



Justifacts Credential Verification, Inc.

www.justifacts.com;

800-356-6885

Getting Started with Justifacts!

Attached you will find documents and information that you will need to get started with Justifacts. Below is a description of the information, as well as instructions for completing the required documents:

**Please complete and return pages 2 through 7 of this document
Remainder is for your records – please store/save for future reference**

Pages 2 & 3 – Service - FCRA Agreement (Fair Credit Reporting Act Agreement) – This is not a contract, it is simply your agreement to abide by the regulations required by the FCRA. The primary purpose of the FCRA Agreement is to notify you of your obligations when conducting a background investigation on an applicant and to obtain your agreement that you will follow these requirements when requesting information from Justifacts.

Pages 4 & 5 – New Client Profile – The information you provide on the New Client Profile helps your dedicated account manager and his/her team to understand your company and your background screening preferences.

Pages 6 & 7 – Client Application – The information obtained on this form will be considered confidential and will be used to confirm the Justifacts has the correct billing and contact information file for your company. Also, this form is required if you will be requesting access to either social security track searches or credit checks. Finally, by signing this form you are also agreeing to abide by the access security requirements contained herein.

Pages 8 through 22 – Information for your files – This information includes access security requirements, standard requirements under the FCRA and how to handle adverse information. Please carefully review the Notice to Users of Consumer Reports which begins on Page 10. If you have questions regarding your obligations under the FCRA, please contact your Sales Manager.

**Please complete and return the above documents to Justifacts via fax at:
412-798-4799**

**Please feel free to call with any questions!
800-356-6885**

Sales Manager Name – Sales Manager
Justifacts Credential Verification, Inc.

JUSTIFACTS CREDENTIAL VERIFICATION, INC.

5250 Logan Ferry Road, Murrysville, PA 15668

PHONE: (800) 356-6885 ~ FAX: (412) 798-4799

www.justifacts.com

SERVICE AGREEMENT - AGREEMENT TO ABIDE BY THE FAIR CREDIT REPORTING ACT

This agreement entered into on _____ by and between JUSTIFACTS CREDENTIAL VERIFICATION, INC., a Pennsylvania Corporation (hereinafter referred to as "Justifacts"), and _____ (hereinafter referred to as "Client"). Client agrees to pay Justifacts for services provided under this agreement in accordance with the prevailing charges or in accordance with charges stated in a service proposal provided directly to the client and further certifies and agrees:

That it will comply with the Fair Credit Reporting Act as amended by the Consumer Credit Reporting Reform Act of 1996 (hereinafter FCRA) and all other applicable statutes, both state and federal.

That each time a request for information or credit report is made of Justifacts, the Client's representative authorized to make such a request will use the information or report solely for a permissible purpose, namely:

- (A) In connection with a credit transaction involving the consumer on whom the information is to be furnished and involving the extension of credit to, or review or collection of an account of, the consumer; or
- (B) For employment purposes; and Client agrees to make the employment certification below; or
- (C) In connection with the underwriting of insurance involving the consumer; or
- (D) In connection with a legitimate business need for the information in connection with a business transaction initiated by the consumer or to review an account to determine whether the consumer continues to meet the terms of the account; and the Client agrees to identify to Justifacts each request at the time such report is ordered, and to certify the legitimate business need for such report; or
- (E) In connection with a determination of the consumer's eligibility to a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status; or
- (F) As a potential investor or service, or current insurer, in connection with a valuation of, or an assessment of the credit or prepayment risks associated with, and existing credit obligation.

That the consumer reports and/or consumer investigative reports will only be obtained for the following purposes and for no other purpose: (CHECK ALL THAT APPLY)

- (A) in connection with a credit transaction involving the consumer on whom the information is to be furnished and involving the extension of credit to, or review or collection of an account of the consumer, or
- (B) for employment purposes
- (C) in connection with the underwriting of insurance involving the consumer
- (D) in connection with a business transaction involving the consumer, which is _____

That information will be requested only for the Clients exclusive use and will not be otherwise distributed or sold. All consumer information will be held in strict confidence, except to the extent permitted by law. Reports on employees will be requested only by Client's designated representatives. Employees will be forbidden to attempt to obtain reports on themselves, associates, or any other person except in the exercise of their official duties.

Each time a request for information or a credit report is made of Justifacts for employment purposes Client will comply with §604 (b) of the FCRA, namely: (1) the consumer has been given a clear and conspicuous written notice, in advance (in a document that consists solely of the disclosure), that a consumer report may be requested for employment purposes; (2) the consumer has authorized the Client, in writing, to procure the report; (3) the

information in the consumer report will not be used in violation of any applicable federal or state equal employment opportunity law or regulation as well as any law providing consumer credit or consumer identity protection; (4) before taking adverse action, in whole or in part on the report, Client will provide the consumer a copy of the report and a description of the consumer's rights under the FCRA.

(The Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681 et seq. provides under §619 that any person who knowingly and willfully obtains information on a consumer from a consumer reporting agency under false pretenses shall be fined under title 18, United States code, imprisoned for not more than more 2 years, or both. Also, under Section §621 (a) (2) (A), any person that violates any provision of the FCRA may be liable for a civil penalty of not more than \$2,500 per violation.)

Because of the unique nature of the services provided by Justifacts and requirements placed on Justifacts in obtaining information according to Federal and State requirements and contractual obligations, Justifacts may be required to supply verification that a background investigation was properly authorized. Client agrees to maintain in its records a copy of the Authorization to Conduct Employment Background Investigation (or similar authorizing document) and further agrees to provide a copy of this notification to Justifacts upon request to make its records more complete and to comply with any such request for documentation.

The Client will provide prompt, accurate and complete information at the time of transmission and will comply with §623 of the FCRA.

The Client recognizes that the information in reports prepared by Justifacts is secured and processed by and through fallible sources (human or otherwise) and that for the fee charged Justifacts cannot be held liable, as either an insurer or guarantor, of the accuracy of the information reported. Client agrees to release and hold Justifacts and its officers, directors, employees, and authorized representatives or agents harmless from liability arising from any alleged negligence in connection with the preparation, submission, or dissemination of any report or any information contained in such reports from Justifacts.

The individual whose signature appears below represents that they are authorized to enter into this agreement on behalf of the client.

CLIENT

Company: _____

Signature: _____

Print Name: _____

Title: _____

E-mail address: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

Fax: _____

Type of Business: _____

List any affiliates or subsidiaries to be covered under this agreement:

ACCEPTED BY

Justifacts Credential Verification, Inc.

Signature: _____

Print Name: _____

Title: _____

Sales Manager: _____

Please complete the **New Client Profile**. As a client of Justifacts, your organization will have an Account Manager that is assigned to process your requests. He or she has a team of research specialists that will handle each facet of your order. The New Client Profile will help the Account Manager process your requests based on your preferences. Once we receive your first job, we will provide you with the name and contact information for your Account Manager.

1. How did you hear about Justifacts?

2. How many employees and or contractors are employed by your company?

3. Approximately how many applicants / existing employees do you anticipate ordering background reports for each month?

4. Does your company extend a job offer to the applicant prior to conducting the background search? Yes
 No

5. When do you anticipate sending in your first job?

6. Will you provide us with the applicant's Date of Birth information as requested on the applicant release?
 Yes No (please note: With your permission Justifacts will contact the applicant to obtain the date of birth for you. That information will be kept confidential at Justifacts)

7. Will Justifacts have permission to call the applicant when we need information that may be lacking in their application or resume? Yes No

8. Most of Justifacts background search packages include one county and/or state criminal record search. If additional addresses are located on an address information search or indicated by the applicant, would you like your account manager to automatically search criminal records for all addresses lived in the last 7 years at an additional charge? Yes No

***Note:** If you are conducting the National Criminal Database search along with a current county or state criminal search, searching all previous addresses may be unnecessary. If you prefer to search all areas, your account manager will be happy to accommodate your request.

9. Would you like Justifacts to conduct a criminal record search for all names and/or alias' used at an additional charge? Yes No

***Note:** Justifacts recommends that you conduct criminal record searches for all names to assure an accurate search.

10. Do you want an email confirming our receipt of your request? Yes No

11. In which State or States will the employees you hire be working? (Please note that State laws governing hiring practices differ in each state. This information will be used to determine which state will impact the information we report.)

12. Do you want an email confirming our receipt of your request and upon completion of the report?
 Yes No

13. Do you want Justifacts to notify you when a search you request requires us to use an automated system which results in an additional fee? Yes No

14. Do you prefer to submit your jobs to Justifacts using *Justiweb*, our online order entry and report retrieval system or will you submit your reports via Fax? Justiweb (online) Fax

15. A demonstration of Justiweb is available at your convenience – would you like a call from your sales manager to schedule a demonstration? Yes No

16. Beside yourself, will there be any other authorized users of the system? Also, is tiered access needed? If so, please provide the following information, job titles and what capacity they interact. (**Administrative:** can see/retrieve all reports entered by all users. **Regional:** can see/retrieve their own reports and Divisional user reports. **Divisional:** can only see/retrieve orders that they entered.)

Name: _____ Title: _____
Email Address: _____
Phone Number: _____ Fax Number: _____

Access: Administrative Regional Divisional

Name: _____ Title: _____
Email Address: _____
Phone Number: _____ Fax Number: _____

Access: Administrative Regional Divisional

(Repeat as necessary)

17. To whom should Justifacts invoices be sent? Please include:

Name: _____ Title: _____
Email Address: _____
Phone Number: _____ Fax Number: _____
Mailing Address: _____

18. Do you prefer to receive the invoice via email or US Mail?

Email Regular Mail

19. Please indicate the name of any specialized HR software used in your hiring process.

20. Is your company interested in either a demonstration of or additional information regarding the applicant tracking system that Justifacts offers free of charge to our clients?

21. Does your company utilize any email filters that will potentially block or prohibit your Justifacts account manager from reaching you via email?

22. How does your company plan on handling the adverse action process?

- We plan on completing the process internally
- We plan on using Justiwebs' built in feature to complete the process
- We plan on having Justifacts complete the process using standard mail*
- We plan on having Justifacts complete the process using certified mail*
*At an additional charge

23. For California, Minnesota and Oklahoma Applicants – Who is responsible for providing a copy of the background report to the applicant if the required Check Box on the Background Investigation Waiver is checked by the applicant requesting a copy of the report?

Client Justifacts – At an additional fee Not Applicable

Client Application



Justifacts Credential Verification, Inc.
5250 Logan Ferry Road
Murrysville, PA 15668
PH (412) 798-4790 FX (412) 798-4799

Date of Application: _____

Important: All information must be completed in its entirety. Please print clearly and legibly to ensure accurate and timely processing.

General Company Information (Required)

Company Name: _____ Years in Business: _____ Yrs _____ Mo

Type of Ownership (indicate one): Partnership Sole Owner Nonprofit Corporation LLC LLP

Do you have any other company name(s) or dba? Yes No If Yes, please list: _____

Please describe the nature of your business: _____

FEIN Number: _____

State of Incorporation: _____

Physical Street Address (no. P.O. box numbers, please): _____

City: _____ State: _____ ZIP: _____ How Long: _____ Yrs _____ Mo

Corporate Phone: () _____ Fax: () _____ Is this a residential address? Yes No

Contact Phone: () _____

Previous Address: _____

City: _____ State: _____ ZIP: _____ How Long: _____ Yrs _____ Mo

Do you own or lease the building in which you are located? (please check one) Own Lease

Principal of the Company (If sole owner or partnership, please complete the section below.)

I understand that the information provided below will be used to obtain a consumer credit report, and my creditworthiness may be considered when making a decision to grant membership.

Principal name: _____

Title or Position: _____ Phone: () _____

Social Security Number: _____ Year of Birth: _____

Residential Street Address: _____

City: _____ State: _____ Zip: _____

Affiliated or Parent Company Information

*Do you have any branch offices located in the state of California? Yes No

Affiliated or Parent Company Name: _____

Contact Name: _____ Title: _____

Address: _____ Phone: () _____

City: _____ State: _____ Zip: _____

**Justifacts Credential Verification
Membership Application – Continued**

Permissible Purpose/Appropriate Use	(Application will not be processed unless this information is provided.)
Please describe the <u>specific</u> purpose for which Justifacts product information will be used. (What will you do with the information obtained?)	
This section <u>MUST</u> be completed. Provide additional Detail if Necessary	
<input checked="" type="checkbox"/> Employment Background Screening	
<input type="checkbox"/> Tenant Background Screening	
<input type="checkbox"/> Other – Provide Detailed Description of Purpose	

Bank Information	(Required if requesting access to Trans Union Reports)	
Name of Bank:		Address:
Bank Phone No:	()	
Business Checking Account Information:		
Name of Account:		Account Number:

Business References	(Provide Three References) (Required)	
Business Name:		Business Phone:
Contact Name:		
Business Name:		Business Phone:
Contact Name:		
Business Name:		Business Phone:
Contact Name::		

I certify that my business is not included on the list of “Unauthorized End Use Business Types”. I have read and understand the “Notice to Users of Consumer Reports” and the “Access Security Requirements” and will take all reasonable measures to enforce them within my facility. I certify that I am the end user of all information provided by Justifacts Credential Verification and will use this information for no other purpose other than what is stated in the Permissible Purpose/Appropriate Use section on this application and for the type of business listed on this application. I will not resell the report to any third party. I understand that if Justifacts’ system is used improperly by company personnel, or if my access codes are made available to any unauthorized personnel due to carelessness on the part of any employee of my company, I may be held responsible for financial losses, fees, or monetary charges that may be incurred and that my access privilege may be terminated.

Company Name

Type or Print Name of Authorized Person

Title

Authorized Signature

Date

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Unauthorized End User Business Types

Justifacts periodically utilizes outside services to provide information requested as part of a background investigation. These services require that you provide a certification that you are not one of the following excluded entities. Businesses coming under any of the following categories may be excluded from receiving certain types of information.

Adoption Search Firms
Adult Entertainment service of any kind
Asset Location Services
Business that operates out of an unrestricted location within a residence
Bail bondsman
Check cashing
Credit counseling
Credit repair clinic or any type of company involved in credit repair activity
Dating service
Diet Centers
Financial counseling (except housing counseling agencies)
Genealogical or heir research firm
Internet People Locator Service
Investigative Companies, including Private Investigators and detective agencies except those licensed for – and exclusively practicing, investigative work for employment purposes
Law Enforcement (Except for Employment Screening)
Massage service
Company that locates missing children
Pawn shop
Company that handles third party repossession
Company or individual involved in spiritual counseling
Subscriptions (magazines, book clubs, record clubs, etc.)
Tattoo service
Insurance Claims



Justifacts Credential Verification, Inc. Access Security Requirements

Justifacts and its clients must work together to protect the privacy of consumers. The following measures are designed to reduce unauthorized access of consumer information. In accessing consumer information products, your company agrees to follow the following measures:

1. Users must protect their account number and password so that only key personnel employed by your company know this sensitive information. Unauthorized persons should never have knowledge of your password. Do not post this information in any manner within your facility. If a person who knows the password leaves your company or no longer needs to have it due to a change in duties, the password should be changed immediately.
2. System access software, whether developed by your company or purchased from a third party vendor, must have your account number and password “hidden” or embedded and be known only by supervisory personnel. Assign each user of your system access software a unique logon password. If such system access software is replaced by different access software and therefore no longer in use or, alternatively, the hardware upon which such system access software resides is no longer being used or is being disposed of, your password should be changed immediately.
3. Users should not discuss their account number and password by telephone with any unknown caller, even if the caller claims to be an employee of your credit provider.
4. Restrict the ability to obtain consumer information products to a few key personnel.
5. Place all terminal devices used to obtain consumer information products in a secure location within your facility. These devices should be secure so that unauthorized persons cannot easily access them.
6. After normal business hours, be sure to turn off and lock all devices or systems used to obtain consumer information products.
7. Secure hard copies and electronic files of consumer information products within your facility so that unauthorized persons cannot easily access them.
8. Shred or destroy all hard copy consumer information products when no longer needed.
9. Erase and overwrite or scramble electronic files containing consumer information when no longer needed and when applicable regulation(s) permit destruction.
10. Make all employees aware that your company can access consumer information products only for the use stated in the Permissible Purpose/Appropriate Section of the Client Application. You or your employees may not access their own information, nor should you or your employees’ access information of a family member or friend unless it is in connection with an appropriate FCRA compliant transaction.

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Dear Client:

As you may be aware, the information which you request and we provide is classified as a “consumer report” or “investigative consumer report” and is governed by the Fair Credit Reporting Act (FCRA). The FCRA provides protections and responsibilities to those who use information (our Clients), those upon whom the information is about (applicants or “consumers”) and those who provide information (Justifacts).

The FCRA was amended and the new provisions became effective on October 16, 2006. One of the new provisions requires users of these reports to certify their compliance with the FCRA. As a result we request that you sign and return the enclosed “Agreement to Abide by the Fair Credit Reporting Act” to Justifacts as soon as possible.

Also enclosed please find the following information:

- A. Notice to users of consumer reports: Obligations of users under the FCRA
- B. Fair Credit Reporting Act Notification.
- C. Authorization to Conduct Background Investigation.
- D. Summary of Consumer rights under FCRA.
- E. Sample Pre-Adverse Action Letter – Re: Employment
- F. Sample of Adverse Action Letter – Re: Employment

The full text of the FCRA, as amended, may be found on the Internet at:

<http://www.ftc.gov/os/statutes/fcradoc.pdf>

It is important to note that Justifacts is providing this information as a service to our clients. None of the information contained herein should be construed as legal advice, nor is Justifacts engaged to provide legal advice. Although we go to great lengths to make sure our information is accurate and useful, we recommend you consult your attorney or legal department if you require assurance that our information, and your interpretation of it, is appropriate to your particular situation.

We look forward to providing you with the information you require in order to make an informed hiring decision. Please do not hesitate to call if you have any questions regarding compliance with the Fair Credit Reporting Act.

Sincerely,

Charles Gabriel
Business Manager

All users of consumer reports must comply with all applicable regulations. 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 Consumer Financial Protection Bureau'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 Web site. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS

A. Users Must Have a Permissible Purpose

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of the permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. Section 604(a)(1)
- As instructed by the consumer in writing. Section 604(a)(2)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. Section 604(a)(3)(A)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. Sections 604(a)(3)(B) and 604(b)
- For the underwriting of insurance as a result of an application from a consumer. Section 604(a)(3)(C)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. Section 604(a)(3)(F)(i)
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. Section 604(a)(3)(F)(ii)
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. Section 604(a)(3)(D)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. Section 604(a)(3)(E)
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. Sections 604(a)(4) and 604(a)(5)

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making "prescreened" unsolicited offers of credit or insurance. Section 604(c). The particular obligations of users of "prescreened" information are described in Section VII below.

B. Users Must Provide Certifications

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purpose.

C. Users Must Notify Consumers When Adverse Actions Are Taken

The term "adverse action" is defined very broadly by Section 603. "Adverse actions" include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA – such as denying or canceling credit or insurance, or denying employment or promotion. No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

1. Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer's right to obtain a free disclosure of the consumer's file from the CRA if the consumer makes a request within 60 days.
- A statement setting forth the consumer's right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

2. Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer's written request.

3. Adverse Actions Based on Information Obtained From Affiliates

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

D. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files

When a consumer has placed a fraud alert, including one relating to identity theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p) and resellers, Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the

user must contact the consumer in accordance with the contact information provided in the consumer's alert.

E. Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs, users must comply with regulations specifying the procedures to be followed. Federal regulations are 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. Federal regulations have been issued that cover disposal.

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 information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.
- Before taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer's rights. (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2)

The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

B. Employment in the Trucking Industry

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking company by contacting the company.

IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED

Investigative consumer reports are a special type of consumer report in which information about a consumer's character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:

- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided by the CRA that conducts the investigation.)
- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed, or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS

Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with Federal, state or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION

Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes – or in connection with a credit transaction (except as provided in regulations issued by the banking and credit union regulators) – the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or as permitted by statute, regulation, or order).

VII. OBLIGATIONS OF USERS OF "PRESCREENED" LISTS

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(l), 604(c), 604(e), and 615(d). This practice is known as "prescreening" and typically involves obtaining from a CRA a list of consumers who meet certain pre-established criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and to grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer's CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, once the Consumer Financial Protection Bureau by rule has established the format, type size, and manner of the disclosure required by Section 615(d), users must comply. The relevant 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 identity of all end-users;
 - (2) certifications from all users of each purpose for which reports will be used; and
 - (3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

B. Reinvestigations by Resellers

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When any CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

C. Fraud Alerts and Resellers

Section 605A(f) requires resellers who receive fraud alerts or active duty alerts from another consumer reporting agency to include these in their reports.

IX. LIABILITY FOR VIOLATIONS OF THE FCRA

Failure to comply with the FCRA can result in state government or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

The CFPB's Web site, www.consumerfinance.gov/learnmore, has more information about the FCRA, including publications for businesses and the full text of the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1681 et seq.:

Section 602	15 U.S.C. 1681
Section 603	15 U.S.C. 1681a
Section 604	15 U.S.C. 1681b
Section 605	15 U.S.C. 1681c
Section 605A	15 U.S.C. 1681cA
Section 605B	15 U.S.C. 1681cB
Section 606	15 U.S.C. 1681d
Section 607	15 U.S.C. 1681e
Section 608	15 U.S.C. 1681f
Section 609	15 U.S.C. 1681g
Section 610	15 U.S.C. 1681h
Section 611	15 U.S.C. 1681i
Section 612	15 U.S.C. 1681j
Section 613	15 U.S.C. 1681k
Section 614	15 U.S.C. 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

FAIR CREDIT REPORTING ACT NOTIFICATION

(Required use under Section 604(b) of the FCRA)

Enter Company Name (the “company”) intends to obtain and use a consumer report or an investigative consumer report from an external consumer reporting agency for employment purposes. These purposes may include but are not limited to:

- considering your application for employment;
- making a decision whether to offer you employment with the company;
- deciding whether to continue your employment (if you are hired by the company);
- doing periodic rescreening of current employees, and/or;
- making any other employment decisions affecting you.

A consumer reporting agency is a person or business that regularly assembles or evaluates consumer credit information or other information on consumers. As an applicant or an employee, you are considered a “consumer” under the Fair Credit Reporting Act.

A consumer report may include information about your character, general reputation, personal characteristics, or mode of living, which is used or collected for employment purposes. An investigative consumer report also involves personal interviews with sources such as employers, educators, etc.

You have a right to request disclosures of the nature and scope of any investigative consumer report that the company obtains about you. You also have other rights under the Fair Credit Reporting Act, a summary of which is available at: <http://www.ftc.gov/os/2004/11/041119factaappf.pdf>.

ACKNOWLEDGMENT

I hereby acknowledge that **Enter Company Name** may obtain consumer reports and investigative consumer reports about me from a consumer reporting agency and that they may consider information in consumer reports and investigative consumer reports as part of their decision making process regarding any aspect of my application for employment and/or continued employment with the company including periodic rescreening of current employees. I also acknowledge that I have received a copy of the Summary of Rights under the Fair Credit Reporting Act.

Signature _____

Full Legal Name (please print) _____

Date _____

Authorization to Conduct Employment Background Investigation

I hereby authorize Justifacts Credential Verification, Inc, an Agent for **INSERT CLIENT NAME** to ascertain information regarding my background to determine any and all information of concern to my record, whether same is of record or not, and I release employers and persons named in my application from all liability for any damages on account of his/her furnishing said information. I understand that this form indicates that a background search will be conducted and that this is my notification of that intent. I understand that the purpose of this background investigation is to determine my suitability for employment and may elicit information on my character, general reputation, personal characteristics and mode of living. Additionally, you are hereby authorized to make any investigation of my personal history, educational background, military record, motor vehicle records, criminal records and credit history through an investigative or credit agency or bureau of your choice. I authorize the release of this information by the appropriate agencies to the investigating service. I understand that my consent will apply throughout my employment, unless I revoke or cancel my consent by sending a signed letter or statement to the Company at any time, stating that I revoke my consent and no longer allow the Company to obtain consumer or investigative consumer reports about me.

PLEASE PRINT CLEARLY

FULL NAME: _____

OTHER NAMES USED/MAIDEN NAME/DATES: _____

CURRENT ADDRESS: _____ PHONE: _____

LIST ALL ADDRESSES FOR PAST 7 YEARS:

EMAIL ADDRESS: _____

SOCIAL SECURITY # _____ DATE OF BIRTH: _____

DRIVER'S LICENSE # _____ STATE ISSUED: _____

*** MAY WE CONTACT YOUR CURRENT EMPLOYER? YES _____ NO _____

*** HAVE YOU EVER BEEN CONVICTED OF A CRIME? YES _____ NO _____

If yes, please explain: _____

Notice to California Applicants - You may omit minor traffic offenses, any convictions which have been sealed, expunged or statutorily eradicated, convictions more than two years old for the following marijuana related offenses: HS11357b&c, HS11360c, HS11364, HS11365, HS11550, and misdemeanors for which probation was completed and the case was judicially dismissed.

Notice to Massachusetts Applicants: You may omit a first conviction for any of the following misdemeanors: drunkenness, simple assault, speeding, minor traffic violations, affray, or disturbance of the peace, or any conviction of a misdemeanor where the date of such conviction or the completion of any period of incarceration resulting there from, whichever date is later, occurred five or more years prior to the date of this application for employment, unless you have been convicted of any offense within five years immediately preceding the date of this application for employment.

Note: No applicant will be denied employment solely on the grounds of conviction of a crime. The nature of the offense, the date of the offense, the surrounding circumstances and the relevance of the offense to the position will be considered.

SIGNATURE: _____ **DATE:** _____

California Applicants: Under Section 1786.22 of the California Civil Code, you have the right to request from Justifacts (5250 Logan Ferry Rd, Murrysville PA 15626 – 800-356-6885, www.justifacts.com), upon proper identification, the nature and substance of all information in its files on you, including the sources of information, and the recipients of any reports on you to whom Justifacts has previously furnished within the three-year period preceding your request. Files maintained on a consumer shall be made available for the consumer's visual inspection, as follows: (1) In-person, if he appears in person and furnishes proper identification. A copy of his file shall also be available to the consumer for a fee not to exceed the actual costs of duplication services provided. (2) By certified mail, if he makes a written request, with proper identification, for copies to be sent to a specified addressee. (3) A summary of all information contained in files on a consumer and required to be provided by Section 1786.10 shall be provided by telephone, if the consumer has made a written request, with proper identification for telephone disclosure, and the toll charge, if any, for the telephone call is prepaid by or charged directly to the consumer.

California, Minnesota & Oklahoma Applicants Only: Please check this box if you would like a copy of the background check mailed to you. Minnesota and Oklahoma applicants will receive a copy direct from Justifacts or its designee. California applicants may receive a copy from either the prospective employer or Justifacts.

NOTICE: Under federal law, you have the right to request disclosure of the nature and scope of our investigation by providing us with a written request within 60 days of our background investigation.

Subscriber certifies that consumer credit information, consumer reports, as defined by the Fair Credit Reporting Act, 15 U.S.C. 1681 et seq. ("FCRA"), will be ordered only when intended to be used as a factor in establishing a consumer's eligibility for employment and that consumer credit information will be used for no other purposes. It is recognized and understood that the FCRA provides that anyone "who knowingly and willfully obtains information on a consumer from a consumer reporting agency" (such as Justifacts) "under false pretenses shall be fined not more than \$2,500 or imprisoned not more than two years or both."

A Summary of Your Rights under the Fair Credit Reporting Act

The 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 20552.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or any other type of consumer report to deny your application for credit, insurance, or employment – or to take adverse action against you – must tell you, and 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 file;
 - You are the victim of identity theft and place a fraud alert in your file;
 - Your file contains inaccurate information as the 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 the consumer reporting agencies that create credit 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 free from the mortgage lender.
- **You have a 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 report 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 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 of credit and insurance must include a toll-free 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 1-888-5-OPTOUT (1-888-567-8688)
- **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 info about your federal rights contact:

TYPE OF BUSINESS	CONTACT:
<p>1.a. Banks, savings associations and credit unions with total assets of over \$10 billion and their affiliates.</p> <p>b. Such affiliates that are not banks, savings associations or credit unions also should list, in addition to the Bureau:</p>	<p>a. Bureau of Consumer Protection 1700 G Street NW Washington DC 20552</p> <p>b. Federal Trade Commission: Consumer Response Center –FCRA Washington, DC 20580 1-877-382-4357</p>
<p>2. To the extent not included in item 1 above:</p> <p>a. National banks, federal savings associations, and federal branches and federal agencies of foreign banks</p> <p>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.</p> <p>c. Nonmember Insured Banks, Insured State Branches of Foreign Banks, and Insured state savings associations</p> <p>d. Federal Credit Unions</p>	<p>a. Office of the Comptroller of the Currency Customer Assistance Group 1301 McKinney Street, Suite 3450 Houston, TX 77010-9050</p> <p>b. Federal Reserve Consumer Help Center PO Box 1200 Minneapolis, MN 55480</p> <p>c. FDIC Consumer Response Center 1100 Walnut Street, Box #11 Kansas City, MO 64106</p> <p>d. National Credit Union Administration Office of Consumer Protection (OCP) Division of Consumer Compliance and Outreach (DCCO) 1775 Duke Street, Alexandria VA 22314</p>
<p>3. Air Carriers</p>	<p>Asst. General Counsel for Aviation Enforcement & Proceedings Aviation Consumer Protection Division Department of Transportation 1200 New Jersey Avenue, S.E. Washington DC 20590</p>
<p>4. Creditors Subject to Surface Transportation Board</p>	<p>Office of Proceedings, Surface Transportation Board Department of Transportation 395 E Street, S.W. Washington DC 20423</p>
<p>5. Creditors Subject to Packers and Stockyards Act</p>	<p>Nearest Packers and Stockyards Administration Area Supervisor</p>
<p>6. Small Business Investment Companies</p>	<p>Associate Deputy Administrator for Capital Access United State Small Business Administration 409 Third Street, SW, 8th Floor Washington DC 20416</p>
<p>7. Brokers and Dealers</p>	<p>Securities and Exchange Commission 100 F Street NE Washington DC 20549</p>
<p>8. Federal Land Banks, Federal Land Bank Associations, Federal Intermediate Credit Banks, and Production Credit Associations</p>	<p>Farm Credit Administration 1501 Farm Credit Drive McLean VA 22102-5090</p>
<p>9. Retailers, Finance Companies, and All Other Creditors Not Listed Above</p>	<p>FTC Regional Office for region in which the creditor operates <u>or</u> Federal Trade Commission: Consumer Response Center – FCRA Washington DC 20580 (877) 382-4357</p>

EXAMPLE: PRE-ADVERSE ACTION LETTER - EMPLOYMENT

<Date>

<Applicant Name>

<Applicant Address>

Dear <Applicant>:

Thank you for your interest in employment with <Company Name>. Based in whole or in part on our hiring criteria, including information recently obtained in a consumer report completed by Justifacts Credential Verification, Inc., <Company Name> <may be unable to extend an offer of employment to you> <may be unable to continue your employment>. Enclosed please find a copy of your consumer report and copy of your rights under the Fair Credit Reporting Act.

The Fair Credit Reporting Act allows applicants a reasonable amount of time to dispute the information contained in a background investigation. If you wish to dispute the accuracy or completeness of any information contained in your consumer report, please contact the Justifacts Compliance Officer at the address or phone number listed below within five (5) business days of receipt of this letter:

**Justifacts Credential Verification, Inc.
FCRA Compliance
5250 Logan Ferry Road
Murrysville, PA 15668
Phone (800) 356-6885**

Please be advised that Justifacts Credential Verification, Inc. does not make the hiring decisions and is unable to provide specific reasons for them. Thank you for your interest in our company.

Sincerely,

<COMPANY NAME HERE>

EXAMPLE: ADVERSE ACTION LETTER RE: EMPLOYMENT

<Date>

<Applicant Name>

<Applicant Address>

Dear <Applicant>:

This letter is to notify you that <Company Name> is <unable to make you an> <rescinding our> offer of employment. This decision was made based in whole or in part on information received in a consumer report from Justifacts Credential Verification, Inc. (Justifacts). Please note that Justifacts does not make employment decisions for <Company Name> and is unable to provide you with specific reasons for them.

You have the right to dispute the accuracy or completeness of any information in your consumer report by contacting Justifacts. You may also obtain a free copy of your consumer report directly from Justifacts if you make your request within sixty (60) days of receipt of this notification.

For more information on how to request a copy of your consumer report, how to dispute the accuracy or completeness of any information in your consumer report or to obtain additional information related to the Fair Credit Reporting Act, please contact the Justifacts Compliance Officer at the following address or phone number:

Justifacts Credential Verification, Inc.
FCRA Compliance
5250 Logan Ferry Road
Murrysville, PA 15668
Phone (800) 356-6885

Thank you for your interest in our company.

Sincerely,

<COMPANY NAME HERE>

Note: Justifacts provides credit information from the following Credit Reporting Agencies. Our report to you indicates the correct agency to include in the above adverse action letter.

Experian
Trans Union

www.experian.com or 888-397-3742
www.transunion.com or 877-322-8228