

# FRAUDARMOR™ TERMS AND CONDITIONS OF USE

The FraudArmor™ Check Fraud and Identity Resolution Program is made available by Harland Clarke Corp. in conjunction with its Service Providers (jointly referred to as "FraudArmor"). Together, we provide the suite of services that comprise the FraudArmor Service. Services are provided to the registered individual or single business who subscribes to the FraudArmor "Service", defined in the applicable FraudArmor Service Description (each such subscriber hereinafter called the "Member"). FraudArmor reserves the right to substitute or add additional Service Providers at its discretion. **Please read these Terms and Conditions carefully. The Member's right to use any Service is expressly subject to full compliance with these Terms and Conditions, as they may be modified from time to time. If you do not agree with these Terms and Conditions, please do not register for any Service or disclose any information to FraudArmor in connection with any Service.**

## COMMON DEFINITIONS

Certain capitalized terms referenced herein have the meanings ascribed to such terms in the Common Definitions.

**"Affiliated Persons"** means:

- For an individual Member, affiliated persons shall be limited to:
  - The spouse or domestic partner of the registered Member (where "domestic partner" is defined as any person living in a legally recognized domestic partnership with Member in their state of residence; provided that, this definition does not affect the location in which the Service is being provided as set forth in the FraudArmor Terms and Conditions).
  - dependent children under the age of 21 who live with Member and dependent children under the age of 25 who are full-time students, as determined by IRS dependency requirements.
- For a business Member, affiliated persons shall be limited to:
  - Owner
    - The owner of the Company includes any natural person who is the owner, proprietor or general partner of the Company who:
      - owns at least a 20% portion of the stock or ownership interest, and
      - holds executive authority in the Company and who otherwise controls the management of the Company.
  - Officer
    - A full-time employee of the Company identified in the organizational documents on file with the appropriate state agency as the President, Vice President, Secretary or Treasurer of the Company.
  - Member of board of directors
    - An elected or appointed Member of the Company's board of directors.

**"Identity Theft Event"** means:

- For individual Members, the fraudulent misappropriation and use of the Member's name, social security number, credit card number(s) or other Protected Identity Elements in any manner that adversely affects any public records or credit reports concerning the Member.
- For business Members, the fraudulent misappropriation and use by persons or entities (other than agents, employees or contractors of Member) purporting to act as or on behalf of the Member of either: Member's official Business Name as used in combination with the Member's Tax ID Number; or any Member Credit Card Account Number(s) (duly issued credit cards for which Member is an obligor) as registered by Member as part of the applicable Service.

**"Losses"** means, with respect to any Order, any debits from the Member's checking account for cleared checks due to the Subject Check Fraud.

**"Member"** means:

- For individuals, the consumers whose names are printed on the personal or commercial checks with FraudArmor™.
- For Businesses, the entity named on the checks.

**"Resolution Specialist"** is a named individual dedicated to the Member's restoration case and who is certified with the following credentials:

- Certified Identity Theft Risk Management Specialist (CITRMS) from The Institute of Fraud Risk Management
- International Association of Financial Crime Investigators (member or above)
- Consumer Data Industry Association (Fair Credit Reporting Act Exam)

**"Service Provider"** includes those who market FraudArmor to Members as well as those who provide services on Harland Clarke's behalf as part of the FraudArmor Check Fraud and Identity Resolution Program.

**"Subject Check Fraud"** means, with respect to a particular Identity Theft Event, any occurrence of:

- a forged signature (a legitimate blank check that is forged with the Member's signature as the payer);
- a forged endorsement (a legitimate check that is endorsed and cashed or deposited by a person other than the designated payee based upon a fraudulent endorsement; or
- an altered check (a legitimate check that is fraudulently altered as to the designated payee, check amount, or otherwise so as to benefit the person altering the check).

Subject Check Fraud does not include counterfeit checks or any check that bears a legitimate original endorsement that is secondarily fraudulently endorsed.

## **PRIVACY**

FraudArmor is committed to protecting the privacy of all Members. All Member information which is gathered in connection with any Service, and which is subject to applicable privacy laws, will be governed by the provisions of the FraudArmor Privacy Policy as it may be amended from time to time.

## GENERAL TERMS

1. FraudArmor Services are currently available to purchasers of checks for personal or business checking accounts who are: (i) adult individuals who reside in the United States or its territories or on U.S. Military bases; and (ii) companies domiciled in the United States or its territories ("Members"). FraudArmor offers some of the Service(s) to adults who reside in the United States or its territories for the benefit of their Affiliated Persons, who may be under the age of 18.
2. FraudArmor Services are available for up to one year from the date check order is shipped or until the last check in Member's check order is used, whichever comes first (the "Service Period"), unless otherwise stated in the Service Description. Service is only available for fraud that occurs or is first discovered during Member's Service Period. If check buyer is in the recovery process (actively working with a Resolution Specialist) when the Service Period expires, Member's recovery case will continue until it is resolved, with no time limit.
3. FraudArmor reserves the right to refuse or terminate the FraudArmor program if the Member (or a person who is a joint account holder with the Member):
  - a) has committed fraud or other illegal acts with respect to an eligible check order or in connection with the request for assistance from FraudArmor,
  - b) has made untrue statements in connection with the request for assistance from FraudArmor or to law enforcement or to the relevant financial institution;
  - c) has failed to fully cooperate with the Resolution Specialist's efforts to provide the services to or on behalf of the Member;
  - d) has failed to exercise ordinary care which substantially contributed to the occurrence of fraud on the applicable checking account; or
  - e) was fooled by an imposter.
4. In the event that fraud or identity theft occurs outside of the United States, the Services are only performed with agencies and institutions in the United States, or territories where U.S. law applies.
5. In order to receive certain services, registration and activation are required at [www.Fraud-Armor.com](http://www.Fraud-Armor.com), a secure website operated by our Service Provider. To report a fraud event, the Member must call the designated toll-free number, provide the requested documentation, and cooperate with the assigned FraudArmor Resolution Specialist. The Member may be asked to file a police report with the local law enforcement authority and identify the person or persons who are committing the acts of fraud and identity theft, if known (the "Perpetrator"). The Member will continue to be eligible for services even if it is found that the Perpetrator is a family member or acquaintance. If the Member does not cooperate with the law enforcement investigation of the Perpetrator, FraudArmor may not be able to complete all of the services under this program.
6. FraudArmor will not be liable to Members if FraudArmor is unable to perform the services or is delayed in performing its obligations due to failures, events, or factors beyond its reasonable control.
7. Other restrictions may apply in certain states. All terms and conditions are subject to applicable law and may be limited thereby.
8. FraudArmor is not liable for providing services in the event the program is cancelled by the Member and the Member has received a credit for the cost.
9. Eligibility for recovery services due to identity theft, check fraud and account fraud, is based on fraud events that are discovered or first known to the Member and reported to the Resolution Specialist during

the Service Period. Members who experience fraud events that were first known prior to beginning of the Service Period are not eligible for services under this program for those pre-existing events.

10. FRAUDARMOR DOES NOT PROVIDE CREDIT COUNSELING OR CREDIT REPAIR.
11. For consumer check purchases, FraudArmor Personal Check and Account Fraud, Identity Recovery, and Lost Document and Lost Wallet services are available to all consumers whose names are printed on the checks for the subject account, and Internet Monitoring is available to one of the persons named on the checks for the subject account. Internet Monitoring is optional and is provided at no additional cost; it requires activation at [www.Fraud-Armor.com](http://www.Fraud-Armor.com). If the Member purchases multiple boxes of checks for the same account in a single check order, FraudArmor will apply to all checks in the order, and the term of the services will run concurrently for all checks in the order. In order to receive all FraudArmor benefits, the service must be purchased on each order of checks.
12. For business check purchases, FraudArmor Business Check and Account Fraud Remediation, Identity Recovery, and Lost Document and Lost Wallet services are available to one business owner, officer or a Member of the board of directors of the company whose name is printed on the checks for the subject account, and Business Checking Account Fraud Remediation and Business Internet Monitoring is available to the business whose name is printed on the checks for the subject account. In order to receive all FraudArmor benefits, the service must be purchased on each order of checks.
13. If a Member places a reorder of checks within the Service Period, the Service Period will be extended to equal twelve (12) months from the date of the most recent check order ship date, or the use of the last check in the check order, whichever comes first.
14. FraudArmor does not provide legal advice or replace the need for an attorney or other legal representative, should Member deem that such legal representation is necessary.

## DESCRIPTION OF FRAUDARMOR SERVICE

### A. CHECK FRAUD RESTORATION & ADVANCEMENT

The Service applies to personal or business checks that have been affected by forged signatures, forged endorsements and/or alteration.

Resolution Specialists are available to assist Members should they have any questions or concerns about potential or suspected check fraud. In the event of check fraud, a dedicated Resolution Specialist will perform assisted or fully-managed check restoration services and will coordinate with the Member's bank or financial institution.

"Fully-managed" means that, in addition to advising Members on the best procedures to help prevent fraud or to respond to a fraud event, a Resolution Specialist may also act on the Member's behalf through a limited power of attorney.

The Service advances funds to the Member for losses that would later be credited to the Member's account by its financial institution. Funds, up to a maximum of \$25,000 per fraud event, will be advanced for all checks to which the Service applies and within 72 hours of filing a criminal complaint and submitting all necessary documents.

If the Member should be forced to close the affected checking account due to fraud, the Resolution Specialist will assist with the check replacement process. The Resolution Specialist works in conjunction with the Member's financial institution and the check printer, allowing the Member to quickly resume normal financial transactions.

## **B. IDENTITY RESTORATION**

The Service applies broadly to the restoration of one's identity (individual or business).

A dedicated Resolution Specialist will perform assisted or fully-managed restoration services on behalf of victims and will coordinate with the Member's financial institution and/or other agencies.

Fully-managed means that, in addition to advising the Member on the best procedures to help prevent fraud or to respond to a fraud event, a Resolution Specialist can also act on behalf of the Member by obtaining an executed limited power of attorney form.

Resolution Specialists are available to assist with:

- notifying and requesting government-issued identification such as driver's license, social security card or passport;
- notifying the three national credit bureaus to place fraud alerts on the Member's credit reports, and reviewing such reports to identify evidence of the fraud or identity theft event;
- notifying banks, credit card companies and merchants as directed by the Member to freeze or close any accounts compromised by the fraud or identity theft event;
- notifying the Federal Trade Commission and reporting the identity theft event;
- coordinating with credit bureaus, banks, credit card companies, government agencies, and/or merchants.

A dedicated and certified Resolution Specialist is available to answer questions and assist with resolution in the event of lost wallet, fraud or an identity theft event.

## **C. SERVICE LEVEL DEFINITION**

**Business Restoration:** Limited to the business properly registered as a Member and one selected primary business owner, officer or a member of the board of directors. Restoration services will be extended to authorized persons should the business owner/officer/ or business fraud event affect these persons.

### **Authorized Persons:**

Owner; the owner of the Company includes any natural person who is the owner, proprietor or general partner of the Company who:

- owns at least a 20% portion of the stock or ownership interest, and
- holds executive authority in the Company and who otherwise controls the management of the business.

Officer; A full-time employee of the Company identified in the organizational documents on file with the appropriate state agency as the President, Vice President, Secretary or Treasurer of the Company

Member of the board of directors; an elected or appointed member of the Company's board of directors.

## **D. LOST DOCUMENT & WALLET ASSISTANCE**

The Service applies broadly to the protection of one's identity.

A dedicated Resolution Specialist is available to answer questions and to assist with resolution in the event of lost documents and wallet contents. The Resolution Specialist will assist with cancellation and/or replacement of lost documents such as credit cards, birth certificates, licenses, or government-issued documents.

## **E. INTERNET MONITORING**

Information reaching the internet's black market is traded, sold, and re-sold on a daily basis through black market websites, secret chat rooms, and underground forums. If the Member's information is found in these areas, theft has already occurred, and the Member needs to act quickly by contacting a Resolution Specialist. Fraud Armor will monitor these sites, chat rooms and databases and will notify the Member in the event that their information is found.

Internet Monitoring is optional and is provided at no additional cost; it requires activation at [www.FraudArmor.com](http://www.FraudArmor.com). FraudArmor securely stores the information provided by the Member. FraudArmor will monitor the following credentials provided by the Member:

### **For Consumers: available personal and financial information for Internet Monitoring**

- Individual name, Street Address, Driver's License
- Social Security number
- Up to 3 phone numbers
- Up to 5 Passport numbers
- Up to 10 of each of the following
  - ✓ Email Addresses
  - ✓ Medical ID Cards
  - ✓ Bank Accounts
  - ✓ Credit Card Numbers
  - ✓ Debit Card Numbers

### **For Businesses: available business and financial information for Internet Monitoring**

- 1 Business owner, officer or a member of the board of directors
- Business street address
- Up to 3 Business phone numbers
- 1 Social Security number or EIN\*
- Up to 10 of each of the following
  - ✓ Email Addresses
  - ✓ Bank Accounts
  - ✓ Credit Card Numbers

## **F. CREDIT MONITORING AND FOLLOW-UP RESTORATION**

Credit Monitoring and Follow-up Restoration services are provided in the case of an Identity Theft Event. Even after the resolution of the fraud event, a dedicated Resolution Specialist will be available to perform assisted or fully-managed restoration services on behalf of victims and coordinate with Member's financial institution and/or other agencies.

Changes to a Member's credit report that they did not initiate can be the first sign of fraud. This Service synchronizes with the credit bureau, alerting the Member any time there is a change to their credit file.

This service monitors changes and new activity from the credit bureau and allows the Member to validate that the credit related activity is their own. It then provides e-mail alerts and/or phone notifications of changes to the Member's credit report.

Business owners will have access to their Dun & Bradstreet report on a quarterly basis to help monitor and prevent any future fraud.

## **GENERAL LIMITATIONS**

To the fullest extent permissible by law, except as expressly provided in the Service Descriptions, or these Terms and Conditions, FraudArmor makes no warranties of any kind regarding any Service, either express or implied, including but not limited to, any implied warranties of merchantability or fitness for a particular purpose. FraudArmor has priced each Service based on this limitation of liability, which is an important term of the applicable Service. In no event shall FraudArmor or its Service Providers be liable to Member or any third party for any incidental, indirect, consequential, exemplary, special, or punitive damages, including without limitation, loss of use or lost business, revenue, profits, or goodwill, arising in connection with any Service or the unavailability thereof, or these Terms and Conditions, under any theory of tort, contract, indemnity, warranty, strict liability or negligence, even if FraudArmor knew or should have known of the possibility of such damages. FraudArmor assumes no responsibility for the timeliness, deletion, failed delivery or failure to store any information obtained or distributed through the Services. Since FraudArmor and its Service Providers obtain data from third parties, such information may, or may not be, completely thorough, timely and accurate. Member shall not rely upon FraudArmor for the accuracy or completeness of information supplied in using any of the Services. EACH SERVICE IS AVAILABLE ON AN "AS IS" BASIS ONLY. IN NO EVENT SHALL FRAUDARMOR'S LIABILITY IN CONNECTION WITH ANY SERVICE EXCEED THE AMOUNTS PAID TO FRAUDARMOR FOR SUCH SERVICE.

FraudArmor will not be liable if it is unable to perform or deliver any part of the Services or is delayed in performing any such obligations due to failure of any of data processing systems, hardware systems, the Internet, or because of any incident, event, or factor outside FraudArmor's reasonable control.

Neither FraudArmor nor its Service Providers shall be liable for any loss or injury that may arise out of their acts or omissions, whether negligent or otherwise, in obtaining, distributing, compiling, collecting, interpreting, reporting, communicating, or delivering any applicable Service. Member understands and agrees that every business decision involves the assumption of a risk, and that FraudArmor does not underwrite that risk in any manner whatsoever.

In order to activate any of the Internet Monitoring Services, Member must provide FraudArmor with true, accurate, current, and complete account registration information and maintain/ update such information on a timely basis. If Member provides any information that is untrue, inaccurate, not current, incomplete, or if FraudArmor determines Member has committed fraud or other illegal acts, or has failed to fully cooperate with FraudArmor's efforts to provide the relevant Service(s) to or on behalf of Member, FraudArmor may immediately suspend or terminate the Member's account for any or all of the Services, and refuse to provide any or all of the same to Member. Any violation of local, state, or federal laws in using any of the Services may result in the immediate termination of the Service, at FraudArmor's sole discretion.

## **ADDITIONAL TERMS FOR FRAUDARMOR**

The Check Fraud Restoration and Advancement Service applies only to checks drawn from the bank account identified in the check order. Check Fraud Restoration and Advancement apply only if the facts alleged in Member's police report indicate that Member has a valid request for the advanced funds under applicable provisions of the Uniform Commercial Code, and the Member does not misrepresent such facts. If Member is advanced funds by FraudArmor as a result of losses and paid a second time for the Losses by the Member's applicable bank or financial institution, Member shall hold the second payment as an agent for FraudArmor and

deliver such funds to FraudArmor as directed by FraudArmor. Any Losses must arise from fraud involving a check drawn on a checking account at a bank domiciled in the United States or its territories and must be reported to law enforcement authorities as evidenced by a police report in the United States. FraudArmor reserves the right to not advance funds to any Member for any Losses incurred by Member as a result of any Subject Check Fraud perpetrated by (i) Member, (ii) any employee or agent of Member and/or any other person who is a joint account holder with Member, and (iii) any Affiliated Persons unless a police report is filed against the Affiliated Person who was the perpetrator of the Subject Check Fraud.

Due to the higher incidence of fraud against businesses and the larger size of funds needed to provide the Service to businesses, fees for businesses registering for the Service will be different than corresponding fees for individual Members. FraudArmor reserves the right, at its sole discretion, to collect from the Member any portion of the advanced funds that Member had received in the event that Member's bank or financial institution does not reimburse FraudArmor for any portion of Member's Losses. FraudArmor will not advance funds against any Losses unless Member provides to FraudArmor the properly completed documentation requested by FraudArmor reasonably promptly and, in any event, on or before the earlier of thirty (30) days after (i) Member discovering the Subject Check Fraud; and (ii) Member being provided with the bank statement reflecting, or the original or a copy of the check that is the subject of the Subject Check Fraud; or the time period for which Member's financial institution requires the reporting of check fraud.

The Service does not include any effort to improve Member's credit score or history for any items or incidents not related to the Identity Theft Event. The Service is expressly limited to the services stated in the applicable Service Description. The Service does NOT apply to any acts of copyright, trademark, service mark, patent or other intellectual property infringement/dilution, or to any other events not expressly defined herein as an Identity Theft Event. FraudArmor will NOT provide any investigation or documentation regarding the scope or damages of any Identity Theft Event. FraudArmor will NOT as part of the Service, file any civil or criminal complaints, affidavits or pleadings on behalf of Member. FraudArmor will NOT reimburse Member for any financial losses whatsoever. There is no guarantee FraudArmor will be successful in assisting Member to resolving the Identity Theft Event to Member's satisfaction. FraudArmor's ability to perform the Service requires Member's cooperation. FraudArmor reserves the right to refuse or terminate the Service if it determines that Member or its representatives are committing fraud or other illegal acts, making untrue statements, or failing to fully cooperate with its efforts to restore credit records. FraudArmor will not provide the Service if it discovers that Member or its authorized representatives knew or had reason to know of any applicable Identity Theft Event at the time Member registered for the Service. The Service does not include credit counseling, legal services, or any other service not expressly stated herein.

The following potential Identity Theft Events are NOT included in the Service:

- any Identity Theft Event for which Member is unwilling to prosecute the person who caused Member to suffer the fraud or its consequences;
- any dishonest, criminal, malicious, or fraudulent act in which Member participated; or
- any pre-existing stolen identity event based on information on for which Member had or should have had knowledge prior to registering for the Service.

## **ABUSE OF FRAUDARMOR**

Member agrees and understands it will not use any Service to obtain information about a person other than the registered Member. If FraudArmor has reasonable grounds to suspect Member is trying to obtain information about someone else, FraudArmor may suspend or terminate any Service. Member understands and agrees not

to use any Service for consumer credit purposes, consumer insurance underwriting, pre-employment purposes, tenant screening purposes, or for other purpose(s) covered by the federal Fair Credit Reporting Act (15 U.S.C. Sec. 1681 et seq.) or similar statute. Member must use any Service in strict compliance with the Gramm-Leach Bliley Act (U.S.C. Title 15, Chapter 94, Section 6801 et seq.) and similar state statutes, if applicable. By registering for any Service, Member authorizes and instructs FraudArmor and its agents to act on Member's behalf by accessing and using any available online searchable databases on behalf of Member for the purpose of obtaining and gathering information about Member for Member's sole use and benefit and, in certain cases, to remove information about Member from such databases. The public information that any Service obtains is delivered via the Internet by a digital dashboard that contains alert flags and nationwide public record information that is obtained from third parties as well as proprietary databases and derived information.

MEMBER AGREES THAT FRAUDARMOR DOES NOT PROVIDE INSURANCE AND IS NEITHER AN INSURANCE COMPANY NOR AN AGENT FOR AN INSURANCE COMPANY NOR IS A CREDIT REPAIR ORGANIZATION, IS NOT A CREDIT COUNSELING SERVICE, AND DOES NOT PROMISE TO HELP MEMBER IMPROVE MEMBER'S CREDIT HISTORY OR RATING. Member agrees that, unless specified in the applicable Service Description, FraudArmor will not make payments to Member or otherwise be liable or responsible for any loss, damage or liability Member may incur in any way related to an Identity Theft Event (or otherwise), including, without limitation, any monetary, financial or other economic loss, theft or damage of any kind.

## MISCELLANEOUS

These Terms and Conditions and the Services shall be governed by and enforced pursuant to the laws of the State of Texas. These Terms and Conditions and the documents referenced herein collectively serve as the sole and exclusive agreement between Member and FraudArmor regarding the applicable Service(s) and supersedes all previous and contemporaneous written or oral agreements and understandings regarding the subject matter hereof. If any provision of these Terms and Conditions is held to be invalid or otherwise unenforceable, the remainder of these terms will remain in full force and effect and will in no way be invalidated or otherwise affected.

**MEMBER AND FRAUDARMOR EACH WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT IN CONNECTION WITH THE SERVICE AND/OR THESE TERMS AND CONDITIONS AND AGREE TO EXCLUSIVE AND MANDATORY VENUE OF ANY DISPUTE RESOLUTION PROCESS OR PROCEEDING IN THE APPROPRIATE FORUM IN SAN ANTONIO, BEXAR COUNTY, TEXAS. MEMBER SHALL BE ENTITLED TO PARTICIPATE REMOTELY.**

Member hereby agrees to indemnify and hold harmless FraudArmor, its affiliates, officers, directors, employees, consultants, agents, Service Providers, from any and all third party claims, liability, damages and/or costs (including but not limited to reasonable attorney's fees) arising from any claim relating to Member's use of any Service or violation of any law or rights of a third party.

Member inquiries regarding any Service should be sent as follows:

Phone: 1 (866)-923-0452

Email: [info@fraudarmorservice.com](mailto:info@fraudarmorservice.com)