendor, will have End User's Sterling account username and password information "hidden" or embedded and be known only by authorized personnel. End User will assign each user of any system access software a unique logon password to access the End User's systems or networks. If such system access software is replaced by different access software and therefore no longer is in use or, alternatively, the hardware upon which such system access software resides is no longer being used or is being disposed of, or if the password has been compromised or believed to be compromised in any way, End User will change its password immediately.
3. Create a unique user ID for each user to enable individual authentication and accountability for access to Sterling's infrastructure. Each use of the system access software must also have a unique logon password.
4. User IDs and passwords shall only be assigned to authorized individuals based on least privilege necessary to perform job responsibilities.
5. User IDs and passwords must not be shared, posted, or otherwise divulged in any manner.
6. Develop strong passwords that (i) contain a minimum of eight (8) alphanumeric characters for standard user accounts, and (ii) for interactive sessions (i.e. non system-to-system) ensure that passwords are changed periodically (every 90 days is recommended).
7. Passwords (e.g. subscriber code passwords, user password) must be changed immediately when (i) any system access software is replaced by another system access software or is no longer used, and/or (ii) any suspicion of password being disclosed to an unauthorized party
8. Protect all passwords using, for example, encryption or a cryptographic hashing algorithm also known as "one-way" encryption. When using encryption, ensure that strong encryption algorithm are utilized (e.g. AES 256 or above).
9. Implement password protected screensavers with a maximum thirty (30) minute timeout to protect unattended workstations. Systems should be manually locked before being left unattended.
10. Terminate access rights immediately for users who access consumer information when those users are terminated or when they have a change in their job tasks and no longer require access to that consumer information.

ADDENDUM 2
AGREEMENT DISCLOSURE ADDENDUM (“ADDENDUM”)

Company Name (“Vendor”): Sterling Infosystems, Inc. d/b/a Sterling
Agreement Name/Number (“Agreement”): 19-19-0008-00/Background Checks, I9s and E-Verify Services
Primary Vendor Contact Name: Stephen Waldvogel
Telephone: 916.251.5780
Email: Stephen.Waldvogel@sterlingcheck.com

Citizens is subject to Florida public records laws, including Chapter 119, Florida Statutes. As a part of providing public access to Citizens’ records, Citizens makes its contracts available on Citizens’ external website located at www.citizensfla.com/contracts. This Addendum is incorporated into the Agreement in order to address Citizens’ public posting of the Agreement and its disclosure to third parties.

If Vendor asserts that any portion of the Agreement is exempt from disclosure under Florida public records laws, (the “Redacted Information”), such as information that Vendor considers a protected “trade secret” per Section 815.045, Florida Statutes, then Vendor must select the corresponding declaration below and provide the following to Vendor.ManagementOffice@citizensfla.com:

- (1) **A copy of the Agreement in PDF format with the Redacted Information removed (the “Redacted Agreement”); and,**
- (2) **A dated statement on Vendor’s letterhead in PDF format clearly identifying the legal basis for Vendor’s redaction of the Redacted Information (the “Redaction Justification”).**

If Vendor does not select one of the two declarations below, or if Vendor fails to provide the Redacted Agreement and Redaction Justification within thirty (30) days of Vendor’s receipt of the fully executed Agreement, then without further notice to Vendor, Citizens may post the non-redacted version of the Agreement on its public website and may release it to any member of the public.

<u>Vendor Declaration:</u>
<input type="checkbox"/> Vendor WILL NOT SUBMIT a Redacted Agreement. Citizens may post Vendor’s full, complete, and non-redacted Agreement on its public website, and may release the Agreement to any member of the public without notice to Vendor.
<p>Or</p> <input type="checkbox"/> Vendor asserts that a portion of the Agreement is confidential and/or exempt under Florida Public Records law. Therefore, Vendor WILL SUBMIT a Redacted Agreement and a Redaction Justification within thirty (30) days of receipt of the fully executed Agreement. Citizens may post Vendor’s Redacted Agreement on its public website, or release it to any member of the public, without notice to Vendor. If Citizens receives a public records request for the Agreement, Citizens will provide only the Redacted Agreement and Redacted Justification to the requestor. Vendor acknowledges that, in the event of any legal challenge regarding these redactions, Vendor will be solely responsible for defending its position or seeking a judicial declaration.

EXHIBIT A PRICE SHEET

Product – ala Carte	Price
<p>Single Federal Criminal Search</p> <p>Criminal Federal record search performed in the candidate's current district of residence, unless otherwise specified by client. The quoted price is per federal district found off the SSN trace. This product excludes all alias names.</p>	\$ 3.25
<p>Single State Criminal Search</p> <p>Criminal record search of state or law enforcement repositories. The search reveals felony and misdemeanor convictions and pending cases in the candidate's current state of residence unless otherwise specified by the client. The quoted price is per jurisdiction found off the SSN trace. This product excludes all alias names. State access fees will be passed through to the customer.</p>	\$ 3.50
<p>Single County Criminal Search Minimum 7 Year Record Depth</p> <p>Criminal record search performed in the candidate's current county of residence, unless otherwise specified by the client. The central court search reveals felony and misdemeanor convictions and pending cases within a minimum of the last 7 years, subject to availability and applicable reporting limitations. The quoted price is per jurisdiction found off the SSN trace. This product excludes all alias names. County access fees will be passed through to the customer. This search is upgraded to a statewide search, rather than a county search, for a limited set of states including NY, ME, VT, Puerto Rico and other U.S. territories. State access fees will be passed through to the customer.</p>	\$ 4.50
<p>Client Criteria Scoring</p> <p>Scoring based on customer-provided criteria.</p>	\$ 1.75
<p>Criminal History Disclosure</p> <p>If an applicant self discloses prior criminal convictions on the application form, Sterling can investigate and validate the information against the court record. This search can confirm conviction and pending felonies and misdemeanors reported by the central court within the last 7 or 10 years, subject to applicable reporting limitations. Base fee applies with positive disclosure; additional county court verification charges, including any applicable court-access fees, may apply. This search is upgraded to a statewide search, rather than a county search, for a limited set of states including NY, ME, VT, Puerto Rico and other U.S. territories. State access fees will be passed through to the customer.</p>	\$ 4.50
<p>DOJ Sex Offender</p> <p>The DOJ Sex Offender search is a nationwide search through the Federal Department of Justice, which includes registry data covering 49 states excluding Nevada, which is prohibited by state law, and including the District of Columbia and US territories. Subject to availability and applicable reporting limitations. This product excludes all alias names.</p>	\$ 2.50

<p>Office of Foreign Asset Control (OFAC) Terrorist Watchlist</p> <p>A search for restriction, sanction and exclusion records maintained by the Office of Foreign Assets Controls (OFAC). The list of restricted counter parties includes Specially Designated Nationals (SDNs). Subject to availability and applicable reporting limitations. This product excludes all alias names.</p>	\$ 1.75
<p>Enhanced Nationwide</p> <p>The Multi-State Criminal Database is a compilation of criminal records from over 43 states. Prior to reporting, Sterling verifies possible felony and misdemeanor convictions and pending cases within a minimum of the last 7 years against central court records to ensure the accuracy and completeness of potentially adverse information, subject to availability and applicable reporting limitations. This product excludes all alias names. County validators are included in the product price. County access fees will be passed through to the customer.</p>	\$ 2.75
<p>SSN Trace</p> <p>The SSN Trace compares the provided Social Security Number to credit header and public records data. The trace may locate possible alternative names or addresses associated with the SSN for the purpose of performing additional searches. The SSN Trace is not conducted through the Social Security Administration and should not be used as the basis for any employment decision or confirmation of identity.</p>	\$ 0.95
<p>Employment Verification Standard Workflow</p> <p>Verifies a candidate's employment. Information verified includes job title, start date, end date and reason for leaving (if applicable), to the extent information is provided by the verifying source. Three (3) attempts will be made to the applicable organization for verification. The verification will search a maximum of 1 employers within the last 5 years of employment history. The quoted price is per verification. Additional fees may apply in accordance with the Fee Schedule.</p>	\$ 5.95
<p>Education Verification Standard Workflow</p> <p>Verifies a candidate's educational degree, certificate or enrollment from any U.S. educational institution. Information verified includes type of degree, diploma or certificate received, major, graduation date and/or attendance dates, to the extent information is provided by the verifying source. This product verifies the applicant's highest obtained education. Three (3) attempts will be made to the applicable organization for verification. The quoted price is per verification. Additional fees may apply in accordance with the Fee Schedule. A maximum of 1 education source will be searched.</p>	\$ 5.95
<p>International Criminal History – GlobeX™</p> <p>GlobeX™ searches millions of records worldwide and is sourced from numerous countries' governments, global and local news media sources, courts, regulatory enforcement, law enforcement agencies and other public and proprietary data sources around globe. GlobeX™ helps employers comply with North American, European, Asia Pacific and Latin American due diligence requirements such as mandated by the US Foreign Corrupt Practices Act (FCPA) and other Anti-bribery or anticorruption legislation that can identify individuals who are considered recognized threats or high risk due to their reputational history.</p>	\$50.00

<p>International Employment Verification</p> <p>Verification of employment dates and position. Verification is typically received verbally.</p>	\$48.00
<p>International Education Verification</p> <p>Information provided by the candidate verified directly with the school. In some instances, government or third-party databases are consulted in order to complete the verification.</p>	\$48.00
<p>Driver's Record</p> <p>Candidate's Department of Motor Vehicles (DMV) state driving records, including all license classes. Available information varies by state and is subject to applicable reporting limitations. State access fees will be passed through to the customer.</p>	\$ 1.50
<p>Form I9/eVerify (Non-Remote Hire)</p> <p>Completion of electronic I-9 and storage. Includes optional submission to E-Verify.</p>	\$ 3.75
<p>Annual I9 Solution Maintenance</p> <p>Annual subscription fee. Applied on anniversary date.</p>	\$ 300.00
<p>Additional Locations Setup</p> <p>Setup of additional hiring sites (or worksites).</p>	\$ 35.00
<p>Document Storage</p> <p>Storage of archived Form I-9 data. Applies to Data Migration and Remediation services.</p>	\$100.00 First 1GB per month. \$15.00 per additional 1GB per month.
<p>Locator Select</p> <p>Locator Select queries over 2,200 jurisdictions for bookings and incarcerations, covering 70% of the incarcerated population in the United States to identify up to 20% more criminal records. Prior to reporting, possible felony and misdemeanor convictions and pending cases are verified against central court records to confirm the accuracy and completeness of potentially adverse information. Subject to availability and applicable reporting limitations. This product excludes all alias names. County validators are included in the product price. County access fees will be passed through to the customer.</p>	\$3.50
<p>Urine: 10 Panel + Expanded Opiates</p> <p>Lab-based urine drug test for detection of: Marijuana, Cocaine, Amphetamines, Opiates, Phencyclidine, Barbiturates, Benzodiazepines, Methadone, Propoxyphene, Methaqualone, and</p>	\$ 31.00

Expanded Opiates. All specimens sent to a SAMHSA certified laboratory for analysis. Services fulfilled by out-of-network collection sites or service providers will be subject to additional fees.	
<p>Credit Report</p> <p>Report of candidate's credit and financial history including a profile summary, liens, judgments, collection accounts, current or previous delinquent accounts, types of credit, total indebtedness, or other reportable credit bureau-based information as available. Subject to applicable reporting limitations. An on-site inspection may be required for each physical location accessing credit reports. These inspections will be scheduled in advance and invoiced at a separately negotiated rate for each location requiring inspection. Employment credit reports may be used for employment screening purposes only.</p>	\$ 4.50
<p>Social Media</p> <p>The Social Media Check is a social media screening solution that identifies activity, characteristics and behavior of candidates by searching publicly available online information for relevant and risk-creating behaviors. It may include, but is not limited to, record of illegal activity, bigotry, racism and sexism. In addition to screening for and identifying predetermined behaviors on social media outlets such as Facebook, Instagram and Twitter, this product also searches news and web results on the publicly available web. Search results are subject to availability of sources at the time of the search and federal, state and local reporting limitations.</p>	\$ 35.00
<p>Electronic Pre-Adverse and Adverse Action Notification with Fair Chance</p> <p>Pre-Adverse and Adverse Action letters for employment screening purposes. Pre-Adverse letters include a copy of the screening report, the Summary of Rights under the FCRA, and applicable state consumer rights notices. Pre-Adverse & Adverse Action letters are delivered to the candidate electronically, in the event that the candidate does not view the Pre-Adverse letter within 24 hours, Sterling will send both the Pre-Adverse and Adverse Action letters via US Postal Mail. The price for this service is for both Pre-Adverse and Adverse Action notices. There will be an additional charge per the below price for those jurisdictions where Fair Chance is required.</p>	\$ 6.50
<ul style="list-style-type: none"> • <i>Fair Chance</i> <p><i>The Fair Chance service is an administrative tool that allows an employer to electronically complete a Fair Chance assessment form. The completed Fair Chance assessment form is provided to the candidate electronically through a task they will have to log in and complete on their candidate portal. The price for this service is per Fair Chance notice.</i></p>	\$1.50
<p>Managed Compliance</p> <p>If the State of Compliance for your company or your candidate is set for CA, MN or OK, and the candidate checks the box on their 'Authorization, Consent and Release' form indicating that they want a copy of the completed report, an employer is required to provide it to them. Sterling can manage this requirement by setting this feature to be selected when ordering a background check or set it as a default organization-wide. It is an inexpensive and convenient way to ensure compliance with current and changing state laws.</p>	\$ 3.00
Taleo Integration	\$0.00

One-time integration fee for Screening Direct/Taleo Enterprise Edition Interactive, Seamless, or Seamless Enhanced integration.	
Oracle Integration One-time integration fee for Screening Direct/ORC Seamless Enhanced integration.	\$0.00
Salesforce Integration One-time integration Fee (Premium - Medium) - Custom Salesforce Integration	\$0.00

Package	Price
UAS Department Bulk Checks	\$39.50
<p>SSN Trace</p> <p>The SSN Trace compares the provided Social Security Number to credit header and public records data. The trace may locate possible alternative names or addresses associated with the SSN for the purpose of performing additional searches. The SSN Trace is not conducted through the Social Security Administration and should not be used as the basis for any employment decision or confirmation of identity.</p>	
<p>County Criminal Search Off SSN Trace</p> <p>Criminal record search based on the last 7 years of the candidates address history as derived by the SSN trace results. The central court search reveals felony and misdemeanor convictions and pending cases within a minimum of the last 7 years, subject to availability and applicable reporting limitations. The quoted price includes all jurisdictions found off the SSN trace. This product excludes all alias names. County access fees will be passed through to the customer. This search is upgraded to a statewide search, rather than a county search, for a limited set of states including NY, ME, VT, Puerto Rico and other U.S. territories. State access fees will be passed through to the customer.</p>	
<p>Enhanced Nationwide</p> <p>The Multi-State Criminal Database is a compilation of criminal records from over 43 states. Prior to reporting, Sterling verifies possible felony and misdemeanor convictions and pending cases within a minimum of the last 7 years against central court records to ensure the accuracy and completeness of potentially adverse information, subject to availability and applicable reporting limitations. This product</p>	

excludes all alias names. County validators are included in the product price. County access fees will be passed through to the customer.

DOJ Sex Offender

The DOJ Sex Offender search is a nationwide search through the Federal Department of Justice, which includes registry data covering 49 states excluding Nevada, which is prohibited by state law, and including the District of Columbia and US territories. Subject to availability and applicable reporting limitations. This product excludes all alias names.

State Criminal Search Off SSN Trace

Criminal record search of state or law enforcement repositories. The search reveals felony and misdemeanor convictions and pending cases within a minimum of the last 7 years of the candidate's address history as derived by the SSN trace results. The quoted price includes all jurisdictions found off the SSN trace. This product excludes all alias names. State access fees will be passed through to the customer.

Federal Criminal Search Off SSN Trace | 7 Year Address History |

Criminal Federal record search based on the last 7 years of the candidate's address history in the federal districts of address as derived from the SSN trace results. The quoted price includes all federal districts found off the SSN trace. This product excludes all alias names.

Office of Foreign Asset Control (OFAC) Terrorist Watchlist |

A search for restriction, sanction and exclusion records maintained by the Office of Foreign Assets Controls (OFAC). The list of restricted counter parties includes Specially Designated Nationals (SDNs). Subject to availability and applicable reporting limitations. This product excludes all alias names.

Package	Price
HR Dept. Bulk Checks	\$ 39.50
<p>SSN Trace</p> <p>The SSN Trace compares the provided Social Security Number to credit header and public records data. The trace may locate possible alternative names or addresses associated with the SSN for the purpose of performing additional searches. The SSN Trace is not conducted through the Social Security Administration and should not be used as the basis for any employment decision or confirmation of identity.</p>	

County Criminal Search Off SSN Trace

Criminal record search based on the last 7 years of the candidates address history as derived by the SSN trace results. The central court search reveals felony and misdemeanor convictions and pending cases within a minimum of the last 7 years, subject to availability and applicable reporting limitations. The quoted price includes all jurisdictions found off the SSN trace. This product excludes all alias names. County access fees will be passed through to the customer. This search is upgraded to a statewide search, rather than a county search, for a limited set of states including NY, ME, VT, Puerto Rico and other U.S. territories. State access fees will be passed through to the customer.

Enhanced Nationwide

The Multi-State Criminal Database is a compilation of criminal records from over 43 states. Prior to reporting, Sterling verifies possible felony and misdemeanor convictions and pending cases within a minimum of the last 7 years against central court records to ensure the accuracy and completeness of potentially adverse information, subject to availability and applicable reporting limitations. This product excludes all alias names. County validators are included in the product price. County access fees will be passed through to the customer.

DOJ Sex Offender

The DOJ Sex Offender search is a nationwide search through the Federal Department of Justice, which includes registry data covering 49 states excluding Nevada, which is prohibited by state law, and including the District of Columbia and US territories. Subject to availability and applicable reporting limitations. This product excludes all alias names.

State Criminal Search Off SSN Trace

Criminal record search of state or law enforcement repositories. The search reveals felony and misdemeanor convictions and pending cases within a minimum of the last 7 years of the candidate's address history as derived by the SSN trace results. The quoted price includes all jurisdictions found off the SSN trace. This product excludes all alias names. State access fees will be passed through to the customer.

Federal Criminal Search Off SSN Trace

Criminal Federal record search based on the last 7 years of the candidate's address history in the federal districts of address as derived from the SSN trace results. The quoted price includes all federal districts found off the SSN trace. This product excludes all alias names.

Office of Foreign Asset Control (OFAC) Terrorist Watchlist |

A search for restriction, sanction and exclusion records maintained by the Office of Foreign Assets Controls (OFAC). The list of restricted counter parties includes Specially Designated Nationals (SDNs). Subject to availability and applicable reporting limitations. This product excludes all alias names.

Unless otherwise noted in a product description, Client understands and acknowledges that the Services reflected herein may incur additional fees in accordance with the then-current Fee Schedule (available upon request and subject to change), including, without limitation, court access fees, employment/education third party database costs, out of network drug testing fees, and state Department of Motor Vehicle fees (“Fees”). Fees, if any, will be included on monthly invoices and are subject to change without notice.

EXHIBIT B

SERVICE LEVEL AGREEMENT

The following agreement measures Sterling performance commitments to our customers – sections include metrics around Quality Assurance, Customer Service, System Uptime, and Operational service delivery.

Quality Assurance

The Quality Assurance standard specifies quarterly performance standards related to the accuracy rates for Service Delivery.¹

Component	Target	Description
Post-fulfillment quality monitoring	99.00%	Sterling has a standardized quality monitoring program across key service offerings to ensure a 99% accuracy rate (accuracy rate defined as the percentage of audited requests classified as not having a critical error) – critical errors for key services are outlined in further detail in Appendix A

Customer Service

This Service Level Standard specifies performance goals related to Service Delivery by the Client Services / Support team – The timeliness of Turnaround times (TAT) for email responses, Call answer times, etc.¹

Component	Target	Description
Email response time	2 hours	Acknowledgement email will be sent to you by the person handling / investigating the details / request on your email. Any email received after 8:00PM Eastern Prevailing Time will be answered before 10:00am Eastern Prevailing Time on the next working day
Average Speed of Answer – calls	30 seconds	After selecting the desired options on the interactive voice response system (IVR)
Hours of Operations for email, calls and chats	Monday – Friday 8:00AM to 8:00PM Eastern Prevailing Time	Hours may be reduced for holidays such as day before / after Christmas, Thanksgiving, etc.

System Uptime

This Service Level Standard specifies performance goals quarterly related to Sterling application uptime and is the weighted availability of applications and services within each main screening platform.²

Component	Target	Description
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¹ Not eligible for service credit, sampling is performed across all Sterling customers and is not client specific

² Not eligible for service credit, sampling is performed as a weighted average across all Sterling applications

Weighted availability of applications and services within each main screening platform	99.5% Excluding scheduled downtime and incidents outside Sterling' Span of Control	Application is available for use 24 X 7 with service level components measured quarterly continually during this period. Maintenance windows and system upgrades to occur during off hours to minimize down-time. Scheduled downtime is currently reserved 11PM Eastern Prevailing Time on Saturday evening to 9AM Eastern Prevailing Time Sunday morning. Notification of change in maintenance windows and downtime to occur 5 business days in advance.
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Span of Control means the areas over which Sterling has specific control (e.g., Software System, integration APIs maintained by Sterling, operational support, etc.). Areas outside the Sterling' Span of Control (e.g., Internet connectivity, Security Incidents, hardware, Client systems or changes in the Client's Data Responsibilities, data quality, errors performed by Client's personnel) are not included in the SLAs.

ScreeningDirect Operational Performance

Turnaround Time (TAT) targets for ScreeningDirect search level products listed below is specific to the platform and requires amendment upon product migration, or can be amended to client specific performance on the platform after four quarters of business activity upon request. See Rules of Engagement below for description of how Sterling measures TAT and for applicable exclusions.

▪ **TABLE 1: TAT for Domestic Service Transactions**

Product	Average TAT Targets
Standard Package – SSN Trace & 7 year county/federal court search based on 7 year address history from SSN trace; may include Enhanced Nationwide/Locator Select/MVR/Sex Offender and/or US domestic watch lists e.g. OFAC/FACIS	3.5 Business Days across all Standard Packages
Extended Package – Standard Package + US domestic Education/Employment/Personal Reference and/or License	5.0 Business Days across all Extended Packages
Standard Urine Drug Screening (10 Panel) – Negative (EChain Only)	2 Business Days
Standard Urine Drug Screening (10 Panel) – Non-Negative (EChain Only)	5 Business Days

Additional products available upon request

▪ **TABLE 2: TAT for US Domestic A la Carte Service Transactions**

Product	Average TAT Targets
County Criminal Record (7 year RD)	2 Business Days
SSN Trace	1 Business Day
Enhanced Nationwide Criminal Search	1.5 Business Days
Federal Criminal Record	1 Business Day
Locator Select	1.5 Business Days
DOJ 50 State Sex Offender	1.5 Business Days
State Criminal Repository	2.5 Business Days
Office of Foreign Assets Control	1 Business Day
Drivers Record	1.5 Business Days
Employment Verification (3-2-P-C)	3.5 Business Days
Education Verification (3-2-P-C)	3.5 Business Days
Client Matrix Application	1 Business Day
Credential Verification	3.5 Business Days
Fraud and Abuse Control Inform (FACIS) L3	2 Business Days

Additional products available upon request

▪ **TABLE 3: TAT for International Service Transactions**

Country	Product	Average TAT Targets
Canada	International Criminal Search	5 Business Days
	Education Verification - Int.	5.5 Business Days
	Employment Verification - Int.	5 Business Days
India	International Criminal Search	11 Business Days
	Education Verification - Int.	10.5 Business Days
	Employment Verification - Int.	9.5 Business Days
United Kingdom	International Criminal Search	12.0 Business Days
	Education Verification - Int.	9.0 Business Days
	Employment Verification - Int.	7.0 Business Days

Additional countries/products available upon request

Rules of Engagement

Metrics

- Sterling business hours are between Mondays at 9AM to Friday 6PM Eastern Prevailing Time.
- Measurement of TAT excludes Sterling holidays and weekends
- TAT for background services is calculated from the time Sterling' system recognizes the creation of an order to the time the applicable product is completed and does not include reopened searches.
- TAT for drug tests is calculated from the time of sample collection to the time of final report for drug tests (Echain only)
- The longest product turnaround time within a package drives applicant level performance. A half day is added to the Performance Standards analysis to accommodate any additional processing time. Additional processing time may be required for client specific CMA processes.
- Requests received after 6PM Eastern Prevailing Time the day before a weekend or holiday will be considered to begin at 9AM Eastern Prevailing Time on the next business day.
- Business days exclude the following Sterling holidays and any country specific international holidays:
 - New Year's Day
 - Martin Luther King, Jr. Day
 - Presidents Day
 - Memorial Day
 - Independence Day
 - Labor Day
 - Columbus Day
 - Veteran's Day
 - Thanksgiving Day/Day After Thanksgiving
 - Day Before or After Christmas/Christmas Day
- TAT targets exclude criminal searches in the State of New Jersey and the Commonwealth of Puerto Rico, and DMV searches in Pennsylvania.
- Education verification requests entered during applicable school break periods are not counted in measuring TAT performance.
- US domestic Education and Employment verifications assume the "3 contacts to the entity and 2 contacts to the applicant for proof for unverifiable" workflow
- Sterling is not responsible for delays due to
 - i. natural or other disasters, war, terrorism, or other unforeseen developments that preclude our access to the courts
 - ii. unresponsive courts
 - iii. the retrieval of court copy documents
 - iv. compliance with Federal, State, or local laws and regulations
 - v. third party vendors and sources beyond direct control of Sterling
 - vi. Strikes and Furloughs that prevent timely access to necessary records

Order Request Completeness

Upon placing the order, Client must provide complete and accurate information to Sterling. The following items indicate where Sterling would contact the applicant or Client for additional information in order to fulfill the request which will likely delay service levels:

Application

- Incomplete address information, including street, city and state
- Dates when maiden names were used are not provided

Education Verification

- Missing dates of attendance and/or graduation, and/or name used while in attendance
- Name of school abbreviated or incomplete
- School location not provided
- Specific location of campus (if applicable)
- Degree OR Diploma Copy (For International Requests)

Employment Verification

- Missing dates of employment
- Name of company abbreviated or incomplete
- Specific location of company
- Employee Code (For International Requests)
- Relieving letter (For International Requests)

Drug Screening

- Collection must be completed within 24 hours of order

Driver's License Verification

- Incorrect driver's license number
- State of issuance not provided or incorrect

1. Personal References

- Daytime telephone numbers missing
- Complete telephone number and correct names are not provided for each reference

2. Authorization / Release

- Appropriate signed release is not provided which includes the applicant's addresses (and associated dates at each address) for the past seven (7) years
- Date of Birth inaccurate or not provided
- Maiden name not provided, if applicable

Performance Standards and Reporting

Sterling shall measure the average TAT for each product or package type on a quarterly basis. In the event actual average TAT exceeds the applicable average TAT target by more than 0.5 days, Sterling shall analyze the results to determine the number of products or packages which, if excluded from the average TAT calculation, would yield a result equal to the applicable average TAT target, and credit Client for the cost of these orders less fees (either packaged or a la carte) that included such products or packages. To ensure statistical accuracy, quarterly volume for a product or package must exceed 100 transactions to be eligible for average TAT measurement and application of the foregoing process. Reporting will be performed quarterly on a calendar basis upon Client’s request after a full calendar quarter of business.

An illustrative example follows:

Order ID	Package Type	Target TAT	Actual TAT	SLA Outlier
1	Standard	3.5	8	8.0
2	Standard	3.5	4	4
3	Standard	3.5	3	3
4	Standard	3.5	4	4
5	Standard	3.5	3	3
6	Standard	3.5	4	4
7	Standard	3.5	9	9.0
8	Standard	3.5	3	3
Average			4.75	
<i>Actual TAT exceeds TAT target by more than 0.5 days</i>				
Average Excluding SLA Outliers				3.5
Credits: Orders 1 and 7 to be credited. Strikeouts in SLA Outlier column indicate outlier TATs that would make the respective order eligible for credit.				

THE ABOVE SETS FORTH CLIENT’S SOLE AND EXCLUSIVE REMEDY, AND STERLING’S ENTIRE LIABILITY, FOR STERLING’S FAILURE TO MEET ITS TAT FOR SERVICE TRANSACTIONS.

Appendix A: Critical Error Types

For Verifications (Applicable to all Services)

Closed file audit (CFA) - Non Voice Parameter

1. Search reported incorrectly (Per client instructions)
2. Search reported with incorrect final disposition
3. Search reported as no records found post calling an incorrect entity/location
4. Liability risk (Non permissible entity contacted)
5. Search reported with verification from a non-accredited educational entity (diploma mill)
(Education Only)
6. Search rated incorrectly (for rated clients only)
7. Search closed with verification from an unauthorized source
8. Search closed with verification from an unauthorized number (cell phone)

Voice Parameters

1. Search updated with call information when no attempt made on the file
2. Recording script not provided on the call
3. Search closed with verification from an unauthorized source
4. Search reported as no records found post calling an incorrect entity/location

Criminal Services

1. Searches / RE / QC / CC / Special Ops / Nationwide
 - a. Search reported as clear despite reportable case(s) (Missed Hit)
2. Record Entry & Quality Check
 - a. Search reported with information already reported on the same order
3. Record Entry, Court Calling, Quality Check & Special Ops
 - a. Search reported incorrectly (Per client instructions)
 - b. Search reported as clear despite reportable case(s) (Missed Hit)
 - c. Search reported non-reportable case(s) (Per FCRA/State guidelines)
 - d. Search reported non-reportable case(s) (Applicant details not a match, LAST NAME)
 - e. Search reported non-reportable case(s) (Applicant details not a match, FIRST NAME)
 - f. Search reported non-reportable case(s) (Applicant details not a match, MIDDLE NAME)
 - g. Search reported non-reportable case(s) (Applicant details not a match, DAY OF BIRTH)
 - h. Search reported non-reportable case(s) (Applicant details not a match, MONTH OF BIRTH)
 - i. Search reported non-reportable case(s) (Applicant details not a match, YEAR OF BIRTH)
 - j. Search reported non-reportable case(s) (Applicant details not a match, NON-MATCHING FULL DOB)
 - k. Search reported non-reportable case(s) (Applicant details not a match, NON-MATCHING FULL NAME)
 - l. Search reported non-reportable case(s) (Applicant details not a match, NON-MATCHING SSN)
 - m. Search reported with incorrect number of cases
 - n. Search reported with incorrect number of charges
 - o. Search reported with incorrect charge
 - p. Search reported with an incorrect charge level
 - q. Search reported with incorrect Disposition
 - r. Search reported with incorrect Disposition Date
 - s. Search reported with incorrect arrest date
 - t. Search reported as clear not considering Violation of Probation (VoP) date (when applicable)
 - u. Search reported as hit not considering Violation of Probation (VoP) date (when applicable)
 - v. Search reported with incorrect Violation of Probation details
 - w. Search rated incorrectly (for rated clients only)
 - x. Search reported with incorrect outcome (Conviction vs. arrest)
4. Court Calling

- a. Search updated with call information when no attempt made on the file
 - b. Recording script not provided on the call
- 5. Nationwide
 - a. Search opened for incorrect county as per the order

EXHIBIT C

VENDOR TIER 1 SUPPORT

- CLIENT ASSIGNED A CLIENT SUCCESS TEAM, LED BY A US-BASED CLIENT SUCCESS PARTNER

- CLIENT SUCCESS TEAM HIERARCHY:
 - CLIENT SUCCESS ASSOCIATE
 - Manages day-to-day questions for client users
 - Removes obstacles to program success

 - CLIENT SUCCESS PARTNER
 - Primary contact for questions about program strategy
 - Holds quarterly business reviews with client and benchmarks program against similarly situated clients
 - Advises clients about new products and services to enhance existing program
 - Liaison to Sterling's internal network of subject matter experts
 - Remove obstacles to client program success

 - CLIENT SUCCESS LEADER
 - Provides strategic oversight to client program strategies
 - Supports Client Success Partner in projects and initiatives
 - Removes obstacles to client program success

 - HEAD OF CLIENT SUCCESS
 - Supports Client Success Partner in projects and initiatives
 - Provides strategic oversight to client program strategies

 - GENERAL MANAGER
 - Executive sponsor for client programs