

## **-Client Copy-**

### **Consumer Credit File Rights Under State and Federal Law**

You have a right to dispute inaccurate information in your credit report by contacting the credit bureau directly. However, neither you nor any "credit repair" company or credit repair organization has the right to have accurate, current, and verifiable information removed from your credit report. The credit bureau must remove accurate, negative information from your report only if it is over 7 years old. Bankruptcy information can be reported for 10 years.

You have a right to obtain a copy of your credit report from a credit bureau. You may be charged a reasonable fee. There is no fee, however, if you have been turned down for credit, employment, insurance, or a rental dwelling because of information in your credit report within the preceding 60 days. The credit bureau must provide someone to help you interpret the information in your credit file. You are entitled to receive a free copy of your credit report if you are unemployed and intend to apply for employment in the next 60 days, if you are a recipient of public welfare assistance, or if you have reason to believe that there is inaccurate information in your credit report due to fraud.

You have a right to sue a credit repair organization that violates the Credit Repair Organization Act. This law prohibits deceptive practices by credit repair organizations.

You have the right to cancel your contract with any credit repair organization for any reason within 3 business days from the date you signed it.

Credit bureaus are required to follow reasonable procedures to ensure that the information they report is accurate. However, mistakes may occur.

You may, on your own, notify a credit bureau in writing that you dispute the accuracy of information in your credit file. The credit bureau must then reinvestigate and modify or remove inaccurate or incomplete information. The credit bureau may not charge any fee for this service. Any pertinent information and copies of all documents you have concerning an error should be given to the credit bureau.

If the credit bureau's reinvestigation does not resolve the dispute to your satisfaction, you may send a brief statement to the credit bureau, to be kept in your file, explaining why you think the record is inaccurate. The credit bureau must include a summary of your statement about disputed information with any report it issues about you.

The Federal Trade Commission regulates credit bureaus and credit repair organizations. For more information contact:

The Public Reference Branch  
Federal Trade Commission  
Washington, D.C. 20580

By submitting this form you are acknowledging receipt of the above statement.

## Service Contract Agreement with Credit Werks

This Service Contract Agreement (the "Contract") is entered into by and between Credit Werks and the person submitting this form (the "Client") on the day this Contract is submitted and entered into, WHEREAS, the Client and Credit Werks wish to enter into an agreement under which Credit Werks will provide certain credit related services to the Client.

I hereby retain Credit Werks to perform the credit repair services listed in Section A. below. I understand and agree that the only services Credit Werks has agreed to provide under this Contract, and the only services I have agreed to pay for, are the services set forth in Section A. below. NOW, THEREFORE, in consideration of the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

### A. SERVICES:

1 The Client hereby agrees to pay to Credit Werks the Amount of \$399 for an individual or \$599 for a couple for the services listed in this Section.

2 Credit Werks hereby agrees to perform the following services for the Client in return for payment by the Client of the agreed upon amount for such services: Administrative Service: This service is fully performed after the Client's initial file set-up and all necessary forms have been completed and reviewed. This service will be completed after three (3) days and no later than seven (7) days from the date the Client executes the Contract; and Dispute Process: This service includes developing the best strategy to investigate the inaccurate items for accuracy, and is fully performed after Credit Werks has prepared and mailed a set of verification request letters or submitted the disputes online to the credit bureau(s). This service will be completed after three (3) days and no later than seven (7) days from the date the Client executes the Contract. Subsequent dispute cycles will be completed as Credit Werks and the Client agree upon after the results from the original Dispute Process are reviewed.

3 The Client hereby agrees, accepts and acknowledges that the services contained in this Section are the only services Credit Werks has agreed to provide under this Contract and that there have been no promises or guarantees of any future services or any other kind of services not specified herein. Further, the Client agrees, accepts and acknowledges that these are the only services the Client is paying for and the only ones the Client anticipates, believes, or expects Credit Werks to perform under this Contract.

4 Credit Werks and the Client hereby agree the period of time to complete all services set forth in this section shall not exceed 180 days.

### B. PAYMENT TERMS:

1 The Client understands and promises to pay to Credit Werks the total amount of \$399 for an individual and \$599 for a couple for the full performance of the services set forth in Section A. above. Credit Werks will begin performance of the services described in Section A. above only after 3 days have passed from the date the Client executes this Contract. Further, the Client can, as set forth below, cancel the Contract during this 3 day period without any obligation to pay anything hereunder.

2 The Client may make up to three (3) payments towards the total amount due, each payment being one third (1/3) of the total amount due. Three (3) payments towards a total of \$399 would each be \$133, and three (3) payments towards a total of \$599 would each be \$200.

3 The Client understands the initial payment is due on the date the Client executes this Contract. The second payment is due thirty (30) days after the initial payment, and the third payment is due thirty (30) days after the second payment. The Client must notify Credit Werks three (3) days in advance of each payment's due date if a payment is going to be late or needs to be rescheduled. Credit Werks does not charge the Client if a payment is late, but the Client's services described in Section A. above will be suspended until payment is made. In the event of a returned check or draft, a \$35.00 fee will be assessed against your account. **THE FIRST PAYMENT IS DUE ON THE DATE THE CLIENT EXECUTES THIS CONTRACT.**

4 The Client understands if payment is not made in accordance with this Contract, the Client shall be in breach of this Contract and from the date of the breach, all of the Client's services described in Section A. above will be suspended until payment obligations are made in accordance with this Contract. The Client understands there are no refunds for services fully performed.

### C. DISCLAIMER OF GUARANTEE OR WARRANTY:

Credit Werks agrees only to perform the services specifically described in Section A. above. Results disclosed in testimonies received by Credit Werks are not necessarily the results of the average client. The Client recognizes that every consumer's circumstances are different and that Credit Werks does not represent or warrant that it will achieve specific results for the Client. Credit Werks does not represent or guarantee that the Client will receive new credit or loans, credit cards, or mortgages as a result of Credit Werks' services.

### D. OTHER TERMS AND CONDITIONS:

1 The Client understands that they have the right to dispute inaccurate information in their credit report by contacting the credit bureau directly, but the Client is retaining Credit Werks to perform the credit repair services listed in Section A. above. The Client understands that no credit repair company, including Credit Werks, can have accurate, current, and verifiable information removed from the Client's credit report.

2 Most negative and derogatory information can be reported on your credit files for seven (7) years. Bankruptcies can be reported on your credit files for ten (10) years. After these periods the consumer credit reporting agencies will automatically delete the negative and derogatory information and are prevented from reissuing a report containing obsolete information.

3 The Client has a right to obtain a copy of their credit report from each of the three (3) credit bureaus: (i) every twelve (12) months from [www.annualcreditreport.com](http://www.annualcreditreport.com) or by calling Annual Credit Report at 1(800)322-8228, (ii) without charge on request made to the consumer reporting agency not later than the 60th day after the date on which the agency receives notice the consumer has been denied credit or employment, and (iii) for a minimal charge at any other time.

4 Credit Werks will assist the Client in obtaining their credit reports if necessary at no additional charge. The Client understands when Credit Werks obtains a copy of the Client's credit report an inquiry may be placed on the Client's credit report. In the event Credit Werks and/or the Client are denied access to one or more of the Client's credit reports, the Client agrees, accepts, and acknowledges that Credit Werks will use the information in the credit report(s) available and develop the best strategy to investigate the inaccurate items in the credit reports that are not available.

5 The Client understands there are nonprofit Consumer Credit Counseling Services (CCCS) available. CCCS provides free, confidential budget counseling, community-wide education programs in money management, debt management programs for consumers who are overextended, and comprehensive housing counseling. You can reach Consumer Credit Counseling Service at 1(800)251-CCCS or 1(800)251-2227.

6 All notices and other communications hereunder shall be given in writing and shall be deemed to be duly given and effective: (i) upon receipt if delivered by electronic mail or facsimile, (ii) three days after deposit in the United States mail, and (iii) one day after deposit with a national overnight express delivery service. Either party may change the following contact information upon written notice to the other party. Notices shall be delivered or transmitted to:

Credit Werks  
2305 South Custer Road, Suite 3607  
McKinney, TX 75070  
Phone: (214)995-3998  
Facsimile: 1(800)948-0118  
Email: [admin@creditwerks.com](mailto:admin@creditwerks.com)

The above address is the principal place of business for Credit Werks. The registered agent of Credit Werks for service of process is Melinda Casey at 2305 South Custer Road, Suite 3607, McKinney, TX 75070.

7 The Client authorizes Credit Werks, its employees and agents to prepare all necessary correspondence, either written or electronic, relating to Credit Werks' services and to submit to Credit Werks any additional information legally required to support those services. **THE CLIENT AGREES TO FORWARD IMMEDIATELY TO CREDIT WERKS ALL CORRESPONDENCE FROM THE CREDIT BUREAUS, creditors or others relating to services provided by Credit Werks.** The Client understands that all information provided to Credit Werks must be true and accurate to the best of the Client's knowledge.

8 In the event that the Client is utilizing Credit Werks' services as part of the Client's dealings with a Mortgage Broker or Real Estate Agent, the Client authorizes the Mortgage Broker or Real Estate Agent to disclose the Client's financial history to Credit Werks and also authorizes Credit Werks to disclose the Client's financial information to said Mortgage Broker or Real Estate Agent.

9 If any provision of this Contract is held to be inapplicable or unenforceable, then such provision shall be construed, as nearly as possible, to reflect the intentions of the parties, with the other provisions remaining in full force and effect.

10 The Client agrees to defend, indemnify and hold Credit Werks and its members, managers, employees and agents harmless from and against any and all claims, demands, actions, liabilities, costs or damages arising out of Credit Werks' provision of services to the Client under this Contract or the Client's breach of this Contract, except for claims, demands, actions, liabilities, costs or damages arising out of Credit Werks' gross negligence or willful misconduct. The Client further

agrees to pay Credit Werks' reasonable attorneys' fees and costs arising from any actions or claims eligible for indemnification under this Contract.

11 This Contract is deemed to have been made and entered into exclusively in the State of Texas. This Contract and its enforcement shall be governed exclusively by the laws of the State of Texas, without regard to its conflict of law provisions. Any legal or equitable action concerning this Contract shall be initiated only in Dallas County, Texas; and, both parties agree that Dallas County, Texas shall be the sole and exclusive venue for resolving any disputes between the parties to this Contract.

12 This Contract may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

13 When submitting documents online, the Client agrees that his or her digital signature is equivalent to a handwritten signature as provided in The Federal E-Sign Act.

14 In the event of any claim or dispute between the Client and Credit Werks arising from or relating to this Contract, or the enforceability or scope of this arbitration provision, or of any prior agreement, the Client and Credit Werks must resolve the claim or dispute by binding arbitration.

IF A CLAIM OR DISPUTE IS TO BE ARBITRATED PURSUANT TO THIS CONTRACT, NEITHER THE CLIENT NOR CREDIT WERKS SHALL HAVE THE RIGHT TO LITIGATE THE CLAIM OR DISPUTE IN A COURT OR TO HAVE A JURY TRIAL ON THAT CLAIM OR DISPUTE. PRE HEARING DISCOVERY RIGHTS AND POST HEARING APPEAL RIGHTS WILL BE LIMITED. NEITHER THE CLIENT NOR CREDIT WERKS SHALL BE ENTITLED TO JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER CLIENTS OF CREDIT WERKS WITH RESPECT TO THEIR CONTRACTS WITH CREDIT WERKS, OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS OR IN A PRIVATE ATTORNEY GENERAL CAPACITY.

This Agreement involves interstate commerce, and this provision shall be governed by the Federal Arbitration Act ("FAA"). The arbitration shall be conducted through, at the option of whoever files the arbitration claim, JAMS or the National Arbitration Forum ("NAF") in accordance with their procedures in effect when the claim is filed. For a copy of their procedures, to file a claim or for other information contact JAMS at [www.jamsadr.com](http://www.jamsadr.com), toll free at 1(800)352-5267 or NAF at [www.arbforum.com](http://www.arbforum.com), toll free at 1(800)474-2371. The arbitrator's decision will be final and binding except for any appeal rights under the FAA.

This arbitration provision shall survive termination of this Contract, as well as voluntary payment in full by the Client and any legal proceedings by Credit Werks to collect a debt owed by the Client.

In the event that Client fails or refuses to pay amounts properly due and owing, Credit Werks may elect to proceed by way of collection action within the courts of proper jurisdiction, without the use of any arbitration. Further, should any court of competent jurisdiction determine that this arbitration clause is not enforceable, then the remainder of the terms and restrictions contained therein shall apply to said litigation. Under such circumstances and in the event of any such litigation, no jury trial shall be allowed to any party. To the extent allowable by law, the exclusive jurisdiction and forum for the resolution of any dispute shall be located within Dallas County, Texas, applying Texas law without regard to choice of law principles.

15 Credit Werks cannot provide legal advice. Credit Werks, its employees, and agents are not attorneys and therefore are not authorized to give legal advice.

16 This Contract represents the final and entire agreement between the Client and Credit Werks and shall supersede all other agreements between the parties regarding the subject matter hereof.

17 I acknowledge and attest that the information I, the Client, have provided to Credit Werks is true and correct to the best of my knowledge and belief. Any material misstatements of fact made by the Client to Credit Werks will, at Credit Werks' option, relieve Credit Werks of any further obligation to perform under the Contract.

#### **E. LIMITED POWER OF ATTORNEY:**

The Client, the undersigned, agrees by executing this Contract to grant a limited power of attorney to Credit Werks, and any and all persons in their employ, as my agent, to have the necessary power and authority to undertake and perform the following on my behalf. I, the Client, hereby give permission to Credit Werks to sign my name on all documents written on my behalf as my agent for the purpose of disputing inaccurate, erroneous, and obsolete credit information held on my report by consumer credit reporting agencies. This "limited power of attorney" is given to Credit Werks in compliance with section 611 of the Federal Fair Credit Reporting Act.

**F. REGISTRATION AND SURETY BOND**

Per Title 5, Texas Finance Code, Section 393.302, “A credit services organization or a representative of the organization may charge or receive from a consumer valuable consideration before completely performing all the services the organization has agreed to perform for the consumer only if the organization has obtained a surety bond for each of its locations or established and maintained a surety account for each of its locations in accordance with Subchapter E.” Any “person damaged by a violation of this chapter” has the right to proceed against the surety bond or account. Credit Werks has registered (#2006-0071) and obtained the proper security bond (#41052710) to operate as a Credit Repair Services Organization pursuant to Title 5, Texas Finance Code, Section 393.001 et seq. The surety bond in the amount of \$10,000 is issued by:

Platte River Insurance Company  
Ralf Rigo, Attorney-in-fact  
350 Sansome Street, RM #1000  
San Francisco, CA 94104

BY SUBMITTING THIS FORM, I HEREBY ENTER INTO AND AGREE TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THIS CONTRACT. FURTHER, I ACKNOWLEDGE I HAVE READ THIS CONTRACT IN ITS ENTIRETY AND FULLY UNDERSTAND THE CONTENTS OF THE CONTRACT PRIOR TO SUBMITTING THE CONTRACT.

**-KEEP THIS COPY FOR YOUR RECORDS-**



