

SELECTION.COM® Agreement for Services

Client Information:

Client Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone: _____ Fax: _____ Client Website: _____

Client Contact Information:

Primary Contact: _____ Title: _____
 Phone: _____ Fax: _____ Email Address: _____
 Additional Contact: _____ Title: _____
 Phone: _____ Fax: _____ Email Address: _____
 Additional Contact: _____ Title: _____
 Phone: _____ Fax: _____ Email Address: _____

Client Billing Information:

Billing Contact: _____
 Address (if diff.): _____
 Phone: _____ Fax: _____ Email Address: _____
 Bank Name: _____ Account Number: _____
 Tax ID Number: _____ Non-profit Status: _____

THIS AGREEMENT FOR SERVICES (hereinafter "Agreement") is entered into between SELECTION MANAGEMENT SYSTEMS, INC., d/b/a SELECTION.COM® (hereinafter "Company"), and the above-named person (hereinafter "Client"). By signing this Agreement, Client indicates that it has read, understood and fully accepts and consents to its Terms and Conditions including the Data Source requirements, where applicable, which can be found at <http://selection.com/wp-content/uploads/PDFs/Search-America-Data-Source-Requirements.pdf>.

Certification:

BY SIGNING BELOW, I hereby certify that I have read the Terms and Conditions of this Agreement as set forth above and in the attached pages, which are herein incorporated by reference, that I am authorized to bind the Client to the Terms and Conditions of this Agreement and that I agree with the Terms and Conditions, as written, on behalf of the Client. I further understand and agree that the disclaimers of warranties and limitations of liability contained in the Terms and Conditions constitute an integral part of this Agreement. This Agreement will not be binding until signed by an authorized representative of the Company.

Client Signature: _____ Date: _____
 Print Name: _____ Title: _____
 SELECTION.COM® Signature: _____ Date: _____
 Print Name: _____ Title: _____

Attachments:

- A. FCRA Notice B. Pricing C. Employment D. MVR E. Credit

Agreement Terms and Conditions

1. Service Provision and Payment

- a. Company will provide Consumer Reports consisting of the components listed and described on the Pricing Schedule incorporated into this Agreement and attached as "Attachment B." Company agrees to provide this information, in a quality format, to the best of its ability subject to the conditions of availability at the specific time the information is requested.
- b. Client understands that itemized invoices will be issued on the 15th and last day of each month. These invoices will be distributed via e-mail to Client's authorized billing contact. If Client requests any other method of receiving invoices, a \$3.00 charge will be added to each invoice. These invoices will account for the total amount of Services furnished since the prior invoice was issued, based on the negotiated pricing showing on the incorporated Pricing Schedule in "Attachment B". Payment in full for each invoice is due thirty (30) calendar days from the date of the invoice. Company shall impose a late fee equal to one and one-half percent (1½ %) of the invoice for payments not received within the thirty (30) calendar day due period. Company may further suspend or terminate services to Client for non-payment. A present failure of Company to impose a late fee and / or suspend or terminate services shall not be considered a waiver of Company's right to impose late fees and / or suspend or terminate services at any time in the future. Client agrees that, if legal action is necessary to collect upon a past due invoice, it will be responsible for all of Company's attorneys' fees and other costs incurred in the collection of the past due invoice.

2. Definitions

- a. "FCRA" means the federal Fair Credit Reporting Act, 15 U.S.C. § 1681, et seq. as amended, and any regulations adopted pursuant to this statute.
- b. "Consumer Report" has the meaning as given and described in FCRA § 603 (15 U.S.C. §1681a).
- c. "Applicable Law" includes any and all applicable federal and state statutes and local, ordinances and / or federal, state or local rules and regulations.

3. Client Certifications and Responsibilities

- a. Client hereby certifies that, where applicable:
 1. Client will request and use the services and reports of Company in strict compliance with all provisions of the FCRA, the Americans with Disabilities Act (ADA), the Driver's Privacy Protection Act (DPPA) and all other Applicable Law including, without limitation, federal and state equal opportunity laws and regulations.
 2. Client will request information under this Agreement for its exclusive use, for legitimate purposes only and in accordance with all Applicable Law.
 3. Client will make a clear and conspicuous disclosure, in writing and in a separate document, or by such other means permitted by Applicable Law, to any individual who is the subject of a Consumer Report that a Consumer Report may be obtained for legitimate purposes. Client will obtain the proper written or other legally permissible authorization before requesting any Consumer Report from Company. Client acknowledges that no Consumer Report will be requested from Company until Client has received such written authorization(s).
 4. Client will, pursuant to the FCRA, provide the individual subject of any Consumer Report all proper notices, statements and any other information or correspondence including, without limitation, a copy of the Consumer Report obtained from Company if Client contemplates making any adverse employment-related decision based, in whole or in part, upon information contained in a Consumer Report provided by Company. Client shall comply with the FCRA by issuing pre-adverse action and adverse action letters, when and as appropriate.
 5. Client will maintain strict confidentiality of all information obtained from Company and will share no information obtained from Company with anyone, except where permitted or required by Applicable Law.
 6. Client acknowledges and understands that Company will report any adverse information found within the boundaries of all Applicable Law in its Consumer Reports.
 7. Client acknowledges and understands that information is obtained and managed by fallible sources and that Company, its information providers and / or those persons and entities involved in the assembly and / or delivery of any Consumer Report cannot guarantee or ensure the accuracy or the depth of the information provided. Client accordingly agrees to hold Company harmless from any and all errors and omissions contained within its Consumer Reports.
 8. Client acknowledges that Company may be required to disclose Client's name to other companies while obtaining and assembling the Consumer Report information requested, and Client hereby consents to the release of such information.

9. Client understands that, from time to time, Company may be the subject of an audit performed by various information providers that Company utilizes, that Company may conduct its own audits to verify issue compliance, and that Company may need to request documentation from Client in connection with such audits. Client hereby agrees to provide any requested documentation, including but not limited to Release Forms and Applications, to Company within three (3) business days of receiving such documentation requests from Company.
10. Client assumes all responsibility for the accurate submittal of requests for Consumer Reports and for the final verification of its applicants' identities.
11. Client understands that Company will not offer or render any legal advice or opinions to Client regarding any applicant's information or suitability for hire.
12. Client acknowledges that Company has provided it a copy of the Consumer Financial Protection Bureau (CFPB) document, entitled "*Notice to Users of Consumer Reports: Obligations of Users Under the FCRA*" attached hereto as "Attachment A". Client further understands that various states may have additional statutes and / or regulations that apply to Client, and that it is Client's responsibility to maintain awareness of these statutes and regulations. Client agrees to comply with all such statutes and regulations.
13. Client agrees to release, and hold harmless, Company, its affiliated companies, officers, directors, shareholders, agents, employees, third party providers and all persons involved in the preparation and / or delivery of any Consumer Report pursuant to this Agreement including but not limited to vendors, suppliers and national CRAs from and against any and all liability, including without limitation, liability or damage in connection with the preparation of such Consumer Reports and from any loss or expense suffered by Client resulting directly or indirectly, in whole or in part, from Consumer Reports prepared by Company or any affiliated company.
14. Client is not a private detective, private detective agency, private investigative company, bail bondsman, law firm, credit counseling firm, credit repair clinic or other person that is not an end-user or decision maker.

4. Company Certifications and Responsibilities

- a. Company hereby certifies that, where applicable:
 1. Company will comply with all Applicable Law during the preparation and delivery of any Consumer Report for Client.
 2. Company will comply with FCRA § 613 (15 U.S.C. § 1681k) with regard to reporting items of public record.
 3. Company will follow reasonable quality assurance procedures, including a regular auditing schedule, in obtaining and providing information from sources that it has investigated and believes to be reliable.
 4. Company will re-investigate, at no cost to Client, any disputed Consumer Report information when either Client or the individual subject of the Consumer Report makes a request to Company to do so, in writing and with the proper identification, in accordance with Applicable Law.
 5. Company will use its best efforts in responding to any and all requests received from Client and dedicate its efforts and focus to provide accurate and timely information. Company will also continue to investigate new sources and methods to provide information to Client.
 6. Company reserves the right to terminate this Agreement at any time if Client breaches this Agreement, including but not limited to e.g. if Client fails to strictly comply with all applicable FCRA requirements.

5. Internet Services

- a. Company has a secure Internet application, called FASTRAX SELECT[®] (hereinafter "FASTRAX[®]"), to allow Client to request or view information online. If utilized, Client hereby agrees to the following provisions:
 1. Company will assign and maintain unique ID's and passwords to Client to ensure security.
 2. Client will have access to all information stored on Company's secure server that is relevant to this Agreement.
 3. Client will be responsible for designating the individuals within its organization who will become Authorized Users entitled to use FASTRAX[®] and who will have access to any ID's and passwords necessary for login. It will be Client's responsibility to maintain the confidentiality of all ID's and passwords issued to Client. If, for any reason, Client's ID and / or password security is compromised, then it shall be the sole and exclusive responsibility of Client to alert Company and request that Client's access to FASTRAX[®] be suspended. Client will be responsible for paying the full costs of any Consumer Report ordered or any other activity performed using Client's ID's and / or passwords prior to notifying Company of the security compromise whether or not such activity is, in fact, authorized or proper.
 4. If the identity of Client's Authorized Users changes, Client must notify Company of any such change(s) immediately, in writing.

5. Company utilizes high-end technology in the design, structure and maintenance of its programs and equipment. As such, some Client computer networks and / or systems may not be compatible with FASTRAX[®]. Company will offer any help and / or suggestions based on experience in situations such as these and act as a technical advisor to Client. Company does not, however, guarantee Client's access to requested information and / or its ability to view information via FASTRAX[®].

6. Agreement Terms

- a. This Agreement shall become effective as of the later date executed by the parties above, and it will be in effect for an initial period of one (1) year from that date (the "Initial Term"). Following the Initial Term, this Agreement will automatically renew itself for successive additional one (1) year periods (the "Renewal Terms") unless either Client or Company terminates it as set forth below.
- b. Either party may terminate this Agreement prior to the end of the Initial Term and / or prior to the end of any subsequent Renewal Term(s) for any breach of this Agreement by notifying the other party, in writing, of its intent to terminate no less than sixty (60) calendar days prior to the expiration of the relevant term. If Company believes that Client has breached this Agreement, Company shall notify Client of the breach and give Client 30 calendar days to cure the breach before terminating this Agreement. Upon termination, Client agrees to pay Company for all Consumer Reports requested prior to the effective date of termination regardless of the completion date of the Consumer Reports.
- c. All provisions regarding indemnity, exclusion of liability and confidentiality shall survive the termination of this Agreement.
- d. Company reserves the right to amend the Pricing Schedule incorporated into this Agreement as "Attachment A" upon thirty (30) calendar days written notice to Client. Client hereby agrees to pay the amended Pricing Schedule for the remainder of the Initial Term or any Renewal Terms.
- e. IN NO EVENT shall Company be liable for any lost profits, any incidental, special, exemplary or consequential damages or any claims or demands brought against Client even if Company has been advised of the possibility of such claims or demands. The maximum amount of actual damages that Client may recover from Company shall be limited to the amount of fees actually paid by Client to Company up to the date of any alleged breach. These limitations on damages are intended to apply without regard to whether other provisions of this Agreement have been breached or have proven ineffective. Some states do not allow the exclusion or limitation of incidental or consequential damages so this limitation may not apply to Client. Any claim or cause of action which Client may have arising out of a claim related to this Agreement must be filed within one (1) year after such claim or cause of action arises. Otherwise, such claim or cause of action is forever barred.
- f. The information provided by Company under this Agreement is, without limitation, obtained from sources that Company considers to be reliable. However, due to the possibility of errors inherent in the procurement and compilation of data involving a large number of individuals, neither the accuracy nor completeness of such information is guaranteed. Moreover, in no event shall Company, its officers, board members, employees, affiliated companies or bureaus, independent contractors or agents be liable for any claim, injury or damage suffered directly or indirectly by Client or any person related to Client as a result of the inaccuracy or incompleteness of such information provided under this Agreement and / or as a result of Client's use of any other information or service provided under this Agreement
- g. In no event shall either Company or Client have any responsibility or liability to the other, whatsoever, for any failure or delay in performance which results from or is due to, directly or indirectly and in whole or in part, any cause or circumstance beyond the reasonable control of Company and / or Client.
- h. Any and all disputes arising from any Consumer Report or other action performed pursuant to this Agreement shall be adjudicated exclusively in the courts of Hamilton County, Ohio, and all terms of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Ohio.
- i. Client acknowledges that Company has invested substantial time and money in the development of its proprietary products and software, and all aspects of said products and software have become valuable Company assets. Therefore, Client hereby agrees that it will not reproduce, distribute, transmit, capture, duplicate or copy any portion of FASTRAX[®], its contents or any portion thereof, or any other proprietary product or software belonging to Company.
- j. If any provision of this Agreement becomes invalid, illegal or unenforceable in any respect as a result of a decision of any court in law or equity, the validity, legality and enforceability of all remaining provisions of this Agreement shall not be affected or impaired in any way.
- k. This Agreement constitutes the entire understanding between the parties, and as of its effective date supersedes all prior or independent discussions and / or negotiations between the parties covering the subject matter hereof. Any change or modification to this Agreement must be in writing and signed by both parties.
- l. Every provision of this Agreement, and all rights and duties created hereunder, shall automatically be binding upon and inure to the benefit of any and all of both Client's and Company's respective heirs, executors, administrators, legal representatives, successors and assigns.

Fair Credit Reporting Act Procedures

Definitions:

- Consumer – Simply means an individual...**The Applicant**
- Consumer Report – The term “Consumer Report” means any written, oral or other communication of any information by a consumer reporting agency bearing on a consumer’s credit worthiness, credit standing, credit capacity, character, academic background, credentials, work habits, work performance, work experience, reasons for work termination, general reputation, personal characteristics, mode of living, employment history, workers’ compensation history, motor vehicle record, education background, civil litigation history and/or criminal record which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer’s eligibility for...employment purposes. Investigative Consumer Report – Same as above but personal interviews are conducted with neighbors, friends or associates during the process...**The Background Check**
- Consumer Reporting Agency (CRA) – Any person or organization which, for monetary fees or dues, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties...**SELECTION.COM®**
- Employment Purposes – Means a Consumer Report used for the purpose of evaluating a consumer for employment, promotion, reassignment or retention as an employee...**Making A Hiring Decision**
- Release Form – A document that contains a clear and conspicuous disclosure that a background check or Consumer Report will be procured. The Release Form should contain a full Consumer Rights disclosure and must require a separate signature from the application...**Must Be Signed**
- Adverse Action – A denial of employment or any other decision for employment purposes that adversely affects any current or prospective employee...**Decision Not To Hire**
- Consumer Rights Statement – A prescribed model, provided under the FCRA as the General Summary of Consumer Rights, that is a description of the rights of the consumer...**Provided By SELECTION.COM®**
- Adverse Action Notification – Oral, written or electronic notification of the adverse action containing the name, address and toll-free telephone number of the CRA that furnished the information, a statement that the CRA did not make the decision and is unable to provide the reasons why the decision was made, a notice that the consumer has a right to obtain a free copy of the report from the CRA for 60 days and that the consumer can dispute the accuracy of the report with the CRA...**Notice To Applicant**

Procedures:

- Have a Release Form signed by the Applicant.
- Request the Consumer Report from SELECTION.COM®.
- Review the information contained in the Consumer Report and make a tentative hiring decision.
- Before taking any adverse action or making a final hiring / promotion, etc. decision, provide the Applicant with a copy of the Consumer Report and a copy of the Consumer Rights Statement. Use the Pre-Adverse Letter as a cover letter for this mailing. Contact SELECTION.COM® with any questions.
- Give the Applicant sufficient time to contact you with any disputes regarding the Consumer Report and then send the Adverse Action Letter Notification if you make a decision not to hire, promote, etc.

All users of consumer reports must comply with all applicable regulations, including regulations promulgated after this notice was first prescribed in 2004. Information about applicable regulations currently in effect can be found at the Consumer Financial Protection Bureau's website, www.consumerfinance.gov/learnmore.

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 Bureau of Consumer Financial Protection's website at www.consumerfinance.gov/learnmore. 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 Bureau's website. **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 identify 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 Consumer Financial Protection Bureau and the banking and credit union regulators.

The Consumer Financial Protection Bureau regulations will be available at www.consumerfinance.gov/learnmore/.

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 Consumer Financial Protection Bureau, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Consumer Financial Protection Bureau regulations may be found at www.consumerfinance.gov/learnmore/.

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 prescribed by the Consumer Financial Protection Bureau.

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 the 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 a 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(1), 604(c), 604(e), and 614(d). This practice is known as "prescreening" and typically involves obtaining a list of consumers from a CRA 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 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, the Consumer Financial Protection Bureau has established the format, type size, and manner of the disclosure required by Section 615(d), with which users must comply. The regulation is 12 CFR 1022.54.

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 identify 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 Consumer Financial Protection Bureau website, www.consumerfinance.gov/learnmore, has more information about the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1618 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. 1681c-1; Section 605B 15 U.S.C. 1681c-2; 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. 1681l; 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.

Para informacion en espanol, visite www.consumerfinance.gov/learnmore o escribe a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20006.

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20006.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
 - a person has taken adverse action against you because of information in your credit report;
 - you are the victim of identity theft and place a fraud alert in your file;
 - your file contains inaccurate information as a result of fraud;
 - you are on public assistance;
 - you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.consumerfinance.gov/learnmore for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.consumerfinance.gov/learnmore for an explanation of dispute procedures.
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need – usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to www.consumerfinance.gov/learnmore.
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5678688.
- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a
- user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit www.consumerfinance.gov/learnmore.

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. For information about your federal rights, contact:

TYPE OF BUSINESS:	CONTACT:
1.a. Banks, savings associations, and credit unions with total assets of over \$10 billion and their affiliates.	a. Consumer Financial Protection Bureau 1700 G Street N.W. Washington, DC 20552
b. Such affiliates that are not banks, savings associations, or credit unions also should list, in addition to the Bureau:	b. Federal Trade Commission: Consumer Response Center – FCRA Washington, DC 20580 (877) 382-4357
2. To the extent not included in item 1 above:	
a. National banks, federal savings associations, and federal branches and federal agencies of foreign banks	a. Office of the Comptroller of the Currency Customer Assistance Group 1301 McKinney Street, Suite 3450 Houston, TX 77010-9050
b. State member banks, branches and agencies of foreign banks (other than federal branches, federal agencies, and Insured State Branches of Foreign Banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act	b. Federal Reserve Consumer Help Center P.O. Box. 1200 Minneapolis, MN 55480
c. Nonmember Insured Banks, Insured State Branches of Foreign Banks, and insured state savings associations	c. FDIC Consumer Response Center 1100 Walnut Street, Box #11 Kansas City, MO 64106
d. Federal Credit Unions	d. National Credit Union Administration Office of Consumer Protection (OCP) Division of Consumer Compliance and Outreach (DCCO) 1775 Duke Street Alexandria, VA 22314
3. Air carriers	Asst. General Counsel for Aviation Enforcement & Proceedings Aviation Consumer Protection Division Department of Transportation 1200 New Jersey Avenue, S.E. Washington, DC 20590
4. Creditors Subject to Surface Transportation Board	Office of Proceedings, Surface Transportation Board Department of Transportation 395 E Street, S.W. Washington, DC 20423
5. Creditors Subject to Packers and Stockyards Act, 1921	Nearest Packers and Stockyards Administration area supervisor
6. Small Business Investment Companies	Associate Deputy Administrator for Capital Access United States Small Business Administration 409 Third Street, S.W., 8th Floor Washington, DC 20416
7. Brokers and Dealers	Securities and Exchange Commission 100 F Street, N.E. Washington, DC 20549
8. Federal Land Banks, Federal Land Bank Associations, Federal Intermediate Credit Banks, and Production Credit Associations	Farm Credit Administration 1501 Farm Credit Drive McLean, VA 22102-5090

9. Retailers, Finance Companies, and All Other Creditors Not Listed Above

FTC Regional Office for region in which the creditor operates or Federal Trade Commission: Consumer Response Center – FCRA
Washington, DC 20580
(877) 382-4357

Para informacion en espanol, visite www.consumer.gov/idtheft o escribe a la FTC, Consumer Response Center, Room 130-B, 600 Pennsylvania Avenue, N.W. Washington, D.C., 20580.

Remedying the Effects of Identity Theft

Identity theft occurs when someone uses your name, Social Security number, date of birth, or other identifying information, without authority, to commit fraud. For example, someone may have committed identity theft by using your personal information to open a credit card account or get a loan in your name. For more information, visit www.consumer.gov/idtheft or write to: FTC, Consumer Response Center, Room 130-B, 600 Pennsylvania Avenue, N.W. Washington, D.C., 20580.

The Fair Credit Reporting Act (FCRA) gives you specific rights when you are, or believe that you are, the victim of identity theft. Here is a brief summary of the rights designed to help you recover from identity theft.

1. You have the right to ask that nationwide consumer reporting agencies place “fraud alerts” in your file to let potential creditors and others know that you may be a victim of identity theft. A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide consumer reporting agencies. As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file.

- Equifax: 1-800-525-6285; www.equifax.com
- Experian: 1-888-EXPERIAN (397-3742); www.experian.com
- TransUnion: 1-800-680-7289; www.transunion.com

An initial fraud alert stays in your file for at least 90 days. An extended alert stays in your file for seven years. To place either of these alerts, a consumer reporting agency will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an extended alert, you will have to provide an *identity theft report*. An *identity theft report* includes a copy of a report you have filed with a federal, state, or local law enforcement agency, and additional information a consumer reporting agency may require you to submit. For more detailed information about the *identity theft report*, visit www.consumer.gov/idtheft.

2. You have the right to free copies of the information in your file (your “file disclosure”). An initial fraud alert entitles you to a copy of all the information in your file at each of the three nationwide agencies, and an extended alert entitles you to two free file disclosures in a 12-month period following the placing of the alert. These additional disclosures may help you detect signs of fraud, for example, whether fraudulent accounts have been opened in your name or whether someone has reported a change in your address. Once a year, you also have the right to a free copy of the information in your file at any consumer reporting agency, if you believe it has inaccurate information due to fraud, such as identity theft. You also have the ability to obtain additional free file disclosures under other provisions of the FCRA. See www.ftc.gov/credit.

3. You have the right to obtain documents relating to fraudulent transactions made or accounts opened using your personal information. A creditor or other business must give you copies of applications and other business records relating to transactions and accounts that resulted from the theft of your identity, if you ask for them in writing. A business may ask you for proof of your identity, a police report, and an affidavit before giving you the documents. It also may specify an address for you to send your request. Under certain circumstances, a business can refuse to provide you with these documents. See www.consumer.gov/idtheft.

4. You have the right to obtain information from a debt collector. If you ask, a debt collector must provide you with certain information about the debt you believe was incurred in your name by an identity thief – like the name of the creditor and the amount of the debt.

5. If you believe information in your file results from identity theft, you have the right to ask that a consumer reporting agency block that information from your file. An identity thief may run up bills in your name and not pay them. Information about the unpaid bills may appear on your consumer report. Should you decide to ask a consumer reporting agency to block the reporting of this information, you must identify the information to block, and provide the consumer reporting agency with proof of your identity and a copy of your *identity theft report*. The consumer reporting agency can refuse or cancel your request for a block if, for example, you don't provide the necessary documentation, or where the block results from an error or a material misrepresentation of fact made by you. If the agency declines or rescinds the block, it must notify you. Once a debt resulting from identity theft has been blocked, a person or business with notice of the block may not sell, transfer, or place the debt for collection.

6. You also may prevent businesses from reporting information about you to consumer reporting agencies if you believe the information is a result of identity theft. To do so, you must send your request to the address specified by the business that reports the information to the consumer reporting agency. The business will expect you to identify what information you do not want reported and to provide an *identity theft report*.

To learn more about identity theft and how to deal with its consequences, visit www.consumer.gov/idtheft, or write to the FTC. You may have additional rights under state law. For more information, contact your local consumer protection agency or your state attorney general.

In addition to the new rights and procedures to help consumers deal with the effects of identity theft, the FCRA has many other important consumer protections. They are described in more detail at www.ftc.gov/credit.