

**STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 PURCHASING OPERATIONS
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933**

**CONTRACT NO. 071B8200111
 between
 THE STATE OF MICHIGAN
 and**

NAME & ADDRESS OF CONTRACTOR Identity Theft 911, LLC 4150 N. Drinkwater Blvd. Suite 210 Scottsdale, AZ 85251 Email: egoodman@identitytheft911.com		TELEPHONE: Eduard F. Goodman 480-355-8500 CONTRACTOR NUMBER/MAIL CODE BUYER/CA (517) 335-0462 Christine Mitchell, CPPB	
Contract Compliance Inspector: <p style="text-align: center;">Credit Monitoring & Resolution – DMB/ORS</p>			
CONTRACT PERIOD:		From: February 2, 2008	
		To: May 29, 2009	
TERMS <p style="text-align: center;">N/A</p>	SHIPMENT <p style="text-align: center;">N/A</p>		
F.O.B. <p style="text-align: center;">N/A</p>	SHIPPED FROM <p style="text-align: center;">N/A</p>		
MINIMUM DELIVERY REQUIREMENTS <p style="text-align: center;">N/A</p>			
MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are attached. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence. Estimated Contract Value: \$49,650.00			

THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No. N/A. Orders for delivery will be issued directly by the Department of Management and Budget through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

<p>FOR THE CONTRACTOR:</p> <p style="text-align: center;">Identity Theft 911, LLC _____ Firm Name</p> <p style="text-align: center;">_____ Authorized Agent Signature</p> <p style="text-align: center;">_____ Authorized Agent (Print or Type)</p> <p style="text-align: center;">_____ Date</p>	<p>FOR THE STATE:</p> <p style="text-align: center;">_____ Signature Christine Mitchell, CPPB _____ Name/Title Purchasing Operations _____ Division</p> <p style="text-align: center;">_____ Date</p>
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**RETAINER AGREEMENT FOR IDENTITY THEFT RESOLUTION SERVICES
RELATED TO AN INFORMATION SECURITY BREACH/DATABASE
COMPROMISE**

This Retainer Agreement for Identity Theft Services specifically relating to a known potential information security breach/database compromise (hereinafter "**Agreement**") is entered into by and between the parties hereto, at Lansing, MI, as of the date of the last signature to this Agreement (the "**Effective Date**") with reference to the following:

PARTIES

- P1. **IDENTITY THEFT 911, LLC**, a Delaware limited liability company, with its principal executive offices at 4150 North Drinkwater Boulevard, Suite 210, Scottsdale, Arizona 85251-3611 ("**IDT911**"); and
- P2. **THE MICHIGAN STATE DEPARTMENT OF MANAGEMENT AND BUDGET**, with its principal address at 530 West Allegan, P.O. Box 30026, Lansing, MI 48909 (the "**Company**").

DEFINITIONS

- D1. For purposes of this Agreement, the term "**Activity**" means the following types of defined fraud activity resulting from a compromise of information controlled by the Company and occurring on or about August 3, 2007 and October 15, 2007:
- a. The term "**True Identity Theft**" means the creation of one or more new accounts, or a new identity in public records (such as a driver's license) or elsewhere, by a third party in the name and without the knowledge of a Customer to commit fraud or other crimes and/or to disguise the third party's true identity.
 - b. The term "**Account Takeover**" means the takeover by a third party of one or more existing deposit accounts, credit card accounts, debit card accounts, ATM cards, or lines of credit in the name of a Customer.
 - c. The term "**Proactive Inquiry**" means an inquiry arising from the loss or theft of personally identifiable information of a Customer by circumstances such as an information security breach/database compromise or the loss of a credit card, debit card, ATM card, checkbook, driver's license, or passport; the loss of a wallet or purse or briefcase containing any of the foregoing; or the inadvertent disclosure of personally identifiable information or personally identifiable health information by the Company.
- D2. For purposes of this Agreement, the term "**Anniversary Date**" means the first day of the calendar month immediately following the Effective Date and thereafter the same date in each succeeding year.
- D3. For purposes of this Agreement, the "**Service Rollout Date**" means the first day in which resolution services are made available to the Company's Customers by IDT911.
- D4. For purposes of this Agreement, the "**Term**" of this agreement means the twelve-month period commencing on the Anniversary Date, and any succeeding twelve-month period commencing on the Anniversary Date of any succeeding year unless this Agreement otherwise is terminated, as is further defined in Paragraph 5 hereof.
- D5. For purposes of this Agreement, the term "**Customer**" means an individual whose potentially Personal Identifiable Information was posted by the Company, the Company's vendor or some third party entrusted with such information by the Company, without the Customer's knowledge, permission or prior consent through the compromise of information, no matter whether that information security was breached by the loss or theft of a piece or pieces of Company Hardware or by the unauthorized intrusion into the network of the Company by a known or unknown third party, or by any other means known or unknown. The Customer must be a resident of the United States of America, including its Commonwealths and Territories.
- D6. For purposes of this Agreement, the term "**Resolution Services**" means those services described in Exhibit A hereto, which is incorporated fully herein.

- D7. For purposes of this Agreement, the term “**Services**” means Resolution Services. **Services are not an insurance product and DO NOT INCLUDE:**
- a. **the recapture of victim expenses or losses resulting from the Activity;**
 - b. **psychological counseling for victims; or**
 - c. **legal advice or other legal services.**
- D8. IDT911 and the Company each may be referred to hereinafter as a “**Party**,” and both may be referred to hereinafter as the “**Parties**.”

A G R E E M E N T

NOW, THEREFORE, in consideration of the mutual terms, provisions, covenants, conditions, understandings, and agreements set forth herein, the receipt and sufficiency of which hereby is acknowledged, the parties hereto agree as follows:

1. **PROVISION OF SERVICES.** During the Term of this Agreement, IDT911 shall provide Services, for the resolution of all types of Activity, to all Customers whom the Company refers to IDT911 in accordance with the provisions of Paragraph 4 of this Agreement. If the Company refers a Customer to IDT911 during the Term of this Agreement, IDT911 shall continue to render Services to that individual despite the expiration of the Term of this Agreement. The Company reserves the right to determine, in its discretion, those types of Activity for which it will refer a Customer to IDT911 during the Term of this Agreement. Under the terms of this agreement Customers will receive the following services:
 - a. IDT911, as a service provider, will provide the following services to each Customer who receives notice from the Company that he/she is a victim of identity theft activity and who is referred to it by the Company (the following Services for each person shall be referred to individually as a “Restoration Case”):
 - i. Unlimited access to a personal advocate who will work with victims on a one-on-one basis;
 - ii. Advocate assisted **Fraud alerts** placed with Transunion;
 - iii. Creation of Fraud Victim affidavit;
 - iv. Preparation of all documents and phone calls needed for credit grantor notification purposes;
 - v. Systematic notification to all relevant government and private agencies;
 - vi. Comprehensive case file creation for insurance and law enforcement;
 - vii. A full year of service, including follow-up calls, periodic general fraud alerts, and status checks; and
 - viii. All Customers that call IDT911 shall receive, at Customer’s election, free Enrollment in one year of single bureau **credit monitoring** including weekly alerts. Credit monitoring includes the provision of a triple bureau **credit report** to Customer. Credit Monitoring service monitors changes in a Customer’s credit file to identify fraudulent activity and measure the progress of resolution. Credit Monitoring and credit report is only available to Customers with Internet access and an existing E-mail account. (IDT911 will make arrangements with any individuals who do not have an E-mail account, to provide the contracted services to the fullest extent possible).

- ix. All Customers that call IDT911 shall receive, at Customer's election, free Enrollment in one year of Fraud/Public Records monitoring including weekly alerts. Fraud/Public Records Monitoring services monitor changes in over 1000 public databases including but not limited to certain courts, motor vehicle departments, postal service, and other repositories of a consumer's personally identifiable information, to identify fraudulent activity. Fraud/Public Records Monitoring is only available to Customers with Internet access and an existing E-mail account. (IDT911 will make arrangements with any individuals who do not have an E-mail account, to provide the contracted services to the fullest extent possible).
 - x. Upon initially contacting IDT911 and following the Customer's enrollment in the credit monitoring service, should the Customer believe that they have become a victim of fraud or identity theft they may contact IDT911 at any time within one (1) year of the execution of this agreement to receive Resolution Services as is described in Exhibit A of the agreement.
- b. IDT911, as a service provider, will provide the following services to the Company at Company's election:
- i. IDT911 will provide a toll free number to be referenced in the Company's breach notification letter. Such number may be used for the referral of Company's Customers to IDT911. Customers may contact IDT911 between the hours of 5am to 8pm, Monday through Friday (Pacific Standard Time), 8am to 11pm (Eastern Standard Time).
 - ii. At the Company's Election, IDT911 may provide guidance to the Company regarding preparation of the Company's Information Security Breach/Database Compromise Notification letter.
2. **SCOPE OF AGREEMENT.** The Company represents to IDT911 that it has approximately 662 Customers affected by the compromise. The Company agrees to pay a set up fee of \$ 0.00 (waived, as provided in quote) . In addition, the Company agrees to pay the price indicated in the chart below for each Customer referred by Company to IDT911 and who contacts IDT911 for assistance, information and/or resolution of identity related issues, as defined in paragraph D1 of this agreement, stemming from the Company's information breach. The indicated fee will cover all Activity and Services provided to such Customer during the term of this Agreement. No fees shall be charged to the individuals receiving Services hereunder. This fee is a one time charge, per person that contacts IDT911 via the toll free number and enrolls for services using the enrollment number provided by IDT911, and assigned by the Company (Company). Charges for services will be per person enrolling with IDT911, regardless of the number of times that individual victim Customer contacts IDT911. The Company further represents and warrants to IDT911 that, if the total number of the Company's Customers affected by the information security breach/database compromise exceeds the amount indicated above, the Company shall immediately advise IDT911. The Company engages IDT911 to provide Services to its Customers, for the twelve month period commencing on the Anniversary Date. Company understands that any Customer that calls and identifies themselves as a victim of the breach and who is verified to be such will receive resolution services.

[PLEASE CHECK THE APPROPRIATE BOX BELOW NEXT TO THE PRODUCT YOU WISH TO OFFER]

Check the Appropriate Box to indicate services	Proactive Monitoring Services	Price Per Person Contacting Identity Theft 911
<input type="checkbox"/>	Identity Theft and Fraud Resolution and Concierge Services Proactive Fraud Alert Triple Bureau report with Single Bureau monitoring bundle	\$40.00
<input type="checkbox"/>	Identity Theft and Fraud Resolution and Concierge Services Proactive Fraud Alert Single Bureau report with Single Bureau monitoring and Public Records monitoring bundle	\$60.00
<input checked="" type="checkbox"/>	Identity Theft and Fraud Resolution and Concierge Services Proactive Fraud Alert Triple Bureau report with Single Bureau monitoring and Public Records monitoring bundle	\$75.00

3. **BILLING AND PAYMENT MATTERS.** The Company will pay IDT911 the fees and charges set forth herein. IDT911 will provide monthly invoices and reports for the services provided to the Company and its Customers for that previous month. IDT911 will submit the invoice for services and reports to the Company by the tenth (10th) day of each month beginning one month after the Anniversary Date or the Service Rollout Date, whichever is later. IDT911 shall forward all such invoices and reports to the address of the Company set forth on page 1 of this Agreement. The Company hereby agrees to pay to IDT911 the full amount due under Paragraph 2 of this agreement. The Company shall identify and describe to IDT911 any and all disputes, in writing, within thirty (30) days of receipt of the invoice. IDT911 agrees to respond to any notice of an invoice dispute within ten (10) business days from the date of receipt of the dispute notice. In the event that the Company fails to pay IDT911 the sum due under an invoice; IDT911 may charge late fees as allowed by law, 1984 PA 279.
4. **SERVICE HANDLING.** The Company shall refer each Customer to IDT911 in the following manner:

 The Company shall provide written notice of the Information security breach/database compromise to those individuals affected. Such written notice will provide the contact information of IDT911 explaining to the Customer the relationship between the Company and IDT911, in addition to the event leading up to the compromise and other relevant information as required by Company's applicable federal and state regulators. Such notice shall also contain at least one but no more than two unique identifiers that do not utilize confidential personally identifiable information. Such identifiers shall be used by IDT911 for verification of eligibility for services by a particular victim and may be used for further tracking and customer service quality survey purposes. All costs associated with that notice will be paid for by the Company, including but not limited to: Postage, costs of materials, printing costs, labor costs, etc.

Once the Customer receives the written notification, if the Customer so chooses, the Customer may contact IDT911 directly via a toll free number and reference the written notification letter received by the Customer and sent by the Company. IDT911 will then provide information and resolution of any level of Activity as described in Paragraph D1 of this agreement. If necessary, Company agrees to provide IDT911 with an encrypted data file to be used by IDT911 to confirm the Customer's eligibility for the resolution services described under this agreement.

5. **TERM AND TERMINATION.**

- a. **Term.** The term of this Agreement will begin on the Anniversary Date immediately following the Effective Date and will continue for twelve (12) months following the Anniversary Date. Thereafter, this Agreement shall automatically terminate.
- b. **Termination by IDT911.** This Agreement may be terminated by IDT911 if the Company fails to timely pay any and all amounts due pursuant to the provisions of Paragraph 3 of this Agreement. In the event of any such termination, the Company shall remain liable to and shall pay IDT911 for any unpaid amounts due to IDT911 if any. IDT911 shall continue to render services for those Customers for whom the Company has already paid, if any.
- c. **Termination by Either Party.** This Agreement may be terminated by either Party (a) immediately, upon notice, in the event of fraud by the other Party on the terminating Party; the bankruptcy, insolvency, or liquidation of the other Party; or gross negligence or willful misconduct by the other Party concerning its obligations under this Agreement; or (b) upon thirty (30) days notice to the other Party in the event of any material breach by the other Party which is not cured within such thirty (30) day period (unless such breach is both material and not susceptible of cure, in which case there shall be no cure period).
- d. **Termination by the Company for Non-Appropriation.**
 - i. IDT911 acknowledges that, if this Agreement extends for several fiscal years, continuation of this Agreement is subject to appropriation or availability of funds for this Agreement. If funds to enable the State to effect continued payment under this Agreement are not appropriated or otherwise made available, the State shall have the right to terminate this Agreement in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to IDT911. The State shall give IDT911 at least 30 days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than 30 days before the funding cutoff).
 - ii. In the event the State terminates this Agreement, or reduces the level of Services to be provided by IDT911 pursuant to this Section, the State shall pay IDT911 for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. This Section will not preclude IDT911 from reducing or stopping Services and/or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed before the effective date of termination.
- e. **Termination by the Company for Criminal Conviction.**

The State may terminate this Agreement immediately and without further liability or penalty in the event IDT911, an officer of IDT911, or an owner of a 25% or greater share of IDT911 is convicted of a criminal offense incident to the application for, or performance of, a State, public or private Agreement or subAgreement; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for Company employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon IDT911's business integrity.

- f. **Termination for Convenience.** The Company may terminate this Agreement for its convenience, in whole or part, if the Company determines that such a termination is in the Company's best interest. Reasons for such termination shall be left to the sole discretion of the Company and may include, but not necessarily be limited to (a) the Company no longer needs the Services or products specified in the Agreement, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services requested by the Company. The Company may terminate this Agreement for its convenience, in whole or in part, by giving Agreementor written notice at least thirty (30) days prior to the date of termination. If the Company chooses to terminate this Agreement in part, the charges payable under this Agreement shall be equitably adjusted to reflect those Services that are terminated. Services and related provisions of this Agreement that are terminated for convenience shall cease on the effective date of the termination.
- g. **Post Termination Obligations.** Upon termination or expiration of this Agreement,
- i. IDT911 shall promptly return to the Company any Company Materials;
 - ii. The Company shall promptly return to IDT911 any IDT911 Materials; and
 - iii. IDT911 shall continue to service the Customers referred to IDT911 as of the effective date of any such termination or expiration (all of whom shall remain Customers of IDT911), and the Company shall continue to perform its obligations with respect to those Customers under this Agreement for so long as IDT911 is obligated to render Services to them.

6. **CUSTOMER INFORMATION.**

- a. **Information Provided by Company.** IDT911 understands that Company may be subject to a number of federal and state laws, including but not limited to Gramm-Leach Bliley Act of 1999, regarding the privacy of Company's Customers and the "personally identifiable information" (as that phrase is understood in the context of consumer financial privacy) of Company's Customers (hereinafter referred to collectively as "Personal Information"). IDT911 agrees to maintain the confidentiality of and safekeep and protect all such Personal Information transmitted to it by the Company in accordance with all relevant state and federal laws, regulations, rules, and guidelines, including, but not limited to, the requirements of Michigan's Identity Theft Protection Act (2004 PA 452, MCL 445.61 *et seq.*), the California Financial Information Privacy Act; the Gramm-Leach-Bliley Act of 1999; the Fair Credit Reporting Act, as amended ("FCRA"); the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"); all applicable regulations promulgated thereunder; and the requirements imposed upon "service providers" (which shall include, without limitation, IDT911's officers, agents, successors, assigns, subcontractors, and subservicers) pursuant to the National Credit Union Administration's Guidelines For Safekeeping of Customer Information (12 CFR Part 748). IDT911, on behalf of itself and its officers, employees, agents, successors, and assigns, understands and agrees to implement, utilize, and maintain best industry practices to secure and protect all such Personal Information transmitted to it by the Company from unauthorized access, destruction, use, modification, or disclosure, and agrees that it will not retain copies of any such information and that it will not disclose or use any such Personal Information transmitted to it by the Company to its commercial advantage or in any other manner except in the performance of this Agreement. In addition, IDT911 agrees that it will structure all practices, procedures, communications, and transactions involving the sharing and/or dissemination of Personal Information transmitted to it by the Company other than Transaction Information and Experience Information (as these terms are defined in FCRA and all regulations and interpretations applicable thereto) between IDT911 and the Company such that the Company will not be considered to be a "Consumer Reporting Agency" for purposes of FCRA. IDT911 shall have an internal

damages and expenses (including reasonable attorneys' fees and expenses) arising from or relating to:

- i. any breach of this Agreement by the Indemnifying Party, and/or
- ii. any bona fide legal claim, defense, demand, offset, counterclaim, right, or cause of action, asserted, instituted or threatened against the Indemnified Party made by any Customer, governmental authority or third party arising out the obligations, operations or activities of the Indemnifying Party in connection with this Agreement,

any of which, as described in clauses (i) and (ii) above, is hereinafter referred to as a "Claim."

- b. **Indemnification Procedures.** The Indemnified Party will notify the Indemnifying Party in a reasonably prompt manner of any Claim for which the Indemnified Party is seeking indemnification pursuant to this Paragraph 9. With respect to Claims described in Paragraph 9(a)(ii), the Indemnifying Party may thereafter assume control of such Claim, provided that the Indemnified Party will have the right to participate in the defense or settlement of such Claim. Neither the Indemnifying Party nor the Indemnified Party may unilaterally settle any such Claim or consent to any judgment with respect thereto. The Indemnified Party will provide the Indemnifying Party with a reasonable amount of assistance in connection with defending or settling any such Claim. Any litigation activity on behalf of the Company of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the Company pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the Company of Michigan.

10. **LIMITATION OF LIABILITY.** The Parties acknowledge that they are aware that there are substantive risks including, but not limited to loss and corruption of data, delays, non-deliveries, misdeliveries and service interruptions associated with reception, transmission, storage, manipulation, and other uses of data over the Internet which are outside the control of either party (hereinafter, collectively, "Data Losses").

- a. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY PUNITIVE, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR INDIRECT DAMAGES, WHETHER OR NOT THE PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE, IN ANY ACTION ARISING FROM OR RELATED TO THIS AGREEMENT OR FROM DATA LOSSES, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), INTENDED CONDUCT OR OTHERWISE, INCLUDING WITHOUT LIMITATION, DAMAGES RELATING TO THE LOSS OF PROFITS (EXCEPT FOR THE COMPANY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT), INCOME, GOODWILL OR REVENUE; AND
- b. FOR PURPOSES OF THIS PARAGRAPH AND THIS AGREEMENT, NO LIMITATIONS OF LIABILITY SHALL APPLY IN SITUATIONS OF GROSS NEGLIGENCE, WILLFUL MISCONDUCT, OR A BREACH OF PARAGRAPH 11 (CONFIDENTIALITY).

11. **CONFIDENTIALITY.**

- a. Except as required by law and otherwise provided in this Agreement or with the consent of the other party hereto or as may be necessitated by the resolution process itself or required under preexisting agreements, the Parties agree that all information concerning IDT911 or the Company, or any of their respective affiliates, and provided by or on behalf of any of them, including without limitation information regarding either Party's marketing, strategies, business operations, and business systems, and information about Company's Customers ("Confidential Information"), shall remain confidential and shall not be utilized or disclosed, directly or indirectly, by the Party receiving such information

for its own business purposes or for any other purpose, except and solely to the extent that any such information (a) is already known by, or in the possession of the non-disclosing Party, (b) is thereafter rightly obtained by the non-disclosing Party from a source other than the disclosing Party that is rightfully in possession of such information and that has not imposed an obligation of confidentiality upon the recipient Party, (c) is independently developed by a Party without reference to the Confidential Information of the other Party, or (d) is or becomes publicly known through no wrongful act of the non-disclosing Party.

- b. Notwithstanding the foregoing, the Company agrees that, except as required by law, IDT911 materials and the substance and terms of this Agreement and the relationship between the Parties (including pricing, scope, and methodology), shall remain confidential and shall not be utilized or disclosed, directly or indirectly, by the Party receiving such information for its own business purposes or for any other purpose; **except** that the Company and IDT911, subject to the terms and restrictions of paragraph 14 of this agreement, may agree to publicize the fact of the relationships created by this Agreement in a joint press release (the provisions of which shall be mutually agreed to) and in their respective marketing and promotional materials.
- c. Notwithstanding the foregoing, each Party is hereby authorized to disclose any such information to the extent that it is required to be disclosed as a matter of law (see Michigan Freedom of Information Act, 1976 PA 442), provided that, to the extent permitted by law, the disclosing Party uses all reasonable efforts to provide the non-disclosing Party with written notice of any such required disclosure.
- d. The terms of this paragraph titled "Confidentiality" and all of its subparts shall apply equally, where indicated, to the Company and IDT911. Further, this paragraph and all of its subparts shall apply to any and all employees, agents, parent or sister companies, subsidiaries, or any other companies, owning or owned by either the Company or IDT911.

12. **DISCLAIMERS OF WARRANTIES.**

- a. EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND EXCEPT FOR ANY ORIGINAL MANUFACTURER'S WARRANTY APPLICABLE TO ANY OF THE PRODUCTS, THE PARTIES HEREBY EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES WITH RESPECT TO THIS AGREEMENT, THE SERVICES AND THE COMPONENTS THEREOF, AND THE PRODUCTS SOLD AS CONTEMPLATED BY THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE.
- b. USE OF THE SERVICES BY A CUSTOMER IS AT THE USER'S SOLE RISK. THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. IDT911 EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE.
- c. IDT911 MAKES NO WARRANTY THAT (i) PAST IDENTITY FRAUD WILL BE RESOLVED, IN WHOLE OR IN PART, (ii) FUTURE IDENTITY FRAUD WILL BE PREVENTED, (iii) THE SERVICES WILL MEET REQUIREMENTS OF THE CUSTOMER, OR (iv) THE QUALITY OF ANY PRODUCTS, SERVICES, INFORMATION, OR OTHER MATERIAL PURCHASED OR OBTAINED BY A CUSTOMER THROUGH THE SERVICES OR VIA IDT911 WILL MEET THE EXPECTATIONS OF THE CUSTOMER.

13. **RELATIONSHIP OF THE PARTIES.** The Parties are entering the Agreement as independent contractors, and this Agreement will not be construed to create a partnership, joint venture or employment relationship between them. Neither Party will represent itself to be an employee or agent of the other or enter into any agreement on the other's behalf or in the other's name.

14. **PUBLICITY.** Neither Party will make any public announcement of this Agreement or the relationship contemplated hereunder, including but not limited to, any press release, client list, advertisement or any promotional material, without the prior written approval of the other Party.

15. MISCELLANEOUS.

- a. **Deferment of Company's costs for IDT911 Services.** If Company chooses to pass on the cost of IDT911 services to its Customers, Company will do so based on Company's own discretion and upon proper consultation with Company's own management and/or legal counsel. If Company chooses to pass on the cost of IDT911 services to its own Customers, Company agrees to do so pursuant to any and all applicable state and federal laws. IDT911 is not responsible for determining the manner in which Company is to defer these costs and makes no warranties as to the legal manner in which to do so.
- b. **No Assignment/Inurement.** Neither Party will assign this Agreement, in whole or in part, without the prior written consent of the non-assigning Party. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.
- c. **Waiver.** No Party shall be deemed to have waived any of its rights, powers or remedies hereunder unless such waiver is embodied in a writing executed by such Party. The waiver by either Party of any breach or default by the other Party in the performance of any obligation hereunder shall not constitute a waiver of any subsequent breach or default.
- d. **Modifications and Amendments.** This Agreement may only be amended or modified by a written instrument signed by authorized officers of the Company and IDT911.
- e. **Governing Law.** This Agreement shall be interpreted, construed, governed and enforced under and pursuant to the laws of the Company, which shall apply in all respects, including statutes of limitation, except that no choice of law doctrine shall be used to apply the laws of any other jurisdiction.
- f. **Dispute Resolution/Choice of Forum.** For the purpose of resolving any dispute with respect to this Agreement, each Party agrees to non-exclusive personal jurisdiction and venue in any court of competent jurisdiction within the City of Lansing and County of Ingham, Michigan. **With respect to any litigation arising out of this Agreement, each Party expressly waives any right it may have to a jury trial and agrees that any such litigation shall be tried by a judge without a jury.** If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree first to try in good faith to settle the dispute through a mutually agreeable dispute resolution procedure, before resorting to litigation. If any litigation shall be commenced to enforce, or relating to, any provision of this Agreement, the prevailing Party shall be entitled to an award of reasonable attorneys' fees and reimbursement of all such other costs and disbursements as it reasonably incurs in prosecuting or defending such litigation. For purposes of this subparagraph, "prevailing party" shall include a Party awarded permanent injunctive relief and a Party prevailing upon appeal.
- g. **Notices.** Any notice given to a party under the Agreement shall be deemed effective, if addressed to such party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

Either party may change its address where notices are to be sent by giving notice in accordance with this Section.

Binding Commitments

Representatives of IDT911 shall have the authority to make binding commitments on IDT911's behalf within the bounds set forth below. IDT911 may change such representatives from time to time upon written notice.

If to IDT911:

Identity Theft 911, LLC
ATTN: Steven C. Christenson
President
4150 North Drinkwater Boulevard, Suite 210
Scottsdale, Arizona 85251-3611

with a copy to:

Identity Theft 911, LLC
ATTN: Eduard F. Goodman
General Counsel & CPO
4150 North Drinkwater Boulevard, Suite 210
Scottsdale, Arizona 85251-3611

If to the Company:

Company
Purchasing Operations
Attention: Christine Mitchell, CPPB
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

- h. **Severability.** If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, that provision shall be enforced to the greatest extent permissible so as to effect the intent of the Parties hereto, and the legality, validity and enforceability of the remaining provisions shall in no manner be affected or impaired thereby. If necessary to effect the intent of the Parties, the Parties will negotiate in good faith to replace the illegal, invalid or unenforceable provision with legal, valid and enforceable language which as closely as possible reflects such intent.
- i. **Force Majeure.** A Party shall be excused from performance hereunder to the extent that such performance is prevented, delayed or obstructed by an event beyond its reasonable control (an "Event of Force Majeure"), including, without limitation, acts of God, fire, explosion, strikes, accident, floods, embargoes, epidemics, war, nuclear disaster, riot, change in applicable law, or acts of a competent authority, disruption of telecommunications, power or other essential services, or interruption or termination of service by the Internet access provider being used by such Party for reasons outside of its control including the actions of "hackers" or terrorists and infections by viruses or worms or "Trojan horses." In the event of the occurrence of an Event of Force Majeure, the affected Party shall promptly advise the other Party in writing, to the extent and in the manner reasonable under the circumstances of the Event of Force Majeure, if its performance is affected by an Event of Force Majeure, the expected duration of such effect and of any developments (or changes therein) that appear likely to affect the ability of that Party to perform any of its obligations hereunder in whole or in part. During the period that a Party's performance is affected by an Event of Force Majeure, that Party shall use commercially reasonable efforts to meet its obligations as set forth in this Agreement.
- j. **Entire Agreement.** This Agreement sets forth the entire agreement and understanding among the Parties as to the subject matter hereof, and merges and supersedes all prior discussions, agreements, and understandings among them involving the subject matter hereof, except for the provisions of any Confidentiality and Non-disclosure Agreement between the Parties which is neither merged into nor superseded by this Agreement. This Agreement shall be effective only when signed by all the Parties.
- k. **Survival.** The provisions of this Agreement entitled *Billing and Payment Matters, Termination by IDT911, Post-Termination Obligations, Order Processing, Revenue*

Sharing, Customer Information, Ownership Rights, Representations and Warranties, Indemnification, Confidentiality, Disclaimers of Warranties, and Miscellaneous shall survive any termination or expiration of this Agreement.

- l. **Headings.** Except as provided in the immediately preceding subparagraph, headings used in this Agreement are for reference only and in no way define, limit, construe or describe the scope or extent of any Paragraph or in any way affect this Agreement. This Agreement will be construed in accordance with its fair meaning, and no inference will be drawn against the drafting Party in interpreting this Agreement.
- m. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.
- n. **Affected Clients of Company.** IDT911 agrees to hold information obtained from the Customer or the Company in the strictest confidence.
- o. **Nondiscrimination.** In the performance of the Agreement, IDT911 agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. IDT911 further agrees that every subAgreement entered into for the performance of this Agreement or any purchase order resulting from this Agreement will contain a provision requiring non-discrimination in employment, as specified here, binding upon each SubIDT911. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Agreement.
- p. **Unfair Labor Practices.** Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the Company shall not award a Agreement or subAgreement to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A IDT911 of the Company, in relation to the Agreement, shall not enter into a Agreement with a SubIDT911, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the Company may void any Agreement if, subsequent to award of the Agreement, the name of IDT911 as an employer or the name of the SubIDT911, manufacturer or supplier of IDT911 appears in the register.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement on the last date indicated below.

DATED: _____, ____, 2008__.

DATED: _____, ____, 200__.

Company, DMB Purchasing Operations_

IDENTITY THEFT 911, LLC

By: _____
Christine L. Mitchell,
its Buyer Specialist

By: _____
Steven C. Christenson,
its President

EXHIBIT A

Resolution Services

Subject to the restrictions set forth in the Notes below, as the minimum of services to be provided, IDT911 will provide at least the Resolution Services shown, as indicated by the bullet in the relevant Activity column, for each Activity type.

COMPONENT OF RESOLUTION SERVICE	IDENTITY THEFT	ACCOUNT TAKEOVER	PROACTIVE INQUIRIES
Personal advocate assigned to victim works one-on-one, from first call to crisis resolution	x	x	x
At the Customer's election, advocate-assisted notification to place fraud alerts with TransUnion, which are then passed to Experian and Equifax. Facilitation paid by IDT911.	x	x	x
Unlimited access to the Crisis Resolution Center's toll free telephone number, with 95% of voicemail messages to be replied to by the Customer's advocate within two business hours.	x	x	x
Assistance in filing a police report and scheduling an interview with police.	x	x	
Creation of the Fraud Victim Affidavit .	x	x	
Preparation of all documents and phone calls needed for credit grantor notification .	x	x	
Assistance with notification to applicable government agencies , associations, etc.	x	x	
At the Customer's election, enrollment in one year of credit monitoring with weekly alerts. Includes 3-in-1 credit report. Monitors changes in victim's credit file to identify fraudulent activity and measure the progress of resolution. Credit products paid by IDT911.	x	x	
At the Customer's election, enrollment in one year of fraud monitoring . Electronic notification to victim of changes in personal identifiers such as Social Security number, DMV, address, etc., in more than 400 monitored databases. Identifies additional frauds and measures the progress of resolution. Monitoring paid by IDT911.	x		
Provision of guidelines and suggestions for victims of stolen wallet and purse theft			x
Comprehensive case file creation available for Customer presentation to Company for insurance claims and to law enforcement.	x	x	
Full year of active follow-up , commencing on the date the case is determined to be closed, to judge the effectiveness of victim resolution.	x	x	

NOTES: Credit monitoring and fraud monitoring are available only to Customers with online access to the Internet and valid e-mail addresses. Availability of monitoring alerts, fraud alerts, and educational materials may require adjustment of the addressee's spam filter(s) to permit receipt of the communications. Services are not an insurance product and do not include (a) the recapture of victim expenses or losses resulting from the Activity, (b) psychological counseling for victims, or (c) legal advice or other legal services.