



**CLIENT SERVICE AGREEMENT  
BACKGROUND SCREENING &  
DRUG TESTING SERVICES**



THIS CLIENT SERVICE AGREEMENT (“Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, (the “Effective Date”) by and between:

AAIM Training & Consulting LLC  1600 South Brentwood Boulevard, Suite 400  St. Louis, Missouri, 63144	&	_____ _____ _____ _____
<b>(hereinafter referred to as “AAIM”)</b>		<b>(hereinafter referred to as “Client”)</b>

**WHEREAS**, AAIM operates AAIMCheck (the “Service”), a service used to compile and/or produce consumer reports for clients which may include information about a consumer’s (also referred to as an employee or an applicant for employment) dates of previous employment, salary, licensure, accidents, work experience, along with reasons for termination of past employment, credit (except California), workers’ compensation claims, driving records, criminal records, education, military records (DD214), judgments, bankruptcy proceedings, references, etc., from federal, state, county and other agencies that may be public or private agencies that maintain such records for employment purposes. AAIM also compiles and produces “investigative consumer reports,” as defined by the federal Fair Credit Reporting Act (FCRA), which may contain information obtained through personal interviews with neighbors, friends, former employers, or past or current associates of the consumer to gather information regarding the consumer’s work performance, character, general reputation, mode of living, and personal characteristics may be obtained for employment purposes and will be used for no other purpose. In addition, AAIM offers drug testing services that are collected from the consumer and will only be obtained for employment purposes.

**WHEREAS**, AAIM operates as a consumer reporting agency (as defined by the federal Fair Credit Reporting Act, 15 U.S.C. 1681 et seq.) and will adhere to applicable laws set forth in the preparation and transmission of the reports for employment purposes and will be used for no other purpose.

**WHEREAS**, AAIM agrees to follow proper protocol as set forth by the FCRA, which is governed by the Consumer Financial Protection Bureau, and by AAIM’s own internal policies, in order to ensure reasonable accuracy of consumer reports. If requested by the Client or the consumer, AAIM will re-verify, at no additional charge to either party, the consumer’s report that contains discrepancies provided to the Client.

**WHEREAS**, AAIM agrees to follow proper protocol in regards to employment drug testing services, including but not limited to the Department of Health and Human Services (“HHS”), Department of Transportation (“DOT”), Nuclear Regulatory Commission (“NRC”) guidelines and any applicable federal, state and local laws.

**WHEREAS**, AAIM agrees to follow proper record retention protocol set forth by the Federal Trade Commission (“FTC”) and AAIM’s internal Record Retention and Destruction policy. AAIM’s Record Retention and Destruction policy states AAIM will retain all consumer related files for seven (7) years from when the file was initially requested by the Client.

**NOW, THEREFORE**, in consideration of the promises and mutual covenants contained in this Agreement, the Parties agree as follows:

## 1. CONFIDENTIALITY.

- 1.1. Client agrees to keep all reports, whether oral or written, strictly confidential, and, except as required under 15 USC-1681d or any other legal process, shall not divulge the information to any other person other than a person whose duty requires him or her to participate in the decision for which the report was ordered.
- 1.2. Client agrees that only Authorized Users can order or have access to consumer information provided by AAIM. Client may, in writing, authorize additional users on Client's account who can access the secure on-line system or who can access consumer information on behalf of Client via telephone.
- 1.3. The client understands the sensitive nature of consumer reports, the need to protect the information contained in the reports, and the consumer report retention and destruction practices outlined by the FCRA and DPPA. AAIM and the client agree to:
  - 1.3.1. Limit dissemination of consumer information only to those with a legitimate need to know, those that have a permissible purpose, and those who are authorized by the Consumer;
  - 1.3.2. Retain Consumer data in a confidential manner;
  - 1.3.3. Destroy data in a secure manner to make it inaccessible, unreadable, and/or unrecoverable; and
  - 1.3.4. Protect the privacy of Consumer information contained in motor vehicle records and access DMV records only with written consent of the consumer.

## 2. QUALIFIED CLIENT.

- 2.1. Client will only be given access to Consumer information once the following criteria has been verified:
  - 2.1.1. Address
  - 2.1.2. Main telephone number
  - 2.1.3. Copy of business license or organization paper received with "filed" stamped by appropriate government agency
  - 2.1.4. Business reference (if applicable)
  - 2.1.5. The client has signed the client service agreement by an authorized representative
  - 2.1.6. On-Site Visual Inspection Method (if applicable) - *On-Site visual inspection of client's premises is to insure the client is a valid business and it has a true business identity*

## 3. USER NAMES.

- 3.1. Client agrees to create unique and separate username(s) and password(s), for each person accessing the AAIMCheck website.
- 3.2. Client will not, under any circumstance, share log in username(s) or password(s) with anyone other than the person who has been assigned that information.

## 4. PURPOSE & AUTHORIZATION.

- 4.1. Client agrees to provide the Consumer with a clear and conspicuous Disclosure [See **Attachment A** for sample Disclosure] in writing notifying the Consumer that a consumer report may be obtained for employment purposes.

- 4.2. Client agrees to obtain a signed Authorization form [See **Attachment B** for sample Authorization] from each Consumer prior to requesting a consumer report.
- 4.3. Client agrees to retain a signed Authorization form for as long as the Consumer is employed with Client or for a minimum of 1 year from when the consumer report was requested if not hired.
- 4.4. Client understands it must have a permissible purpose for ordering information and further agrees to comply with disclosure and authorization requirements to the Consumer as required by the FCRA.
- 4.5. Client agrees not to request any information beyond information used to verify suitability of a Consumer for employment.

5. **LEGAL RESPONSIBILITIES.**

- 5.1. Client understands it must have a permissible purpose for ordering information and further agrees to comply with disclosure and authorization requirements to the Consumer as required by the FCRA.
- 5.2. Client understands and agrees to comply with adverse action procedures required by the FCRA.
- 5.3. Client understands and agrees to comply and provide “A Summary of Your Rights Under the Fair Credit Reporting Act” [See **Attachment C** for a copy] to Consumer.
- 5.4. Client understands the confidential nature of the information being requested and will keep it confidential.
- 5.5. Client will comply with all laws and regulations and will not use consumer information in violation of any state or federal law, including Equal Opportunity laws.
- 5.6. AAIME has advised Client that use of consumer reports must conform to certain legal requirements and that Client should consult with its legal counsel regarding its specific legal responsibilities.
- 5.7. Client understands AAIME is not rendering a decision of whether to employ an applicant or not and that such decision is solely that of the Client.

6. **MOTOR VEHICLE REPORTS aka INSTANT DRIVING RECORDS.** Client certifies and warrants that it will comply with the Driver’s Privacy Protection Act (DPPA) [See **Attachment D** for a copy of the DPPA] and the FCRA and all other applicable state or federal laws when requesting a Consumer’s driving record.

7. **DRUG TESTING.** Client acknowledges and agrees drug testing services that may be produced and/or compiled for under this Agreement shall be for the Client’s employment drug testing services only and shall not include any clinical laboratory testing services which are specifically excluded from this Agreement. Drug testing services shall be provided under, but not limited to, the Department of Health and Human Services (HHS), Department of Transportation (“DOT”), Nuclear Regulatory Commission (“NRC”) guidelines and any applicable federal, state and local laws. AAIME advises Client to set forth policies and procedures with regards to employment drug testing services.

8. **ADVERSE ACTION PROCEDURES.**

- 8.1. Client understands there are legal requirements and responsibilities when taking adverse action based in whole or in part on consumer and/or investigative consumer report(s).
- 8.2. Client understands and agrees to comply with adverse action procedures required by the FCRA which include:

- 8.2.1. Providing a pre-adverse action notice to Consumers [See **Attachment E** for a sample preliminary notice], along with a copy of the consumer report, “A Summary of Your Rights Under the Fair Credit Reporting Act,” and the Credit Reporting Agency (“CRA”) contact information; then
- 8.2.2. Allowing the consumer a designated period of time to contact the CRA if the consumer wishes to dispute any information in the consumer report. (AAIM recommends at least 5 business days to let the consumer respond to the “negative” report(s))
- 8.2.3. After the designated period of time has lapsed, Client can then make the decision to take an adverse employment action against the Consumer. At this point, Client must provide the following information to the consumer:
  - 8.2.3.1. An Adverse Action Notice, whether it be employment denial or withdrawal of offer [See **Attachments F and G** for sample adverse action notices],
  - 8.2.3.2. The CRA contact information, including name, address, telephone number and a toll-free telephone number,
  - 8.2.3.3. A statement to the consumer that they may obtain a free copy of the report,
  - 8.2.3.4. A statement to the consumer that they may dispute the accuracy or completeness of the information with the CRA and
  - 8.2.3.5. A statement that the CRA did not make the decision to take adverse action and is unable to provide the consumer the specific reasons why the action was taken.
- 8.3. AAIM advises Client that it has specific legal obligations and responsibilities regarding taking adverse action against a Consumer based on a consumer report and that Client should consult their legal counsel regarding specific legal responsibilities.
- 8.4. Upon written or verbal request made by the Consumer to AAIM or to Client, within a reasonable period of time, Client shall make a complete and accurate disclosure of the nature and scope of the investigation performed. This disclosure shall be made in writing, mailed, electronically mailed, or otherwise delivered, to the Consumer not later than five days after the date on which the request for such disclosure was received from the Consumer.
9. **LAWS AND REGULATIONS.** Client understands that AAIM adheres to the laws set forth by local, state, and federal governments and the FCRA; and under no circumstances will any deviation from the FCRA, local, state or federal laws be approved or accepted.
10. **LEGAL COUNSEL.** Client understands AAIM is not legal counsel and cannot provide legal advice. Client should work with counsel to develop an employment screening program specific to its needs. It is necessary for Client to work with counsel to ensure Client’s policies and procedures related to the use of CRA-provided information is in compliance with applicable federal state and local laws.
11. **INDEMNIFICATION BY CLIENT.**
  - 11.1. Client recognizes that information contained in reports is obtained from various third party sources and AAIM cannot ensure or guarantee the accuracy of the information obtained and Client releases and holds harmless AAIM and its affiliates, officers, agents, employee, contractors and/or approved vendors, which may include but not limited to, Equifax [see **Attachment H** for Equifax’s Indemnifications clause], TransUnion and National Student Clearinghouse from any liability for claims arising out of inaccurate or incomplete information reported.

- 11.2. Client agrees to indemnify, defend and hold harmless AAIM and its affiliates, officers, agents, employee, contractors, and/or approved vendors which may include but not limited to, Equifax, TransUnion and National Student Clearinghouse and against any and all liabilities, claims, losses, demands, actions, causes of action, damages, expenses (including, without limitation, attorney's fees and costs of litigation), or liability, arising from or in any manner related to any allegation, claim, demand or suit, whether or not meritorious, brought or asserted by any party in any way arising out of or resulting from (a) any actual or alleged negligence or intentional misconduct of Client, whether or not any negligence of AAIM is alleged to have been contributory thereto, (b) the failure of Client to duly and fully perform its obligation under this Agreement, or (c) the failure of Client to comply with applicable laws or regulations.

**12. PAYMENT AND CHARGES.**

- 12.1. Client is responsible for the accuracy of information it inputs directly into the AAIMCheck website. Upon notice and for an additional fee, AAIM will conduct additional research in an effort to correct any incorrect consumer information.
- 12.2. AAIM will provide Client with a schedule of the charges for its reports and services.
- 12.3. AAIM will give reasonable prior notice (not less than five business days) of any changes in the schedule of charges.
- 12.4. Client understands AAIM will bill monthly for the Services rendered by way of electronic mail, and the payment terms are thirty (30) days upon receipt of the billing. Furthermore it is the Client's responsibility to keep a valid email address on file for invoicing purposes.
- 12.5. Client agrees to promptly pay invoices. Client's failure to pay invoices will be subject to the laws of the State of Missouri. Client further agrees to pay all reasonable attorneys' fees and costs should AAIM at all prevail in any litigation to recover fees charged under this Agreement.

13. **AUDIT.** Client understands AAIM conducts annual audits in order to comply with the FCRA. Client understands it may be asked for a copy of the Consumer's Authorization form in connection with these audits. Client understands it will be given written notice of any such audit and, upon receipt of such notice, Client is required to provide the Consumer's authorization form to AAIM within 30 days from the date of the written request.

**14. TERM & TERMINATION.**

- 14.1. The Agreement will automatically renew each year unless termination by either party.
- 14.2. Either Party may terminate this Agreement at any time upon providing the other Party at least 10 days written notice of such termination. Such written termination shall be effective regardless of any pricing commitments the Parties may have entered into during the term of this Agreement. Notwithstanding the foregoing, if Client is delinquent in the payment of charges, violates the FCRA or other applicable law or violates a material term of this Agreement, AAIM may, at its election, discontinue providing services to Client and terminate this Agreement immediately by written notice to Client.
- 14.3. Neither Party shall be liable to the other Party for any costs or damages of any kind, including direct, special, exemplary, punitive, indirect, incidental or consequential damages, or for indemnification, solely on account of the lawful termination of this Agreement.

Client understands it must have a permissible purpose for ordering information on potential applicant(s) and/or current employee(s) and must obtain a disclosure and authorization form signed by the Consumer. By signing this Agreement Client acknowledges it has received a copy of “NOTICE TO USERS OF CONSUMER REPORTS: OBLIGATIONS OF USERS UNDER THE FCRA” [See **Attachment I**], “Complying with the Fair Credit Reporting Act”, AAIM’s most up to date disclosure and authorization form that includes “A Summary of Your Rights under FCRA”, Remediating the Effects of identity Theft [See **Attachment J**], the Driver’s Privacy Protection Act (DPPA), and a sample copy of the adverse action document(s). **Attachment K** is a sample background report and **Attachment L** is Vermont Fair Credit Reporting Act.

**IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year written above.**

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**CLIENT:** \_\_\_\_\_

**AUTHORIZED REPRESENTATIVE** (please print): \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**EMAIL ADDRESS:** \_\_\_\_\_

**PHONE NUMBER:** \_\_\_\_\_

\_\_\_\_\_  
**Signed**

\_\_\_\_\_  
**Dated**

**AAIM dba AAIMCheck**

**AUTHORIZED REPRESENTATIVE** (please print): \_\_\_\_\_

**TITLE:** \_\_\_\_\_

\_\_\_\_\_  
**Signed**

\_\_\_\_\_  
**Dated**

## Accounting/ Invoice Information

AAIM Check will send out all invoices through electronic communication (email) once a month. A valid email address will need to be kept on file with AAIM for invoicing purposes.

Please provide contact information on who will receive the invoices for the clients account.

First Name: \_\_\_\_\_

Last Name: \_\_\_\_\_

Contact Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Title: \_\_\_\_\_

AAIM has provided the client with a schedule of the charges for its reports and services. AAIM will give reasonable prior notice (not less than five calendar days) of any change in the schedule of charges. Client does acknowledge that AAIM will bill monthly for the services rendered by way of electronic mail, and the payment terms are Net 30 of the billing date. Client does agree to promptly pay invoices.

This Agreement shall be interpreted, governed and construed according to the laws of the State of Missouri without reference to conflict of law principles and notwithstanding the place of execution hereof or the performance of any acts under this Agreement in any other jurisdiction. Employee agrees that the State of Missouri bears a substantial relationship to the Parties and the transaction between the Parties under this Agreement and each party consents to the personal jurisdiction of the state and federal courts located in the State of Missouri for purpose of any suit, action or other proceeding arising out of this Agreement, waives any argument that venue in any such forum is not convenient and agrees that the venue of any litigation initiated by either of them in connection with this Agreement shall be in either the state Court of Missouri in St. Louis County, Missouri, or the United States District Court for the Eastern District of Missouri. The Parties waives personal service of any summons, complaint or other process or papers to be issued in any action or proceeding involving any controversy and further waive any and all right to a trial by jury in any action or proceeding. The Parties agree that service of process may be made by registered or certified mail at the addresses shown in this Agreement.