



A Service of Equifax



**State of West Virginia Department of Health &
Human Resources' Request for Quote (RFQ)
Number BCF13026 for a Web-Based Employment &
Income Verification System**

TECHNICAL PROPOSAL

Due July 12th, 2012 at 1:30 PM EST

Presented by:

Chris Rodriguez
Regional Sales Manager
11432 Lackland Road
St, Louis, MO 63146
Office: (314) 214-7339
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WV PURCHASING
DIVISION

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**Appendix C- Pricing Proposal is located in a separate, sealed envelope.*

July, 10th 2012

Roberta Wagner
Department of Administration, Purchasing Division
2019 Washington St. East
Charleston, WV 25305-0130

Dear Ms. Wagner,

Thank you for the opportunity to respond to the State of West Virginia, Department of Health and Human Resource's RFQ for a Web-Based Employment and Income Verification System. As highlighted in your RFQ, the State of West Virginia DHHR is interested in utilizing real-time employment and income data to improve customer service and eligibility staff efficiency.

The Work Number is the largest proprietary source of authentic, up-to-date employment and income data. The Work Number provides instant access to over 200 million employment records from more than 2,000 employers nationwide.

Of the more than 200 million records available on The Work Number, 50 million are "active" or current employment. The remaining 150 million records on The Work Number correspond to former employment.

The Work Number Employment and Income reports are made available to federal, state, and local agencies for the purpose of employment and income verification, and for locating place of employment. There is no other service that provides agencies with the ability to instantly search and review as many payroll records at one time as they can with The Work Number.

We provide many state clients employment and income data, including Virginia, Ohio, Missouri, Texas, New York, Pennsylvania and Maryland to name a few.

Please do not hesitate to contact us to discuss further how we can assist the West Virginia Department of Health and Human Resources in its efforts. We look forward to meeting with you and your evaluation team.

Very truly yours,



Chris Rodriguez
Regional Sales Manager



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston WV 25305-0130

Solicitation

NUMBER
BCF13026

ADDRESS CORRESPONDENCE TO ATTENTION 0

RFQ COPY
 TYPE NAME/ADDRESS HERE

TALX, Provider of Equifax Workforce Solutions
 11432 Lackland Rd.
 St. Louis, MO 63146

SHIP TO

HEALTH AND HUMAN RESOURCES
 BCF - COMMISSIONER'S OFFICE
 350 CAPITOL STREET, ROOM 730
 CHARLESTON, WV
 25301-3711 304-558-4682

DATE PRINTED
06/15/2012

BID OPENING DATE: 07/12/2012 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	6,000	JB		920-20		
WEB-BASED EMPLOYMENT AND INCOME VERIFICATION SYSTEM REQUEST FOR QUOTATION FOR AN OPEN END CONTRACT: TO PROVIDE A QUALIFIED VENDOR TO PROVIDE A WEB-BASED EMPLOYMENT AND INCOME VERIFICATION SYSTEM FOR ALL DEPARTMENT OF HEALTH AND HUMAN RESOURCES DIVISIONS, PROGRAMS, AND COUNTY OFFICES, PER THE ATTACHED SPECIFICATIONS.						
***** THIS IS THE END OF RFQ BCF13026 ***** TOTAL:						

SIGNATURE <i>J. Danna Adams</i>	TELEPHONE (314) 314-7405	DATE 7/10/12
TITLE President	FERN 64-0958101	ADDRESS CHANGES TO BE NOTED ABOVE

TALX RESPONSE TO ADMINISTRATIVE AND CONTRACTUAL TERMS

1.0 RESPONSIBILITIES OF THE SUCCESSFUL VENDOR

Vendor must provide real-time, web-based access to payroll information for 30% of the national workforce and cover at least 2000 employers. The vendor must verify employment individually and provide verification on-line instantly. Website search must be with client Social Security number. Employment information and payroll information must be provided directly from the employer to the vendor. By signing bid the vendor agree to all the mandatory specifications.

Required Employment and Income Verification Documentation:

- Must include employer's name and address.

Equifax/ TALX can comply with this requirement.

- Must include employment status, most recent start date, hires date and total time with employer.

Equifax/ TALX can comply with this requirement.

- Must include pay rate (hourly rate or salary), frequency of pay, total gross earnings, historical pay period.

Equifax/ TALX can comply with this requirement.

- Must include summary of three (3) years or from date of employment if less than three years.

Equifax/ TALX can comply with this requirement.

- Must include termination date if no longer employed.

Equifax/ TALX can comply with this requirement.

2.0 MANDATORY REQUIREMENTS

- Must provide monthly statistics on number of users based on program designation provided by DHHR.

Equifax/ TALX can comply with this requirement.

- Must provide monthly statistics on number of inquiries by data file and

location.

Equifax/ TALX can comply with this requirement.

- Must provide monthly statistics on the number of hits which yield employment information.

Equifax/ TALX can comply with this requirement.

- Must provide detailed information upon request, on inquiries made by individual users for a specific timeframe, for use by DHHR to monitor proper access to system.

Equifax/ TALX can comply with this requirement.

- Must provide user name and password for all system users at project onset.

Equifax/ TALX can comply with this requirement.

- Must provide user name and password for all new system users upon notification from DHHR.

Equifax/ TALX can comply with this requirement.

- Must provide new users with system access within 5 days of enrollment.

Equifax/ TALX can comply with this requirement.

- Must delete users from system upon notification from DHHR that the user is no longer employed with the program area for which access is allowed.

Equifax/ TALX can comply with this requirement.

- Must provide customer support and/or helpdesk for DHHR staff to register new employees, answer questions, troubleshoot problems, and time for problem resolution must be within two days.

Equifax/ TALX can comply with this requirement.

- Must provide online training for all users including answers to frequently asked questions.

Equifax/ TALX can comply with this requirement.

- Must provide online training for any system changes, modifications or enhancements to the web-based service

Equifax/ TALX can comply with this requirement.

- Must provide callback from the Help Desk within 24 to 48 hours.

Equifax/ TALX can comply with this requirement.

- Online training for new users must be available for new users at all times. Average time needed for training is not to exceed 2 hours. State must be notified prior to changes/modifications and online training must be available 1 week prior to change.

Equifax/ TALX can comply with this requirement.

3.0 SECURITY

- The system must retain an access log of when a user logs on, logs out, or his/her session times out. This text log will contain the user's ID, date, time of logon/logout/timeout, and activity type (log in, log out, time out).

Equifax/ TALX can comply with this requirement.

- The system must enforce strong password functionality that can be configured by the system administrator. These capabilities include the length of passwords, types of characters required (numbers, symbols, uppercase letters, lowercase letters), the password change interval in days, and the user password expiration notification in days.

Equifax/ TALX can comply with this requirement.

- The system must monitor and report any unauthorized access attempts to the system administrator. Minimally include: 'Inactive', 'Active', 'Blocked', and 'Never signed in'. System must provide an audit log of access changes.

Equifax/ TALX can comply with this requirement.

- The system must alert users to an expiring password based on the user password expiration notification set by the administrator and prompt the user to change their password in advance of expiration.

We do not support this. We can configure a forced PIN change every X number of days, but users are never given a screen or notification that

their password will expire in so many days with an option to change it. Users are notified upon password expiration, and it is simply a forced change.

- The system must allow users to change their own password after successfully logging into the application and enforce strong password functionality.

Equifax/ TALX can comply with this requirement.

- The system must allow the system administrator to restrict user account access. System must provide an audit log of access changes.

Equifax/TALX can comply with the first requirement, as we do allow the system administrator to restrict account access. However, we do not comply with the second requirement. The logs do record this activity, but the system does not track who modified the account last. After a certain amount of time, the logs are archived and this information becomes difficult to access.

- The system must have the ability to provide for various levels of security and those security levels can be managed by BCF administrators.

Equifax/ TALX can comply with this requirement.

- The system must store all passwords in an industry standard encrypted format.

The user's PIN (password) which is used for application authentication purposes, is stored in the Single Sign-on Server database and is hashed using an SHA-512 one-way hash computed with a user-specific SALT value, which is a random string of data used to create a password hash.

- There must not be any Structured Query Language (SQL), either static or dynamic, executed on any web page. All queries, inserts and updates should be handled by passing parameters to stored procedures.

Equifax/ TALX can comply with this requirement.

- Vendor must provide an intrusion prevention solution which has signatures developed to look for exploit patterns. System must prevent an exploit from occurring and generate alerts to a security monitoring center which is manned 24 hours a day, 7 days a week, 365 days a year.

Equifax/ TALX can comply with this requirement.

- Vendor must provide Transport Layer Security 1.1 (Secure Socket Layer 3.2).

Our current standard is SSLv3 /TLS1.0. We do not support SSLv3.2 /TLS 1.1 connections at this time.

- Vendor must provide an automatic lock of a user account in the event that 90 days lapse without the user logging into the system.

We do not have the ability to automatically lock a user account as the result of 90 days of inactivity. To address this issue internally, we manually lock TALX employee accounts during our quarterly entitlement review process. We encourage the State of West Virginia DHHR employees, who have been assigned the "web manager" role to perform account administration to perform a similar review of accounts every quarter and disable accounts for its employees.

- The vendor must supply a monthly list of any user that has not logged on in the previous 30 days.

Equifax/ TALX can comply with this requirement.

- State Web Administrators and backups must be able to block users immediately upon notice of termination at any time. Normal deletion will occur within 24 to 48 hours.

Equifax/ TALX can comply with this requirement.

- After 3 failed attempts to log on, a system user must be locked out. Vendor must provide monthly report on log on lock outs.

Equifax/ TALX can comply with this requirement.

- Web Managers and backups must be able to reset passwords at any time. (We will have web managers and backups in each local office).

Equifax/ TALX can comply with this requirement.

- Vendor must store passwords according to Federal Information Processing Standards.

The user's PIN (password) which is used for application authentication purposes is stored in the Single Sign-on Server database and is hashed using an SHA-512 one-way hash computed with a user-specific SALT value, which is a random string of data used to create a password hash.

- The report will go to Regional Program Managers and Corrective Action

Coordinator in the Division of Planning and Quality Improvement (DPQI). Report must be provided at the first of every month.

Equifax/ TALX can comply with this requirement.

4.0 RESPONSIBILITIES OF THE BUREAU FOR CHILDREN AND FAMILIES

- DHHR employees will obtain permission to verify employment status either through a blanket statement on the application, or specific form designed for this purpose.

Equifax/ TALX can comply with this requirement.

- Participating program (if the particular program is required by law or regulations to obtain such permission).

Equifax/ TALX can comply with this requirement.

- DHHR employees will protect the confidentiality of information obtained through this service in compliance with program confidentiality requirements.

Equifax/ TALX can comply with this requirement.

- DHHR employees will obtain SSN for inquiry purposes.

Equifax/ TALX can comply with this requirement.

- DHHR will review and monitor activity and status reports, including quality, errors in information obtained, resolution of error information, and confidentiality.

Equifax/ TALX can comply with this requirement.

EQUIFAX/ TALX NOTE: Please refer to Appendix A- Equifax/ TALX Legal Review of Terms and Conditions, which overviews the additional Legal responsibilities required under this section from the UMA.

EQUIFAX/ TALX RESPONSE TO GENERAL TERMS AND CONDITIONS

Please refer to Appendix A- Equifax/ TALX Legal Review of Terms & Conditions to view a complete list of our proposed changes to the State of West Virginia DHHR Terms and Conditions.

CERTIFICATION AND SIGNATURE PAGE

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

Equifax, Inc. (parent company of TALX Corporation)
(Company)

J. Dann Adams
(Signature)

J. Dann Adams, President of TALX Corporation (Authorized Agent)
(Representative Name, Title)

(314) 214-7405
(Contact Phone/ Fax Number)

July 10th, 2012
(Date)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: BCF13026

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing (his addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor' s representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Equifax, Inc. (Parent company of TALX Corporation)
Company


Authorized Signature

July 10th, 2012

Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

West Virginia Code 5A-3-10a states: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

Under penalty of law for false swearing (West Virginia Code 561-.5-3), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: Equifax Inc. (parent company of TALX Corporation)

Authorized Signature: *J. Dawn Adams* Date: July 10th, 2012

State of MISSOURI

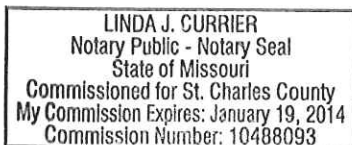
County of ST. CHARLES, to-wit:

Taken, subscribed, and sworn to before me this 10 day of JULY, 2012.

My Commission expires 1-19, 2014.

AFFIX SEAL HERE

NOTARY PUBLIC: *Linda J. Currier*



VENDOR PREFERENCE CERTIFICATE

This form is not applicable to Equifax/ TALX.



A Service of Equifax

**Equifax/ TALX Legal Review of the State of West
Virginia Department of Health and Human
Resources Proposed Terms and Conditions**

The Equifax/ TALX proposal is expressly conditioned upon the parties reaching mutual agreement on all contract terms and conditions, and we look forward to negotiating in good faith with the State of West Virginia Department of Health and Human Resources' (DHHR) terms and conditions that fairly allocate both total costs of ownership and risk that meet the needs of and are acceptable to both parties. Due to the nature of the Services (the State of West Virginia DHHR is allowed access to Equifax/ TALX sensitive employer, employment, and income data), we cannot agree to the required contract provisions without some modification, and therefore we cannot agree to waive our right to contest.

1. SECTION 4.0 RESPONSIBILITIES OF THE BUREAU FOR CHILDREN AND FAMILIES. In order to allow access to our data, Equifax/ TALX has mandated requirements of all users. Please add the following in its entirety:

"1. AGENCY OBLIGATIONS.

- a. Agency certifies that it will order Data from the Service only when Agency intends to use the Data (i) in accordance with the Fair Credit Reporting Act ("FCRA") and all state law FCRA counterparts as though the Data is a consumer report, and (ii) for one of the following FCRA permissible purposes: (1) in connection with a credit transaction involving the Consumer on whom the Data is to be furnished and involving the extension of credit to, or review or collection of an account of, the consumer, (2) 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, or (3) when Agency otherwise has a legitimate business need for the information either in connection with a business transaction that is initiated by the Consumer, or to review an account to determine whether the Consumer continues to meet the terms of the account; and for no other purpose.

Agency agrees to only use the Data consistent with the obligations of users of consumer reports as provided for in the Federal Trade Commission (the "FTC")'s Notice Form attached as Exhibit 1.

- b. Agency certifies that it will comply with applicable provisions under Vermont law. In particular, Agency certifies that it will order Data relating to Vermont residents only after Agency has received prior Consumer consent in accordance with VFCRA Section 2480e and applicable Vermont Rules. Agency further certifies that the attached copy of VFCRA Section 2480e applicable Vermont Rules as referenced in Exhibit 2 was received from TALX.
- c. Agency may use the Data provided through the Service only as described in this Agreement. Agency may reproduce or store the Data obtained from the Service solely for its own use in accordance with this Agreement, and will hold all Data obtained from the Service under this Agreement in strict confidence and will not reproduce, reveal, or make it accessible in whole or in part, in any manner whatsoever, to any others unless required by law, or unless Agency first obtains TALX's written consent; provided, however, that Agency may discuss Consumer Data with the Data subject when Agency has taken adverse action against the subject based on the Data. Agency will not provide a copy of the Data to the Consumer, except as may be required or permitted by law or approved in writing by TALX, except in any state where this contractual prohibition would be invalid. Agency will refer the Consumer to TALX whenever the Consumer disputes the Data disclosed by Agency. Agency will not interpret the failure of TALX to return Data as a statement regarding that consumer's credit worthiness, because the failure may result from one or more factors unrelated to credit worthiness.
- d. Agency may access, use and store the Data only at or from locations within the territorial boundaries of the United States, Canada, and the United States territories of Puerto Rico, Guam and the Virgin Islands (the "Permitted Territory"). Agency may not access, use or store the Data or TALX Confidential Information at or from, or send the Data or Confidential Information to, any location outside of the Permitted Territory without Agency first obtaining TALX' written permission.

- e. Agency represents and warrants it (i) is administering a government funded benefit or program, (ii) has been given the legal authority to view the Data by the Consumer or by operation of law, and iii) is requesting the Data in compliance with all laws.
- f. Agency acknowledges it shall employ decision making processes appropriate to the nature of the transaction in accordance with commercially reasonable standards and will utilize the Data as part of its process.
- h. Agency represents and warrants it has written authorization from the Consumer to verify income. Agency need not use any particular form of authorization or obtain a separate signature for verifying income provided that the form constitutes Consumer authorization. Notwithstanding the foregoing, in the event Agency is using the Service to collect on defaulted child support obligations, Agency is not required to obtain such authorization.
- i. Agency may not allow a third party service provider (hereafter "Service Provider") to access, use, or store the Service or Data on its behalf without first obtaining TALX's written permission and without the Service Provider first entering into a Client Service Provider Information Use and Nondisclosure Agreement with TALX.
- j. In order to ensure compliance with this Agreement, applicable law and TALX policies, TALX may conduct reviews of Agency activities, including requesting copies of the Consumer's authorization to verify income with respect to requests for Data, and use of Data. Agency shall provide documentation to TALX as reasonably requested by TALX and shall allow access to its premises for purposes of such review by TALX. Agency shall cooperate fully with any and all investigations by TALX of allegations of abuse or misuse of the Services. Agency shall include the name and email address of the appropriate point of contact to whom such request should be made in the space provided below. Agency may change its contact information upon written notice:

Audit Contact Name	Audit Contact E-mail Address

- k. Additional representations and warranties as may be set forth in each Schedule A.

2. AGENCY USE OF SERVICE.

Data on the Service may be accessed by Agency to verify Consumer's employment status ("Employment Verification") or income ("Income Verification") for the purposes of determining eligibility for receipt of public aid or assistance, prevention or identification of fraud, overpayments associated with the receipt of public aid or assistance, or collecting on defaulted child support obligations that are in effect and valid.

3. DATA SECURITY.

This Section applies to any means through which Agency orders or accesses the Service including, without limitation, system-to-system, personal computer or the Internet. For the purposes of this Section, the term "Authorized User" means a Agency employee that Agency has authorized to order or access the Service and who is trained on Agency's obligations under this Agreement with respect to the ordering and use of the Service, and the Data provided through same, including Agency's FCRA and other obligations with respect to the access and use of Data.

- a. Agency will, with respect to handling any Data provided through the Service:
 - 1. Ensure that only Authorized Users can order or have access to the Service,
 - 2. Ensure that Authorized Users do not order Data for personal reasons or provide Data to any third party except as permitted by this Agreement,
 - 3. Inform Authorized Users that unauthorized access to Data may subject them to civil and criminal liability under the FCRA punishable by fines and imprisonment,
 - 4. Ensure that all devices used by Agency to order or access the Service are placed in a secure location and are accessible only by Authorized Users, and that such

- devices are secured when not in use through such means as screen locks, shutting power controls off, or other commercially reasonable security procedures,
5. Take all necessary measures to prevent unauthorized ordering of or access to the Service by any person other than an Authorized User for permissible purposes, including, without limitation, (i) limiting the knowledge of the Agency security codes, user names, User IDs, and any passwords Agency may use, to those individuals with a need to know. In addition, the User IDs must be unique to each person, and the sharing of User IDs or passwords is prohibited.
 6. Change Agency's user passwords at least every ninety (90) days, or sooner if an Authorized User is no longer responsible for accessing the Service, or if Agency suspects an unauthorized person has learned the password. Additionally, perform at least quarterly entitlement reviews to recertify and validate Authorized User's access privileges,
 7. Adhere to all security features in the software and hardware Agency uses to order or access the Services, including the use of IP restriction,
 8. Implement secure authentication practices when providing User ID and passwords to Authorized Users, including but not limited to using individually assigned email addresses and not shared email accounts,
 9. In no event access the Services via any unsecured wireless hand-held communication device, including but not limited to, web enabled cell phones, interactive wireless pagers, personal digital assistants (PDAs), mobile data terminals and portable data terminals
 10. Not use non-company owned assets such as personal computer hard drives or portable and/or removable data storage equipment or media (including but not limited to laptops, zip drives, tapes, disks, CDs, and DVDs) to store the Data. In addition, Data must be encrypted when not in use and all printed Data must be stored in a secure, locked container when not in use, and must be completely destroyed when no longer needed by cross-cut shredding machines (or other equally effective destruction method) such that the results are not readable or useable for any purpose. In either case, commercially reasonable practices for the type of Data received from TALX must be employed,
 11. If Agency sends, transfers or ships any Data, encrypt the Data using the following minimum standards, which standards may be modified from time to time by TALX: Advanced Encryption Standard (AES), minimum 128-bit key or Triple Data Encryption Standard (3DES), minimum 168-bit key, encrypted algorithms,
 12. Not ship hardware or software between Agency's locations or to third parties without deleting all TALX Agency number(s), security codes, User IDs, passwords, Agency user passwords, and any consumer information, or Data,
 13. Monitor compliance with the obligations of this Section, and immediately notify TALX if Agency suspects or knows of any unauthorized access or attempt to access the Service, including, without limitation, a review of TALX invoices for the purpose of detecting any unauthorized activity,
 14. If, subject to the terms of this Agreement, Agency uses a Service Provider to establish access to the Service, be responsible for the Service Provider's use of Agency's user names, security access codes, or passwords, and Agency will ensure the Service Provider safeguards Agency's security access code(s), User IDs, and passwords through the use of security requirements that are no less stringent than those applicable to Agency under this Section,
 15. Use commercially reasonable efforts to assure data security when disposing of any Data obtained from TALX. Such efforts must include the use of those procedures issued by the federal regulatory agency charged with oversight of Agency's activities (e.g. the Federal Trade Commission, the applicable banking or credit union regulator) applicable to the disposal of consumer report information or records,

16. Use commercially reasonable efforts to secure Data when stored on servers, subject to the following requirements: (i) servers storing Data must be separated from the Internet or other public networks by firewalls which are managed and configured to meet industry accepted best practices, (ii) protect Data through multiple layers of network security, including but not limited to, industry-recognized firewalls, routers, and intrusion detection/prevention devices (IDS/IPS), (iii) secure access (both physical and network) to systems storing Data, which must include authentication and passwords that are changed at least every ninety (90) days; and (iv) all servers must be kept current and patched on a timely basis with appropriate security-specific system patches, as they are available,
 17. Not allow Data to be displayed via the Internet unless utilizing, at a minimum, a three-tier architecture configured in accordance with industry best practices,
 18. Use commercially reasonable efforts to establish procedures and logging mechanisms for systems and networks that will allow tracking and analysis in the event there is a compromise, and maintain an audit trail history for at least three (3) months for review,
 19. Provide immediate notification to TALX of any change in address or office location and are subject to an onsite visit of the new location by TALX or its designated representative, and
 20. In the event Agency has a security incident involving TALX Confidential Information, Agency will fully cooperate with TALX in a security assessment process and promptly remediate any finding.
- b. If TALX reasonably believes that Agency has violated this Section, TALX may, in addition to any other remedy authorized by this Agreement, with reasonable advance written notice to Agency and at TALX's sole expense, conduct, or have a third party conduct on its behalf, an audit of Agency's network security systems, facilities, practices and procedures to the extent TALX reasonably deems necessary, including an on-site inspection, to evaluate Agency's compliance with the data security requirements of this Section.

The Work Number[®] Social Services

Exhibit 1

All users ("user" or "Consumer") subject to the Federal Trade Commission's jurisdiction must comply with all applicable regulations, including regulations promulgated after this notice was prescribed in 2004. Information about applicable regulations currently in effect can be found at the Commission's Web site, www.ftc.gov/credit. Persons not subject to the Commission's jurisdiction should consult with their regulators to find any relevant regulations.

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 Federal Trade Commission's Website at www.ftc.gov/credit. 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 the Commission's Web site. **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 identity 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, which will be issued by the Federal Trade Commission and the banking and credit union regulators. The Federal Trade Commission's regulations will be available at www.ftc.gov/credit.

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. The Federal Trade Commission, the Securities and Exchange Commission, and the banking and credit union regulators have

issued regulations covering disposal. The Federal Trade Commission's regulations may be found at www.ftc.gov/credit.

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 to be jointly prescribed by the Federal Trade Commission and the Federal Reserve Board. 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 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 regulations issued by the banking and credit union regulators) – 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 as 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(l), 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 to 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, once the Federal Trade Commission by rule has established the format, type size, and manner of the disclosure required by Section 615(d), users must be in compliance with the rule. The FTC's regulations will be at www.ftc.gov/credit.

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 identity 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 FTC's Web site, www.ftc.gov/credit, 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. § 1681 et seq.:

Section 602 15 U.S.C. 1681
 Section 603 15 U.S.C. 1681a
 Section 604 15 U.S.C. 1681b
 Section 605 15 U.S.C. 1681c
 Section 605A 15 U.S.C. 1681cA
 Section 605B 15 U.S.C. 1681cB

Section 606 15 U.S.C. 1681d
Section 607 15 U.S.C. 1681e
Section 608 15 U.S.C. 1681f
Section 609 15 U.S.C. 1681g
Section 610 15 U.S.C. 1681h
Section 611 15 U.S.C. 1681i
Section 612 15 U.S.C. 1681j
Section 613 15 U.S.C. 1681k
Section 614 15 U.S.C. 1681/
Section 615 15 U.S.C. 1681m
Section 616 15 U.S.C. 1681n
Section 617 15 U.S.C. 1681o
Section 618 15 U.S.C. 1681p
Section 619 15 U.S.C. 1681q
Section 620 15 U.S.C. 1681r
Section 621 15 U.S.C. 1681s
Section 622 15 U.S.C. 1681s-1
Section 623 15 U.S.C. 1681s-2
Section 624 15 U.S.C. 1681t
Section 625 15 U.S.C. 1681u
Section 626 15 U.S.C. 1681v
Section 627 15 U.S.C. 1681w
Section 628 15 U.S.C. 1681x
Section 629 15 U.S.C. 1681y

The Work Number® Social Services

Exhibit 2

VERMONT FAIR CREDIT REPORTING CONTRACT CERTIFICATION

The undersigned, _____ ("Agency"), acknowledges that it subscribes to receive various information services from TALX Corporation ("TALX") in accordance with the Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999), as amended (the "VFCRA"), and the federal Fair Credit Reporting Act, 15, U.S.C. 1681 et. seq., as amended (the "FCRA"), and its other state law counterparts. In connection with Agency's continued use of TALX services in relation to Vermont consumers, Agency hereby certifies as follows:

Vermont Certification. Agency certifies that it will comply with applicable provisions under Vermont law. In particular, Agency certifies that it will order Data relating to Vermont residents, that are credit reports as defined by the VFCRA, only after Agency has received prior consumer consent in accordance with VFCRA § 2480e and applicable Vermont Rules. Agency further certifies that the attached copy of VFCRA § 2480e applicable Vermont Rules were received from TALX.

Agency: _____

Signed By: _____

Printed Name and Title: _____

Account Number: _____

Date: _____

Please also include the following information:

Compliance Officer or Person Responsible for Credit Reporting Compliance

Name: _____

Title: _____

Mailing Address: _____

E-Mail Address: _____

Phone: _____ Fax: _____

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."

2. **PROCUREMENT TERMS; Subcontractors Prohibited** – Equifax/ TALX clients may not prohibit subcontract use. TALX is responsible for its subcontractors. The following to be added to this section in its entirety:

“Notwithstanding, this shall not apply to subcontracts that vendor has entered into to carry out its everyday business and that apply to more than one client (i.e., a party which provides ministerial and non-core services, including but not limited to hearing representatives, auditing, mailing, copying or imaging, back up data storage, software development, and call center services), and vendor remains fully responsible for the performance of the subcontractor as if vendor had itself performed the Services. Vendor will notify Department in the event vendor engages any subcontractor specifically for the purpose of providing services under this Agreement. The State of West Virginia DHHR shall have the right to refuse consent to use a subcontractor in its sole discretion and terminate the Agreement upon thirty (30) days written notice to vendor.”

3. **Compliance with Law and Regulations:** Equifax/ TALX abides by applicable law in the performance of the services. Please also apply the following edits:

Vendor must be governed by the applicable laws of the State of West Virginia. Vendor shall comply with all related applicable federal and state laws and regulations.

4. **Invoices and Payments:** If the State of West Virginia DHHR is tax exempt, you will simply need to provide proof of exemption to Equifax/ TALX; however, the following will also need to be added to the contract:

Invoices are due net thirty (30) days. Invoices outstanding over forty five (45) days will result in loss of access to the Service. Once the State of West Virginia DHHR has provided an exemption certificate it will be exempt from federal and state taxes and will not pay or reimburse such taxes. If payment is made by credit card, TALX will charge the credit card each month for transactions completed in the prior month.

5. **EXCEPTIONS TO GENERAL TERMS AND CONDITIONS:**

1. **Definitions.** Please add the following in their entirety:

“**Consumer**” means the individual in which certain employment related information is being verified.

“**Data**” means the certain employment and/or income data furnished to TALX by employers automatically accessed by Agency through the Service.

“**Service**” means The Work Number[®], a service run by Vendor used to verify certain employment-related information about an individual Consumer.

7. **Required Documents.** If marked, please delete Builder’s Risk Insurance. TALX insurance stands as is. Copy of COI will be provided with bid.
10. **Exceptions and Clarifications.** Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.

The Equifax/ TALX proposal is expressly conditioned upon the parties reaching mutual agreement on all contract terms and conditions, and we look forward to negotiating in good faith with the State of West Virginia DHHR terms and conditions that fairly allocate both total costs of ownership and risk that meet the needs of and are acceptable to both parties. Due to the nature of the Services (the State of West Virginia DHHR is allowed access to Equifax/

TALX sensitive employer, employment, and income data, we are not able to agree to the required contract provisions without some modification, and therefore we cannot agree to waive our right to contest.

11. Liquidated Damages. Please delete this section in its entirety and add "Intentionally Left Blank."

Equifax/ TALX cannot agree to provide liquidated damages to the State of West Virginia DHHR. The State of West Virginia DHHR is being allowed access to Equifax/ TALX sensitive consumer Data for verifications. Would need a good example of how the DHHR would suffer liquidated damages by utilizing this Service. On the other hand, if Department were to commit a bad act with the Data, Equifax/ TALX has the potential of losing its whole business model if employers pull their data from our database, thus successfully shutting down the Work Number® service.

12. Acceptance. Please add the following in its entirety:

"The acceptance of the purchase order information by Equifax/ TALX does not constitute acceptance by Equifax/ TALX of any terms or conditions included in such purchase order; nor shall any such terms or conditions be binding upon the Parties unless the Parties expressly agree in writing or otherwise acknowledge in this Contract."

16. Payment. Equifax/ TALX Services are not set up for "acceptance". Please make the following changes:

Payment in advance is prohibited under this Contract. Payment may only be made after the instant delivery of Service. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To."

18. Delivery. Not applicable to Equifax/ TALX Services. Please add "If applicable, a".

22. Cancellation. Equifax/ TALX needs to have the ability to suspend or terminate Services if any reasonable belief that Department is doing something that is not allowed with the Data. Add in its entirety:

"In addition, if TALX reasonably believes that Agency has breached an obligation under this Agreement, TALX may, at its option and reserving all other rights and remedies, suspend and/or terminate this Contract immediately upon notice to Agency."

32. Subsequent Forms. This response is the same as #12 above- due to the nature of the Services and FCRA permissible purpose obligations of Department in order to utilize the Data; TALX also cannot agree to additional forms without prior approval. This section will also need to be mutual.

The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by either party to the other party, such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes Internet websites or other electronic documents. Acceptance or use of either party's forms does not constitute acceptance of the terms and conditions contained thereon, unless mutually agreeable by the parties.

33. Assignment. In addition, Equifax/ TALX must at all times know who has access to the Data; though rare for an agency, we also need to know if any assignment of the Contract. Add the following in its entirety.

"In addition, this Contract, may not be assigned or transferred by Agency without TALX' prior

written consent.”

34. **Warranty.** Please delete this section in its entirety and replace with the following:

“TALX warrants that the Service will be performed in all material respects in a reasonable and workmanlike manner and in compliance with laws and regulations applicable to TALX’ performance thereof. Agency acknowledges that the ability of TALX to provide accurate information is dependent upon receipt of accurate information from employers. TALX does not warrant that the Service will be error free. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH HEREIN, TALX MAKES NO OTHER WARRANTIES AS TO THE SERVICE OR THE DATA, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF GOOD TITLE, MERCHANTABILITY, AND/OR FITNESS FOR A PARTICULAR PURPOSE EVEN IF TALX KNOWS OF SUCH PURPOSE.”

38. **Confidentiality.** TALX requires confidentiality to remain mutual. Please delete this section in its entirety and replace with the confidentiality provision approved in “procurement terms”; or, go with the Equifax/ TALX language below:

“Each party acknowledges that all materials and information disclosed by a party (“Disclosing Party”) to another party (“Recipient”) in connection with performance of this Agreement, including the terms of this Agreement and the pricing terms contained in Schedule A, consist of confidential and proprietary data (“Confidential Information”). Each Recipient will hold those materials and that information in strict confidence, and will restrict its use of those materials and that information to the purposes anticipated in this Agreement. If the law or legal process requires Recipient to disclose confidential and proprietary data, Recipient will notify the Disclosing Party of the request. Thereafter, the Disclosing Party may seek a protective order or waive the confidentiality requirements of this Agreement, provided that Recipient may only disclose the minimum amount of information necessary to comply with the requirement. Recipient will not be obligated to hold confidential any information from the Disclosing Party which (a) is or becomes publicly known, (b) is received from any person or entity who, to the best of Recipient’s knowledge, has no duty of confidentiality to the Disclosing Party, (c) was already known to Recipient prior to the disclosure, and that knowledge was evidenced in writing prior to the date of the other party’s disclosure, or (d) is developed by the Recipient without using any of the Disclosing Party’s information. The rights and obligations of this Section 6 with respect to (i) confidential and proprietary data that constitutes a “trade secret” (as defined by applicable law), will survive termination of this Agreement for so long as such confidential and proprietary information remains a trade secret under applicable law; and (ii) all other confidential and proprietary data, will survive the termination of this Agreement for the longer of two (2) years from termination, or the confidentiality period required by applicable law.”

45. **Indemnification.** Again, due to the nature of the Service (Agency is allowed access to Equifax/ TALX’ sensitive consumer Data), indemnification shall be mutual and TALX requires a limitation of liability. This section shall be deleted in its entirety and replaced with the following:

“**INDEMNIFICATION.** Agency and TALX recognize that every business decision represents an assumption of risk and that neither party in furnishing Confidential Information, Data, or the Service to the other, underwrites or assumes the other’s risk in any manner. Each party agrees to indemnify, defend and hold harmless (“Indemnify”) the other party and its affiliates, and their directors, officers and employees (each, an “Indemnified Party”), from and against claims, demands, liabilities, suits, damages, expenses and costs, including reasonable attorneys’, experts’ and investigators’ fees and expenses (“Claims”) brought by third parties against the Indemnified Party and arising from the indemnifying party’s, or its affiliates’, directors’, officers’ or employees’ (“Indemnifying Party”) (i) breach of this Agreement, (ii) negligent or intentional, wrongful act or omission, (iii) infringement on third party proprietary rights, (iv) violation of applicable law, or (v) breach of Confidentiality.

LIMITATION OF LIABILITY. In no event shall TALX or its officers, agents or employees be liable for loss of profits or for indirect, special, incidental or consequential damages arising out of or related to the performance of this Agreement, even if that party has been advised of the possibility of such damages. In no event shall damages of any kind payable by TALX hereunder exceed the sum paid by Agency for the service which causes Agency's claim."

In addition, the following will need to be added to the Terms and Conditions in their entirety:

1. **"RIGHTS TO SERVICE.** The Service and the Data, including all rights thereto, are proprietary to Equifax/ TALX."



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/03/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH USA, INC. TWO ALLIANCE CENTER 3560 LENOX ROAD, SUITE 2400 ATLANTA, GA 30326 Attn: Atlanta.CertRequest@marsh.com / Fax: 212-948-4321 002351-TALX-GAWUP-12-13	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Phoenix Insurance Company		25623
INSURER B: Travelers Property Casualty Company Of America		25674
INSURER C: Travelers Indemnity Co Of America		25666
INSURER D: National Union Fire Ins Co Pittsburgh PA		19445
INSURER E:		
INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** ATL-002680116-25 **REVISION NUMBER:** 7

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			HNGLSA8741P758PHX12	07/01/2012	07/01/2013	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			HNCAP162D8633PHX12	07/01/2012	07/01/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$			HSMJCUP162D8645TIL12	07/01/2012	07/01/2013	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below			TC2HUB 9517B72-7-12 (AOS) TRKUB395J170-A-12 (AZ, MA, WI)	07/01/2012 07/01/2012	07/01/2013 07/01/2013	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	PROFESSIONAL LIABILITY			01-420-05-93	12/15/2011	12/15/2012	LIMIT: \$15,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 PROFESSIONAL LIABILITY POLICY REFERENCED HEREIN INCLUDES CYBER RISK COVERAGE. PLEASE SEE ATTACHED ENDORSEMENTS FOR NOTICE OF CANCELLATION POLICY PROVISIONS.

CERTIFICATE HOLDER EQUIFAX INC. & ALL SUBSIDIARIES TALX CORPORATION 1550 PEACHTREE STREET NW ATLANTA, GA 30309	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE of Marsh USA Inc. Michael Dennis <i>Michael Dennis</i>
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NOTICE OF CANCELLATION OR NONRENEWAL
TO DESIGNATED PERSONS OR ORGANIZATIONS – EQUIFAX**

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

The following is added to the Common Policy Conditions and supersedes any other provision to the contrary:

Notice Of Cancellation Or Nonrenewal To Designated Persons Or Organizations

If we cancel or do not renew this policy, we will mail or deliver a written notice of cancellation or nonrenewal to any person or organization to whom you have agreed in a written contract that notice of cancellation or nonrenewal of this policy will be given, but only if:

- a. You send us a written request to provide such notice, including the name and address of such person or organization, after the first Named Insured receives notice from us of the cancellation or nonrenewal of this policy; and
- b. We receive such written request at least 44 days before the cancellation or nonrenewal is to take effect.

We will mail or deliver such notice to each such person or organization, at its address provided to us, at least 30 days before the cancellation or nonrenewal is to take effect. If notice is mailed, proof of mailing is sufficient proof of notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NOTICE OF CANCELLATION OR NONRENEWAL
TO DESIGNATED PERSONS OR ORGANIZATIONS – EQUIFAX**

This endorsement modifies insurance provided under the following:

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- a. You send us a written request to provide such notice, including the name and address of such person or organization, after the first Named Insured receives notice from us of the cancellation or nonrenewal of this policy; and
- b. We receive such written request at least 44 days before the cancellation or nonrenewal is to take effect.

We will mail or deliver such notice to each such person or organization, at its address provided to us, at least 30 days before the cancellation or nonrenewal is to take effect. If notice is mailed, proof of mailing is sufficient proof of notice.

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- a. You send us a written request to provide such notice, including the name and address of such person or organization, after the first Named Insured receives notice from us of the cancellation or nonrenewal of this policy; and
- b. We receive such written request at least 44 days before the cancellation or nonrenewal is to take effect.

We will mail or deliver such notice to each such person or organization, at its address provided to us, at least 30 days before the cancellation or nonrenewal is to take effect. If notice is mailed, proof of mailing is sufficient proof of notice.



WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY
ENDORSEMENT WC 99 06 11 (A)

POLICY NUMBER: TC2H-UB-9517B727-12

NOTICE OF CANCELLATION

Except for non-payment of premium by you, we agree that no cancellation or limitation of this policy shall become effective until the number of day's written notice specified in item 2 of the Schedule has been mailed to you and to the person or organization designated in item 1 of the Schedule at the address indicated.

SCHEDULE

1. Name:

Any person or organization to whom you have agreed in a written contract that notice of cancellation or material limitations of this policy will be given, but only if:

- 1. You send us a written request to provide such notice, including the name and address of such person or organization, after the first Named Insured receives notice from us of the cancellation or material limitation of this policy; and
- 2. We receive such written request at least 14 days before the beginning of the applicable number of days shown in this Schedule.

Address:

The address for that person or organization included in such written request from you to us

2. Number of Days Written Notice: 30 Additional Days

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective	Policy No.	Endorsement No.
Insured		Premium \$
Insurance Company	Countersigned by _____	

Appendix C- Pricing Proposal is located in a separate, sealed envelope.



A Service of Equifax

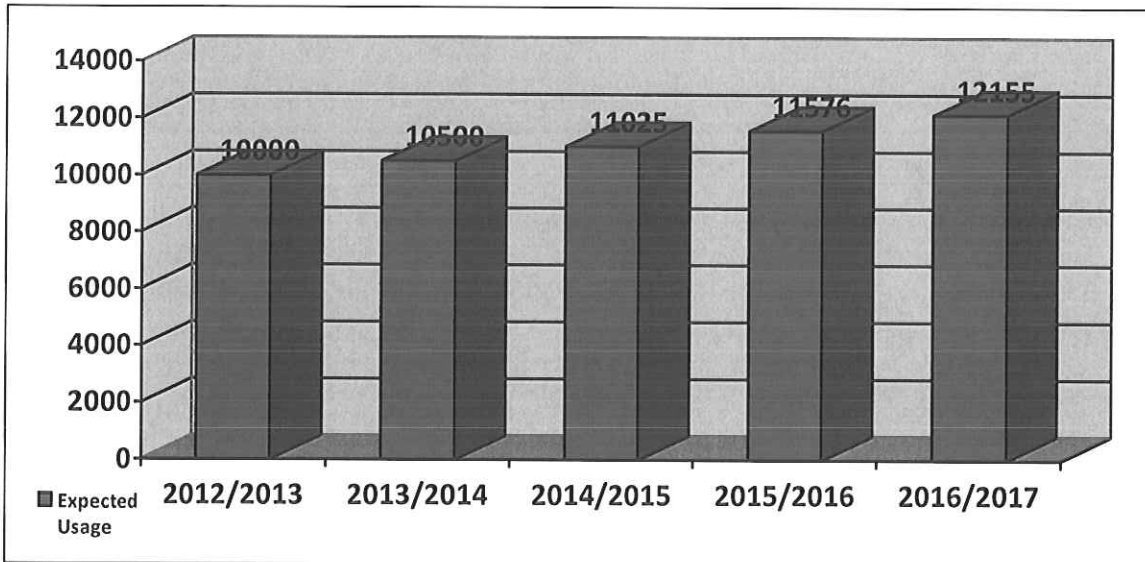
**Equifax/ TALX Pricing Proposal for the State
of West Virginia Department of Health and
Human Resources**

Thank you for the opportunity to bid on this contract to provide Employment and Income Verifications to the Department of Health and Human Resources in West Virginia. We have completed a thorough analysis of your potential usage in order to develop a proposal that is as cost effective as possible while at the same time providing the West Virginia Department of Health and Human Resources access to The Work Number's valuable and growing database. Based on our analysis of your caseloads and the usage of similar sized states, we believe more monthly verifications will be required than what you have requested in the RFQ. We have submitted pricing for the volume and contract term you requested. However, we are also including additional pricing options.

Service Overview

The Work Number is the largest proprietary service of authentic, up-to-date employment and income data. The Work Number provides instant access to over 200 million employment records from more than 2,000 employers nationwide. Each year the potential value of this service increases as we make more and more employer records available to workers for automated employment and income verification. In the last year our database has continued to grow, now with employee records totaling over 210 million! We have strong growth goals as well, with our total records available expected to increase 20% in the next three years.

Expected Usage



Proposal

Data from current Work Number clients has shown a dramatic increase in usage over the past few years making it difficult to budget for The Work Number services.

These large increases are due to both the economic conditions in public assistance as well as growth to The Work Number Database. The attached proposal has built in an expected number of annual transaction increases in order to avoid cost above ceiling pricing. Additionally we have included a proposal which features a set monthly and annual amount without a transaction ceiling for the next 5 years. This proposal allows for you to budget easily despite the constantly changing number of applicants.

Proposed five year pricing with an annual cap for The Work Number- one year agreement with four optional years:

	Monthly Fee	Annual Verification Cap	Verifications per month	Cost Per Transaction	Annualized	Cost/Trans Above Cap	Annual Savings Attributed to The Work Number (ROI)
Year 1	\$ 48,500.00	120,000	10,000	\$4.85	\$ 582,000.00	\$5.00	\$ 1,470,800.00
Year 2	\$ 50,925.00	126,000	10,500	\$4.85	\$ 611,100.00	\$5.00	\$ 1,544,340.00
Year 3	\$ 53,471.25	132,300	11,025	\$4.85	\$ 641,655.00	\$5.00	\$ 1,621,557.00
Year 4	\$ 56,143.60	138,912	11,576	\$4.85	\$ 673,723.20	\$5.00	\$ 1,702,597.80
Year 5	\$ 58,951.75	145,860	12,155	\$4.85	\$ 707,421.00	\$5.00	\$ 1,787,757.00

Proposed five year pricing with *NO annual cap* for The Work Number- one year agreement with four optional years:

	Monthly Fee	Annual Verification Cap	Verifications per month	Cost Per Transaction	Annualized	Annual Savings Attributed to The Work Number (ROI)
Year 1	\$50,000.00	No Cap			\$ 600,000.00	\$ 1,452,800.00
Year 2	\$50,000.00	No Cap			\$ 600,000.00	\$ 1,555,440.00
Year 3	\$50,000.00	No Cap			\$ 600,000.00	\$ 1,663,212.00
Year 4	\$50,000.00	No Cap			\$ 600,000.00	\$ 1,776,321.00
Year 5	\$50,000.00	No Cap			\$ 600,000.00	\$ 1,895,178.00

Thank you,

Chris Rodriguez

Chris Rodriguez
 Title: Regional Sales Manager
 Office: 314-214-7339
 E-mail: crodriguez@theworknumber.com

BCF13026 COST SHEET

Description	Estimated number of request/per month 6000	Estimated Cost per request	Total Cost	Annual Cost (Yearly)
Employment and income Verification Services	6,000	\$6.25	\$37,500 per month	\$450,000

Equifax/ TALX Note: Please also refer to Appendix B- Pricing Proposal.

Vendor Name: Equifax, Inc. (parent company of TALX Corporation)

Remit To Address: 4076 Paysphere Circle, Chicago, IL 4

Phone Number: (314) 214-7339 (Chris Rodriguez)

Fax Number: (314) 812- 6890 (Chris Rodriguez)

E-mail: crodriguez@theworknumber.com

Signature: Chris Rodriguez

Date: July 10th, 2012

**** Award will be made to lowest Total Cost vendor meeting all of the specifications. ****