



**BUSINESS SERVICES AGREEMENT**

1. This “**Agreement**”, effective as of \_\_\_\_\_ (Effective Date), is entered into by ProMesa Enterprises, Inc. a Texas corporation doing business as Integrated Screening Partners (hereinafter referred to as “**ISP**”) with offices located at 5316 Hwy. 290 West, Suite 500, Austin, TX 78735 and \_\_\_\_\_ (hereinafter referred to as the “**The Company**”) a \_\_\_\_\_ corporation and its subsidiaries and affiliates, with offices located at \_\_\_\_\_.

Type of Business: \_\_\_\_\_ In business for: \_\_\_\_ Years \_\_\_\_ Months  
Type of Ownership: \_\_\_\_\_  
Federal Tax ID Number \_\_\_\_\_ State of Incorporation \_\_\_\_\_ Number of Employees \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email Address: \_\_\_\_\_  
Billing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Billing Contact: \_\_\_\_\_

2. **Permissible Purpose:** The specific purpose(s) that the consumer information will be used for is/are:
- Employment purposes including evaluating a consumer for employment, promotion, reassignment or retention of an employment
  - Eligibility for a license
  - In connection with a business transaction initiated by the subject of the report

3. **Services to be Provided by ISP:**

A. Upon request and relying upon The Company’s representations that it has a legitimate purpose for information, ISP will provide background checks, verifications and other consumer reports to The Company when available. ISP will only furnish a report for a permissible purpose under the Fair Credit Reporting Act, 15 U.S.C. §1681 et seq. (“FCRA”) and no other purpose.

B. ISP will provide to The Company copies of certifications, consumer consents, notices and summary of rights under the FCRA as well as other forms which ISP finds helpful in meeting its obligations under the FCRA and other applicable laws. However, it is the responsibility of The Company to be knowledgeable about and to comply with the FCRA, the Driver’s Privacy Protection Act, 18 U.S.C. §2721 et seq. (“DPPA”) and other applicable federal, state and local laws regulating the release and use of such consumer reports it requests.

4. **Term of Agreement:**

A. The term of this Agreement is one year from the Effective Date. However, either party can terminate this Agreement with thirty (30) day written notice. This Agreement will automatically renew under the same terms unless either party notifies the other in writing at least thirty (30) days prior to the end of the current term stating it does not wish to renew this Agreement.

B. Notwithstanding the above ISP may immediately terminate or suspend this Agreement on the occurrence of:



- (i) Default in payment of charges for Services;
- (ii) Misuse of information contained in a report;
- (iii) Improper request for information;
- (iv) Failure of The Company to comply with or assist in complying with the FCRA or any other applicable law;
- (v) A material breach of this Agreement or violation of any law or regulation governing the request, use or release of the information in the reports by The Company;
- (vi) Unauthorized release of information in a consumer report to a third party or the reselling of any report, except as authorized by the consumer about whom the report relates.

5. **Place Where Services Will Be Rendered:** ISP will perform most services in accordance with this Agreement at ISP's main office identified above.

6. **Payment to ISP:** ISP will be paid for work performed in accordance with the schedules attached to or provided with this Agreement. Payment terms are fifteen (15) days from date of ISP invoice in U.S. currency. At ISP's discretion the invoice may be mailed, faxed or electronically delivered. The Company understands that ISP may incur access fees imposed by courts and other agencies which are passed along to The Company. These costs are subject to change without notice. Accounts with invoices unpaid thirty (30) days or more shall be assessed a late fee of \$15 plus an interest charge of 1.5% per month, as allowed by applicable law. Any payments, by check or other means, returned to ISP for any reason are subject to a \$25.00 service charge. If the account goes to collection, The Company shall be liable for all expenses attendant to collection of past due amounts, including reasonable attorneys' fees including pursuit fees.

7. **Independent Contractor:** Both The Company and ISP agree that the ISP will act as an independent contractor in the performance of ISP's duties under this Agreement. Accordingly, ISP will be responsible for payment of all taxes including Federal, State and local taxes arising out of the ISP's activities in accordance with this Agreement, including by way of illustration but not limitation, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, and any other taxes or business license fee as required.

8. **Confidential Information:**

A. The Company and ISP both agree that any information received by The Company or ISP during the term of this Agreement will be confidential in nature and will not be revealed to any other persons, firms or organizations except as authorized by the consumer about whom the report relates. Each party hereto, as "Receiver," acknowledges that, in the course of performing this Agreement, it will receive or have revealed to it information ("Confidential Information") of the other party ("Discloser") that Discloser deems confidential and/or proprietary, and further acknowledges that Discloser derives substantial value from the confidentiality of such information. Each party, as Receiver, agrees to apply, during the term of this Agreement and for not less than three (3) years thereafter, reasonable efforts to prevent the disclosure of Confidential Information of Discloser. Confidential Information may include, but shall not be limited to, employee information, processes, methods, locations, sales data, financial information, confidential compilations of publicly available information, or other sensitive data, but shall not include information that Receiver can prove, bearing the burdens of production and persuasion, (i) is or becomes, through no fault of Receiver, part of the public domain; (ii) was already known to Receiver at the time of disclosure; (iii) was independently developed by Receiver without reference to or use of information received from Discloser; or (iv) is lawfully disclosed to Receiver by a third party without obligation as to confidentiality. Information regarding customers, consumers, and employees shall be Confidential Information, notwithstanding any of the foregoing exceptions, to the full extent required by any and all applicable laws, rules, regulations, and court orders. In the event that Receiver is required, by order, subpoena or otherwise, by a government authority having such power, to disclose Discloser's Confidential Information, then Receiver shall: (i) notify Discloser of the prospective disclosure as soon as practicable, (ii) cooperate with Discloser, as appropriate, in seeking such protective orders or relief from such disclosure as may be available and (iii) maintain the confidentiality of such Confidential Information in accordance with the terms hereof to the fullest extent practicable under the circumstances.

B. Information provided by ISP to The Company is considered confidential by law. Upon its receipt, The Company shall treat the information as confidential. Such information shall be maintained in confidential files to which access is restricted. Only those employees who need such information to perform their job duties shall have



access to the same. The Company shall supply to ISP the name and phone number of the contact person or persons with whom ISP may discuss the contents of reports furnished to The Company. At the time that The Company disposes of any report received it shall cause such to be destroyed by cross shredding, burning or electronic destruction as required by regulations issued by the Federal Trade Commission.

C. The Company agrees not to disclose any information about ISP's system and website, including software, user interfaces, screens, users' manuals, training materials, support materials and pricing tables.

9. **Access Security Requirements:** The Company agrees that the information, which is received from the Provider, will only be accessed by authorized personnel and any and all electronic and or hard copy files will be kept secure. Further, the Company shall notify ISP when it needs to enable or disable of any access ID's and/or passwords.

10. **Fair Credit Reporting Act Requirements:**

A. The Company represents that it is an existing business with the legitimate need for verification and reports offered by ISP. The Company specifically represents that reports will only be obtained for its own use and it is an end user of the reports. It will not further distribute, sell, give or trade such information with any third party except as authorized by the consumer about whom the report relates. The Company will request reports as noted above in paragraph 2 for the following permissible purpose only: eligibility for a license,, connection with a business transaction initiated by the subject of the report and/or employment by hire or contract. The Company acknowledges that ISP has provided the "Notice to Users of Consumer Reports", attached hereto as Attachment A, which informs users of consumer reports of their legal obligations under the FCRA and the "Summary of Rights under the Fair Credit Reporting Act" attached hereto as Attachment B.

B. The Company represents that when requesting a report for employment purposes, it will:

(i) make a clear and conspicuous written disclosure to the individual who is the subject of the report prior to ordering the report, in a document that consists solely of the disclosure and authorization, that a consumer report or, as applicable, an investigative consumer report, may be obtained;

(ii) prior to ordering the report, obtain the written consent of the individual allowing the obtaining of the consumer report and maintain such consents for a period of seven years;

(iii) provide to the individual a summary of the individual's rights required under the ("FCRA") and any applicable state law; and

(iv) not utilize any information in violation of any federal, state or local equal employment opportunity law or regulation.

(v) a reasonable amount of time prior to taking any adverse action against the individual who is the subject of the report, when such action will be based in whole or in part upon the information contained in the report, the Company will, except as otherwise provided by law, provide a copy of the report to the individual and a description, in writing, of the individual's rights under the FCRA.

(vi) that after taking adverse action based in whole or in part upon information contained in a consumer report, The Company shall:

(a) provide notice of such action to the individual;

(b) provide the name, address and telephone number of ISP ;

(c) inform the individual that he/she is entitled to a free copy of the report;

(d) inform the individual that he/she has a right to dispute the record through ISP

(e) inform the individual that ISP did not make the adverse decision and is not able to explain why the adverse action was taken by the Company.

(vii) that it will comply with the FCRA and similar state laws, in regard to all reports, it will follow the requirements of the DPPA and the various state laws implementing the DPPA in regard to motor vehicle reports and it will comply with all applicable Federal, State and International laws and regulations relating to consumer reports.

(viii) if it orders credit reports, it will have a policy and procedures in place to investigate any discrepancy in a consumer's address when notified by the credit bureau that the consumer's address, as submitted by the client, substantially varies from the address the credit bureau has on file for that consumer. Further, if the company hires the consumer and in the ordinary course of its business it furnishes information to the credit bureau from which the report came, that it will advise the credit bureau of the address it has verified as accurate if that address is different from the one provided by the credit bureau.



- C. The Company represents that when requesting a report for purposes other than employment it will:
- (i) prior to ordering the report, disclose to the individual who is the subject of the report that a consumer report or, as applicable, an investigative consumer report, may be obtained;
  - (ii) not utilize any information in violation of any federal or state law or regulation.
  - (iii) that after taking adverse action based in whole or in part upon information contained in a consumer report, The Company shall:
    - (a) provide notice of such action to the individual;
    - (b) provide the name, address and telephone number of ISP;
    - (c) inform the individual that he/she is entitled to a free copy of the report;
    - (d) inform the individual that he/she has a right to dispute the record through ISP;
    - (d) inform the individual that ISP did not make the adverse decision and is not able to explain why the adverse action was taken by the Company.
  - (iv) that it will comply with the FCRA and similar state laws, and all applicable Federal, State and International laws and regulations in regard to all reports.

11. **Waiver and Release:**

A. The Company acknowledges that ISP relies totally on the information furnished by others. ISP also relies on the information contained in the records of various governmental agencies for other reports. ISP is not responsible for inaccurate or false information received from others and sent to The Company. The Company agrees to assert no claim and waives liability against ISP for any inaccurate or false information included in any report unless ISP had actual knowledge of the error and failed to correct it.

B. The Company agrees to hold ISP harmless and will indemnify ISP from all claims and losses resulting from Company's breach of this Agreement or violation of any applicable law. ISP agrees to hold Company harmless for all claims and losses arising from ISP's violation of any applicable law. Such indemnifications include all costs and reasonable attorney fees incurred by the indemnified party.

12. **Compliance with Applicable Law:**

A. The laws relating to the furnishing and use of information are subject to change. It is the responsibility of The Company to become knowledgeable in such laws and to comply with them. The failure to comply with the then current applicable law may result in a breach of this agreement, termination of service, civil and criminal liability. ISP does not undertake any obligation to advise The Company of its legal obligations.

B. The Company agrees to promptly execute and return to ISP all documentation required, now or in the future, by any government agency or ISP to permit release of information or to ensure compliance with applicable laws or regulations. Such documentation shall become part of this agreement. The failure to return such documentation will result in The Company being blocked from receiving the information related to the documentation, and, in some circumstances, all service may be terminated without additional notice.

C. The Company consents to any reasonable request by ISP to audit records of The Company in person or by requesting copies of documents and to communicate with employees of The Company, with notice to The Company, to determine the appropriateness of any present or past request(s) for information by The Company. A failure to cooperate with an audit may result in the immediate termination or suspension of service.

13. **Misuse of Information:** The FCRA prohibits the obtaining of information from a consumer reporting agency for an impermissible purpose. Further, those involved in such improper requesting may be subject to criminal penalties of imprisonment up to one year and/or a fine of \$5,000 for each offense. 15 U.S.C. § 1681q. Further, the DPPA prohibits obtaining information under false pretenses and restricts the resale or redisclosure of personal information contained in state motor vehicle records. A violation of the DPPA may also result in criminal penalties. 18 U.S.C. § 2733(a). If The Company or one of its employees misrepresents to ISP the reason for a report or requests a



**ProMesa Enterprises, Inc.**  
**Integrated Screening Partners**  
5316 Hwy 290 West, Suite 500  
Austin, TX 78735

report for an impermissible purpose, ISP may terminate service without notice in addition to other remedies available to ISP. The Company understands that its misuse of or improper request for information may have a direct impact upon ISP and may cause it to be unable to obtain information for any of ISP's customers resulting in substantial damages for which The Company would be liable.

14. **Governing Law:** This Agreement shall be governed by and construed and enforced in accordance with the laws of the state of Texas except that if any state law is preempted by federal law such federal law shall be followed.

15. **Force Majeure:** The Company agrees that ISP is not responsible for any events or circumstances beyond its control (e.g. including but not limited to war, riots, embargos strikes and/or Acts of God) that prevent ISP from meeting its obligations under this agreement.

16. **Entire Agreement:** This Agreement is intended by the parties as the final expression of their agreement and is the complete and exclusive statement of the terms thereof, and supersedes any prior negotiations, representations, proposals or agreements between the parties on this subject. This Agreement may be modified or amended only by a writing signed by both parties.

17. **Authority:** The persons executing this Agreement for and on behalf of ISP and The Company have been, and are on the Effective Date, duly authorized by all necessary and appropriate action to execute this Agreement.

18. **Section Headings:** The section headings in this Agreement are for convenience of reference only and shall not affect the meaning of any provisions herein. This Agreement may be executed in multiple counterparts, each of which may be deemed to be original, but all of which shall collectively constitute only one agreement.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the Effective Date written above.

**THE COMPANY**

**ProMesa Enterprises, Inc., dba Integrated Screening Partners**

Authorized Signature:

By:

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## ATTACHMENT A

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

### **NOTICE TO USERS OF CONSUMER REPORTS: OBLIGATIONS OF USERS UNDER THE FCRA**

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Federal Trade Commission's Website at [www.ftc.gov/credit](http://www.ftc.gov/credit). At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at the Commission's Web site. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

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

#### **I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS**

##### **A. Users Must Have a Permissible Purpose**

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

- As ordered by a court or a federal grand jury subpoena. Section 604(a) (1)
- As instructed by the consumer in writing. Section 604(a) (2)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. Section 604(a)(3)(A)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. Sections 604(a)(3)(B) and 604(b)



- For the underwriting of insurance as a result of an application from a consumer. Section 604(a) (3) (C)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. Section 604(a) (3) (F) (i)
- To review a consumer’s account to determine whether the consumer continues to meet the terms of the account. Section 604(a)(3)(F)(ii)
- To determine a consumer’s eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant’s financial responsibility or status. Section 604(a) (3) (D)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. Section 604(a) (3)(E)
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. Sections 604(a) (4) and 604(a)(5)

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

## **B. Users Must Provide Certifications**

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

## **C. Users Must Notify Consumers When Adverse Actions Are Taken**

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

### **1. Adverse Actions Based on Information Obtained From a CRA**

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



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

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

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

## **3. Adverse Actions Based on Information Obtained From Affiliates**

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

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

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



consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer's alert.

#### **E. Users Have Obligations When Notified of an Address Discrepancy**

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs, users must comply with regulations specifying the procedures to be followed, which will be issued by the Federal Trade Commission and the banking and credit union regulators. The Federal Trade Commission's regulations will be available at [www.ftc.gov/credit](http://www.ftc.gov/credit).

#### **F. Users Have Obligations When Disposing of Records**

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. The Federal Trade Commission, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Federal Trade Commission's regulations may be found at [www.ftc.gov/credit](http://www.ftc.gov/credit).

### **II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES**

If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations to be jointly prescribed by the Federal Trade Commission and the Federal Reserve Board.

Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) ("Notice to the Home Loan Applicant").

### **III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES**

#### **A. Employment Other Than in the Trucking Industry**

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

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.



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

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

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

#### **B. Employment in the Trucking Industry**

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

### **IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED**

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

- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided



by the CRA that conducts the investigation.)

- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed, or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

## **V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS**

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

## **VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION**

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

## **VII. OBLIGATIONS OF USERS OF “PRESCREENED” LISTS**

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603 (l), 604(c), 604(e), and 615(d). This practice is known as “prescreening” and typically involves obtaining from a CRA a list of consumers who meet certain 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 Federal Trade Commission by rule has established the format, type size, and manner of the disclosure required by Section 615(d), users must be in compliance with the rule. The FTC's regulations will be at [www.ftc.gov/credit](http://www.ftc.gov/credit).

## **VIII. OBLIGATIONS OF RESELLERS**

### **A. Disclosure and Certification Requirements**

Section 607(e) requires any person who obtains a consumer report for resale to take the following steps:

- Disclose the identity of the end-user to the source CRA.
- Identify to the source CRA each permissible purpose for which the report will be furnished to the end-user.
- Establish and follow reasonable procedures to ensure that reports are resold only for permissible purposes, including procedures to obtain:

(1) the identity of all end-users;

(2) certifications from all users of each purpose for which reports will be used;  
and

(3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

### **B. Reinvestigations by Resellers**

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result



of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When any CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

**C. Fraud Alerts and Resellers**

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

**IX. LIABILITY FOR VIOLATIONS OF THE FCRA**

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

The FTC’s Web site, [www.ftc.gov/credit](http://www.ftc.gov/credit), has more information about the FCRA, including publications for businesses and the full text of the FCRA.

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

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



## ATTACHMENT B

*Para informacion en espanol, visite [www.ftc.gov/credit](http://www.ftc.gov/credit) o escriba a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.*

### **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.ftc.gov/credit](http://www.ftc.gov/credit) or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

\* **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, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.ftc.gov/credit](http://www.ftc.gov/credit) 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



**ProMesa Enterprises, Inc.**  
**Integrated Screening Partners**  
5316 Hwy 290 West, Suite 500  
Austin, TX 78735

agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) 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.ftc.gov/credit](http://www.ftc.gov/credit).

\* **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 1-888-5-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.ftc.gov/credit](http://www.ftc.gov/credit).



**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. Federal enforcers are:**

**TYPE OF BUSINESS:**

**CONTACT:**

Consumer reporting agencies, creditors and others not listed below

Federal Trade Commission:  
Consumer Response Center - FCRA  
Washington, DC 20580  
1-877-382-4357

National banks, federal branches/agencies of foreign banks (word 'National' or initials 'N.A.' appear in or after bank's name)

Office of the Comptroller of the Currency  
Compliance Management, Mail Stop 6-6  
Washington, DC 20219  
800-613-6743

Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)

Federal Reserve Board  
Division of Consumer & Community Affairs  
Washington, DC 20551  
202-452-3693

Savings associations and federally chartered savings banks (word 'Federal' or initials 'F.S.B.' appear in federal institution's name)

Office of Thrift Supervision  
Consumer Complaints  
Washington, DC 20552  
Phone: 800-842-6929

Federal credit unions (words 'Federal Credit Union' appear in institution's name)

National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314  
703-519-4600

State-chartered banks that are not members of the Federal Reserve System

Federal Deposit Insurance Corporation  
Consumer Response Center, 2345 Grand Avenue  
Suite 100  
Kansas City, Missouri 64108-2638  
1-877-275-3342

Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission

Department of Transportation,  
Office of Financial Management  
Washington, DC 20590  
202-366-1306

Activities subject to the Packers and Stockyards Act, 1921

Department of Agriculture  
Office of Deputy Administrator - GIPSA  
Washington, DC 20250  
202-720-7051

**END OF DOCUMENT**