



# Net Check Investigations

"Good decisions start with great information"  
California Private Investigations License #21529

## FCRA USER AGREEMENT

Compliance with Federal Fair Credit  
Reporting Act Requirements by  
New Client of Net Check Investigations

Although the Federal Fair Credit Reporting Act (FCRA), Public Law 91- 508, and The Privacy Act primarily regulate the operations of consumer credit reporting agencies, they also pertain to Users / Employers which are defined as a User of information. NET CHECK INVESTIGATIONS is herein referred to "NCI", USER/EMPLOYER is herein referred to as CLIENT.

CLIENT agrees and promises to review and comply with "Notice to Users of Consumer Reports Obligations under the FCRA at <http://www.ftc.gov/os/statutes/userfurnisher.htm> and the complete Fair Credit Reporting Act at <http://www.ftc.gov/os/statutes/fcrajump.htm>, where related resources are located. Specifically, CLIENT agrees to abide and comply with the Act to include these specific areas:

- 604. Permissible Purpose of Reports
- 607. Compliance Procedures
- 615. Requirements on users of Consumers Reports
- 616. Civil liability for willful noncompliance
- 617. Civil liability for negligent noncompliance
- 619. Obtaining information under false pretenses
- 621. Administrative Enforcement
- 623. Responsibilities of Furnishers of Information to Consumer Reporting Agencies

Each of these sections is of direct consequences to CLIENT who obtains reports on consumers. As directed by the law, credit, consumer, and investigative reports may be issued only if they are to be used for extending credit, reviewing or collection of an account, employment, retention and promotion purposes, underwriting insurance, or in connection with some other legitimate business transaction such as an investment, partnership, etc. In that are various reports, it is imperative that CLIENT designate any request for a report to be used as either for employment or for other purposes.

1. CLIENT hereby specifically agrees to supply to each new job applicant or existing employee being considered for promotion/retention copies of the forms entitled:

- a) A Summary of Your Rights
- b) Disclosure
- c) Authorization and
- d) Additional State Law Notices and Disclosures (as applicable)

2. CLIENT hereby specifically agrees and shall obtain and retain original signed FCRA Authorization forms, after the above forms are reviewed by each new job applicant or existing employee being considered for promotion/retention, for a minimum of seven (7) years.

3. Additional Federal and State laws may impact CLIENT usage of reports for employment purposes. These include the following states, and for other states as the need arises, which require that additional FCRA notices are signed/checked- off by applicants/employees: California, Maine, Massachusetts, New York, and Washington State.



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FCRA User /Employer Service Agreement (page 2/2)

4. CLIENT hereby understands that no background check, called a "consumer report" by the FCRA, shall be ordered prior possessing a signed FCRA Agreement from an applicant/employee.

5. Further, CLIENT agrees and promises to ensure that CLIENT and its officers, employees, representatives, and agents will:

- Use the information for employment or authorized purposes only.
- Not use the information in violation of any federal or state equal opportunity law.
- Obtain all the necessary disclosures and consents as discussed herein.
- Give the appropriate notices in the event that an adverse action is taken against an applicant based in whole or in part on the contents of the Consumer Report issued by NCI.
- Specify if a special type of consumer report is requested, often called an "Investigative Consumer Report," which is different from a report used for employment purposes.
- Report additional information about the consumer/candidate only as permitted by law.
- Ensure that there is a clear and conspicuous disclosure that a report has been requested.
- Keep each finding/report by NCI as a "separate document" from reports on others.
- Provide FCRA documents for applicant review in a way not "buried" in an application.
- Ensure the confidentiality and security of this data and the reports issued by NCI.
- Protect and safeguard password/login information that are needed to access confidential data.
- Securely maintain all FCRA related documents signed by applicants/employees.
- Shred any hard copies once it time to retire such records has as per Federal Trade Commission requirements at <http://www.ftc.gov/opa/2005/06/disposal.htm>.

6. CLIENT shall issue or allow and coordinate with NCI in providing a Pre - Adverse Action letter as required by FCRA and state law to applicants/employees prior to consideration of any dismissal or denial of a position due to an issued consumer report, and allow ample time for an applicant/employee to challenge the findings of the report. In most States a "challenge period" is 5 business days or less.

7. CLIENT shall provide a Notice of Adverse Action letters as required by FCRA and State law to applicants/employees after the 5 - day challenge period has passed.

8. CLIENT shall hold harmless NCI, it's employees, staff, agents, investigators, and ownership regarding any operation, activity, or investigation and for any and all work performed where NCI conducts services in good faith based on CLIENT's representations or claims regarding "permissible purpose" defined in FCRA, and for any services where results that were obtained in a sincere and reasonable manner.

By signing below, CLIENT certifies that they have read, understands, and will comply with the above statements and requirements, including those documents and regulations contained in specific states as they apply.

Signature: \_\_\_\_\_

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

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

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

Firm Name: \_\_\_\_\_

Phone: \_\_\_\_\_