

### **Addendum for Consumer Information Services**

These Terms and Conditions are incorporated by reference into the End User Agreement. The End User Agreement, attachments thereto, and these Terms and Conditions (collectively the "Agreement", as may be amended, supplemented and/or modified from time to time), constitute the entire agreement between Customer and Equation.

**1. Agreement Controls.** The terms and conditions of the Agreement are incorporated herein by this reference and govern this Addendum.

**2. Definition.** Terms not defined in this Addendum shall have the meaning ascribed to them in the Agreement.

### **3. Consumer Reporting Services.**

**3.1 Consumer Report Information.** Equation makes certain consumer report information services from its consumer reporting database ("Consumer Report Information") available to its customers who have a permissible purpose for receiving such information in accordance with the Fair Credit Reporting Act (15 U.S.C. §1681 et seq.) including, without limitation, all amendments thereto ("FCRA").

**3.2 FCRA Penalties.** 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, OR IMPRISONED NOT MORE THAN TWO YEARS, OR BOTH.

**3.3 Customer Certifications.** Customer certifies that it shall request Consumer Report Information solely for Customer's exclusive one-time use and use such information solely for the permissible purpose(s) set forth below in Sections 3.4 and for no other purpose, subject however, to the additional restrictions set forth herein. Moreover, if requested by Equation, Customer agrees to, and shall, individually certify the permissible purpose for each Consumer Report Information it requests, in addition to the blanket certification set forth herein. Such individual certification shall be made by Customer pursuant to instructions provided from time to time to Customer by Equation. For purposes of this Addendum, the term "adverse action" shall have the same meaning as that term is defined in the FCRA.

### **3.4 Consumer Report Information - Permissible Purpose(s):**

☐ In connection with a credit transaction involving the consumer on whom the information is to be furnished and involving the extension of credit to, or review or collection of an account of the consumer.

☐ In connection with the underwriting of insurance involving the consumer.

☐ Pursuant to the written authorization of the consumer who is the subject of the Consumer Report Information. Customer certifies that each such written authorization will expressly authorize Customer to obtain the Consumer Report Information, and will contain at a minimum the subject's name, address, social security number (where available) and signature. Customer further agrees to retain copies of all such written authorizations for a minimum of five years from the date of inquiry, and make such written

authorizations available to Equation upon request. Nothing in this certification, or elsewhere in this Agreement, is intended to allow Customer to purchase Consumer Report Information for the purpose of selling or giving the report, or information contained in or derived from it, to the subject of the report, or to any other third party, and Customer expressly agrees to refrain from such conduct.

☐ For employment purposes, in which case Customer shall request only a Equation service expressly designed for employment purposes ("Employment Report"). Customer further certifies that it shall not request an Employment Report unless and subject to the following conditions:

- A. A clear and conspicuous disclosure is first made in writing to the consumer before the Consumer Report Information is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes;
- B. The consumer has authorized in writing the procurement of the Employment Report;
- C. Information from the Employment Report will not be used in violation of any applicable federal or state equal employment opportunity law or regulation;
- D. The Employment Report will only be used once; and,
- E. Before taking adverse action in whole or in part based on the Employment Report, Customer shall provide the consumer with a copy of the Employment Report and shall provide the consumer with a copy of the consumer's rights, in the format approved by the Consumer Financial Protection Bureau ("CFPB"), which form notice shall be supplied to Customer by Equation either with each report, or one time in print format, in which case Customer agrees to duplicate and provide said form notice to the consumer as required hereunder.

☐ To use the Consumer Report Information as a potential investor or servicer, or current insurer, in connection with a valuation of, or an assessment of, the credit or prepayment risks associated with an existing credit obligation.

☐ To use the Consumer Report Information in connection with Customer's legitimate business need for the information in connection with a business transaction that is initiated by a consumer.

☐ To use the Consumer Report Information in connection with Customer's legitimate business need for the information to review an account to determine whether the consumer continues to meet the terms of the account.

**\*\* The following certifications are available for use by Government Agencies only**

**\*\***

☐ To use the Consumer Report Information in connection with a determination of the 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.

3.5 Account Review/Account Monitoring Certification. In the event that Customer requests Consumer Report Information for account review or monitoring purposes, whether batch or on-line, Customer shall make such requests solely for review or monitoring of Customer's own

open accounts and/or closed accounts with balances owing, and for no other purpose. Customer shall notify Equation in a mutually acceptable format of the review or monitoring methods and criteria desired, and of any desired changes to or deletion of any individual monitoring set, and shall delete individual monitoring sets on any consumers if Customer ceases to have a permissible purpose to receive consumer data on such consumers. When Customer requests information as a potential investor or servicer, or current insurer, in connection with a valuation of or an assessment of the credit or prepayment risks associated with, an existing credit obligation ("Valuation Account Reviews"), Customer shall first obtain the prior written consent of the current account owner or servicer of such accounts and make a copy of such consent available to Equation.

3.6 Vermont Certification. If Customer requests a consumer report on a Vermont resident, Customer agrees to comply with Vermont law. Customer expressly agrees to obtain the consumer's consent before requesting a consumer report to the extent and in the manner required by Vermont law.

#### **4. Ancillary Services**

4.1 Fraud Prevention Services. Equation offers several fraud prevention services that evaluate inquiry input elements against other input elements and/or against proprietary databases, to identify potential discrepancies and/or inaccuracies. Fraud prevention service messages may be delivered with Consumer Report Information as a convenience, but are not part of a consumer's file nor are they intended to be consumer reports. In the event Customer obtains any fraud prevention services from Equation in conjunction with Consumer Report Information or as a stand alone service, Customer shall not use the fraud prevention services, in whole or in part, as a factor in establishing an individual's creditworthiness or eligibility for (a) credit or insurance, or (b) employment, nor for any other purposes under the FCRA. Moreover, Customer shall not take any adverse action, which is based in whole or in part on the fraud prevention services, against any consumer. As a result of information obtained from the fraud prevention services, it is understood that Customer may choose to obtain additional information from one or more additional independent sources. Any action or decision as to any individual which is taken or made by Customer based solely on such additional information obtained from such additional independent source(s) shall not be deemed prohibited by this paragraph.

#### **4.2 Reference Services**

4.2.1 Equation offers a suite of reference services from sources other than its Consumer Reporting Database ("Non-CRD Reference Services"), which it shall make available to Customer under the terms of this Agreement. Customer shall not use Non-CRD Reference Services for marketing purposes without the prior written consent of Equation.

4.2.2 Equation also offers the suite of reference services from its Consumer Reporting Database ("CRD Reference Services"). If Customer desires to receive CRD Reference Services, Customer hereby certifies that the specific purpose(s) for which the CRD Reference Services will be requested, obtained and used by Customer is one or more of the following uses as described in, and as may be interpreted from time to time, by competent legislative, regulatory or judicial authority, and as being encompassed by Section (6802)(e) of the Gramm-Leach-Bliley Act, Title V, Subtitle A, Financial Privacy (15 U.S.C. § 6801-6809) ("GLB") and the United States Federal Trade

Commission rules promulgated thereunder. Customer shall not request, obtain or use such CRD Reference Services for any other purpose.

- ☐ As necessary to effect, administer, or enforce a transaction requested or authorized by the consumer, or in connection with servicing or processing a financial product or service requested or authorized by the consumer;
- ☐ As necessary to effect, administer, or enforce a transaction requested or authorized by the consumer, or in connection with maintaining or servicing the consumer's account with Customer and Customer is a financial institution;
- ☐ With the consent or at the direction of the consumer;
- ☐ To protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability;
- ☐ For use solely in conjunction with a legal or beneficial interest held by Customer and relating to the consumer; or,
- ☐ For use solely in Customer's fiduciary or representative capacity on behalf of the consumer.

4.2.3 For purposes of this Agreement, the term "Reference Services" shall be deemed to include both Non-CRD Reference Services and CRD Reference Services. Customer shall not take any adverse action against any consumer that is based in whole or in part on the Reference Services.

4.3 Depersonalized Data Services. From time to time, Customer may desire to obtain depersonalized data ("Data Services") identified in a Data Services request form or other mutually agreed upon document signed by an authorized representative of Customer ("Data Services Request" or "DSR"). Customer represents and warrants that Customer shall use any and all Data Services received pursuant to this Agreement solely for one or more of the following purposes:

- A. Determination of the validity of an existing risk score model or of certain data attributes, when such model or attributes will be used in conjunction with the evaluation of consumer credit information received and used under this Agreement;
- B. Building Customer's own consumer credit information-based model which model shall be used solely in conjunction with the evaluation of consumer credit information received and used under this Agreement;
- C. Review and validation of Customer's policies relating to credit eligibility or any other permissible purpose under the FCRA, which policies Customer shall use in conjunction with evaluating consumer credit information received and used under this Agreement; or,
- D. **Determination of the qualitative value of consumer credit information Equation provides under this Agreement; or,**
- E. **Other appropriate purpose as agreed to by Equation and Customer in an applicable DSR.**

4.3.1 **Customer shall not use Data Services for any other purpose and shall take no action as to any individual consumer as the result of the Data Services received under this Agreement. With respect to each request for Data Services, Customer represents and warrants that: (i) it does not have the ability to match the Data Services to the identity of any consumer; (ii) it shall make no attempt to obtain data permitting it to match the Data Services to the identity of any consumer; (iii) it will not accept any information from any third party that permits**

**such a match; and, (iv) it will make no such match.**

4.4 Equation Scores. Customer may request, in writing, that Equation provide Equation Scores to Customer, which shall include the Vantage Score, in connection with the delivery of a consumer report obtained hereunder or in connection with the delivery of Data Services under Section 4.3. Equation agrees to perform such processing as reasonably practicable. Customer shall use Equation Scores provided in connection with the delivery of a consumer report only in accordance with its permissible purpose under the FCRA certified at the time of its request for such Equation Scores. Customer will request Scores only for Customer's exclusive use. Customer may store Scores solely for Customer's own use in furtherance of Customer's original purpose for obtaining the Scores

4.4.1 Adverse Action Factors. Customer recognizes that factors other than the Equation Score may be considered in making a decision as to a consumer. Such other factors include, but are not limited to, the credit report, the individual account history, application information, and economic factors. Equation may provide score reason codes to Customer, which are designed to indicate the principal factors that contributed to the Equation Score, and may be disclosed to consumers as the reasons for required by the Equal Credit Opportunity Act ("ECOA") and its implementing Regulation ("Reg. B"). The Equation Score itself, taking adverse action, as when accompanied by the corresponding reason codes, may also be disclosed to the consumer who is the subject of the Equation Score. However, the Equation Score itself may not be used as the reason for adverse action under Reg. B.

4.4.2 Use of Equation Scores for Model Development or Model Calibration. Equation Scores, including the Vantage Score, obtained in conjunction with Data Services under Section 4.3 for the purpose of model development or model calibration, may be used for model development or model calibration in compliance with the following conditions: (i) the Scores may only be used as an independent variable in custom models; (ii) only the raw depersonalized Score and Score segment identifier may be used in modeling (i.e. no other Score information may be used, including, but not limited to, adverse action reasons, documentation, or scorecards may be used); and, (iii) Customer's depersonalized analytics and/or depersonalized third party modeling analytics performed on behalf of Customer, using Scores, will be kept confidential and not disclosed to any third party except to: (a) Customer's third party processing agents and other contractors of Customer who have executed an agreement that limits the use of the Scores by the third party only to the use permitted to Customer and contains the prohibitions set forth herein regarding model development, model calibration, reverse engineering and confidentiality; (b) to governmental regulatory agencies; and/or, (c) as required by law. In no event may Customer reverse engineer the Equation Scores.

4.4.3 Confidentiality of Equation Scores. The Equation Score is proprietary to Equation and shall not be disclosed to **any** other third party without Equation's prior written consent, except as expressly permitted herein or where clearly required by law. All Equation Scores provided hereunder will be held in strict confidence and may never be sold, licensed, copied, reused, or reproduced, and may never be disclosed, revealed or made accessible, in whole or in part, to any Person, except: (i) to those employees of Customer with a need to know and in the course of their employment; (ii) to those third party processing agents and other contractors of Customer who have a need to know in connection with Customer's use of the Equation Scores as permitted hereunder and who have executed a written agreement that limits the use of the Equation Scores by the third

party only to the use permitted to Customer and contains the prohibitions set forth herein regarding model development, model calibration, reverse engineering and confidentiality; (iii) when accompanied by the corresponding reason codes, to the consumer who is the subject of the score, when in connection with an adverse action notice; (iv) to governmental regulatory agencies; (v) to ratings agencies, dealers, investors and other third parties for the purpose of evaluating assets or investments (e.g., securities) containing or based on obligations of the consumers to which the Scores apply (e.g., mortgages, student loans, auto loans, credit cards), provided that (a) Customer may disclose Scores only in aggregated formats (e.g., averages and comparative groupings) that do not reveal individual Scores, (b) Customer shall not provide any information that would enable a recipient to identify the individuals to whom the Scores apply, and (c) Customer shall enter into an agreement with each recipient that limits the use of the Scores to evaluation of such assets or investments; or, (vi) as required by law. Customer shall not, nor permit any third party to, publicly disseminate any results of the validations and/or other reports derived from the Equation Scores without Equation's prior written consent. For the purpose of this Section 4.4.3, "Person" shall mean an individual, a partnership, a corporation, a limited liability company, a trust, a joint venture, an unincorporated organization and any Government Authority. For the purpose of this Section 4.4.3, "Government Authority" means any national, provincial, state, municipal, local or foreign government, ministry, department, commission, board, bureau, agency, authority, instrumentality, unit, or taxing authority thereof

**4.4.4 Equation Score Performance.** Certain Equation Scores are implemented with standard minimum exclusion criteria. Equation shall not be liable to Customer for any claim, injury or damage suffered directly or indirectly by Customer as a result of any Customer requested changes to the exclusion criteria which result in normally excluded records being scored by such Equation Scores. Equation warrants that the scoring algorithms used in the computation of the scoring services, provided under this Agreement, ("Models") are empirically derived from credit data and are a demonstrably and statistically sound method of rank-ordering candidate records with respect to the purpose of the Equation Scores when applied to the population for which they were developed, and that no scoring algorithm used by a Equation Score uses a "prohibited basis" as that term is defined in ECOA and Reg. B promulgated thereunder. The Equation Score may appear on a credit report for convenience only, but is not a part of the credit report nor does it add to the information in the report on which it is based.

**4.5 Third Party Scores and Other Third Party Services.** Equation has the capability to offer scores derived from models built jointly with third parties, and other services provided by third parties, which are subject to additional warranties offered or terms imposed by such third parties. If desired by Customer, such third party scores and services shall be made available pursuant to separate agreement, which shall be appended as a schedule to this Agreement.

**4.6 OFAC Name Screen.** Equation, as a standalone service, in conjunction with Consumer Report Information or as an append to an ancillary service, has the capability to offer an indicator in the event a consumer's name, as supplied by Customer to Equation on input and not as may be found on Equation's database(s), appears on the United States Department of Treasury Office of Foreign Asset Control File ("OFAC File"). In the event Customer obtains OFAC Name Screen services from Equation in conjunction with Consumer Report Information or as an append to an ancillary service, Customer shall be solely responsible for taking any action that may be required by federal law as a result of a match to the OFAC File, and shall not deny or otherwise take any adverse action against any consumer which is based, in whole or in part, on Equation's

OFAC Name Screen services.

4.7 Death Master File. Data provided by Vendor as part of Services may include information obtained from the Death Master File ("DMF") made available by the US Department of Commerce National Technical Information Service and subject to regulations found at 15 CFR Part 1110. Customer will comply with all applicable laws including, with respect to DMF data, 15 CFR Part 1110. Recipients of DMF data that fail to comply with 15 CFR Part 1110 may be subject to, among other things, penalties under 15 CFR 1110.200 of \$1,000 for each disclosure or use, up to a maximum of \$250,000 in penalties per calendar year.