



## MASTER SERVICES AGREEMENT

**THIS MASTER SERVICES END-USER AGREEMENT** (hereinafter "Agreement") is made and entered into by and between Pre-employ.com, Inc., a California corporation (and its affiliates) (collectively, "Pre-employ.com, Inc."), with its primary office located at 3655 Meadow View Drive, Redding, CA 96002, and (End-User Company Legal Business Name) County Of Williamson (and its subsidiaries and affiliates) (collectively, "End-User"), a corporation organized under the laws of the State of (State)Texas, with its primary office located at (address, city, state and zip) 301 SE Inner Loop Suite 108 Georgetown, TX 78626. End-User and Pre-employ.com, Inc. shall be referred to collectively as the "Parties." This Agreement shall be effective on the date of last signature below (the "Effective Date").

In consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the extent and sufficiency of which is acknowledged between End-User and Pre-employ.com, Inc., the Parties agree as follows:

1. **SERVICES OFFERED BY PRE-EMPLOY.COM, INC.** Pre-employ.com, Inc. is a "consumer reporting agency" and a "reseller of consumer reporting services" as such terms are defined in the Fair Credit Reporting Act ("FCRA"). Upon request and as allowed by applicable law, Pre-employ.com, Inc. will provide consumer reports and/or investigative consumer reports (collectively, "Reports") to End-User. Pre-employ.com, Inc. will only furnish Reports to End-User for a permissible purpose under the FCRA and for no other purpose. In addition to providing Reports to End-User, Pre-employ.com, Inc. shall, upon request and as permitted by applicable law, provide certain other business-related services to End-User (collectively, the "Services").
2. **END-USER AGREEMENT.** The End-User Agreement is required in addition to, and is separately executed from, this Agreement. The End-User Agreement addresses FCRA, state, municipal, service and consumer guidelines required for the Parties to be in agreement and consent to all applicable obligations. Each party is responsible for adhering to changing requirements of those required by applicable law, including the FCRA.
3. **FEDERAL NOTICES RECEIVED.** End-User hereby acknowledges that it has received a copy of "A Summary of Your Rights Under the Fair Credit Reporting Act" and "Notice to Users of Consumer Reports."
4. **SECURITY AND CONSUMER DATA PROTECTION.** Before ordering any Reports from Pre-employ.com, Inc., End-User will establish strong access control measures: (1) to ensure the fair and equitable use of Reports; (2) to safeguard the confidentiality of information reported by Pre-employ.com, Inc.; and (3) to comply with applicable laws. In addition to governmental regulations, many of the security actions are also required by data providers such as TransUnion, Equifax and Experian. Failure to agree to and/or maintain any of the following items may result in revocation of access to some or all of the Services.
5. **FEES.**
  - A. The fees for all Services performed by Pre-employ.com, Inc. shall be as set forth in this Agreement and the addenda and documents attached hereto. Pre-employ.com, Inc. shall have the right to adjust prices at any time and for any reason. Pre-employ.com, Inc. shall provide End-User with advance written notice before making any price change effective.
  - B. To the extent any Services rendered by Pre-employ.com, Inc. are subject to any federal or state sales, use, excise, rental, personal property or other taxes (other than taxes on amounts or income received by Pre-employ.com, Inc. pursuant to this Agreement), they shall be added to the amount due and invoiced as separate items.
6. **INVOICING.**
  - A. Pre-employ.com, Inc. shall submit invoices to End-User for payment for Services performed. Each invoice shall specifically set forth a description of the Services rendered and the dollar amount associated with such Services.
  - B. End-User will pay all amounts specified in an invoice due upon receipt pursuant to the amounts and terms set forth in the Statement of Work for such Services. Invoices sent to End-User shall be sent to the following address: (Street, City, State, Zip) 100 Wilco Way Suite HR101 Georgetown, TX 78626, or at such other address as End-User may provide.

- C. Except as specifically indicated otherwise in the Texas Prompt Payment Act Compliance, the following terms shall apply. Pre-employ.com, Inc. may hire or pay someone else to help collect on unpaid invoices if End-User does not pay in a timely manner. End-User agrees it shall pay Pre-employ.com, Inc. the amount expended by it during collections efforts. This includes, subject to any limits under applicable law, Pre-employ.com, Inc.'s attorneys' fees and legal expenses, whether or not there is a lawsuit filed. If not prohibited by applicable law, End-User also will pay any court costs incurred by Pre-employ.com, Inc. in seeking to collect fees unpaid by End-User. Pre-employ.com, Inc. shall also recover any other collections-related fees and costs allowed by law.
- D. Texas Prompt Payment Act Compliance: Payment for goods and services shall be governed by Chapter 2251 of the Texas Government Code. An invoice shall be deemed overdue the 31st day after the later of (1) the date licensee receives the goods under the contract; (2) the date the performance of the service under the contract is completed; or (3) the date the Williamson County Auditor receives an invoice for the goods or services. Interest charges for any overdue payments shall be paid by licensee in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of licensee's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday.
- E. Irrespective any provision in this Agreement to the contrary, in the event that Pre-employ determines that it has not been paid for its Services rendered hereunder or if it deems itself, in its sole discretion, insecure over the ability of the End-User to pay in the future for the Services, Pre-employ may, in addition to any other right or remedy available to Pre-employ immediately suspend all future Services until it is paid in full and deems itself secure over the ability of the End-User to pay for such Services. The failure of Pre-employ to invoke its right to suspend Services shall not be deemed to bar Pre-employ from invoking in the future the right to suspend Services. Nothing in this Agreement shall be construed to require Pre-employ to perform Services under this Agreement if it has not been paid in full for all prior Services.

## 7. TERMS AND TERMINATION.

- A. This Agreement shall commence upon the Effective Date and shall continue for a period of three (3) years, unless terminated earlier in accordance with the terms of this Agreement (the "Term"). If any of the Services are outstanding on the date the Term is set to naturally expire, then the Term shall be automatically renewed and this Agreement shall continue in full force for an additional one (1) year, and continue yearly until terminated.
- B. Absent any other provision of this Agreement expressly giving rise to either parties right to terminate this Agreement prior to the expiration of the Term, this agreement may be terminated at any time at the option of either party, without future or prospective liability for performance upon giving sixty (60) days written notice thereof. In the event of termination, The County will only be liable for its pro rata share of services rendered and goods actually received.
- C. Pre-employ.com, Inc. shall have the right to terminate this Agreement immediately for just cause. Just cause includes, but is not limited to, End-User's violation of a federal, state, or local law, End-User's failure to pay Pre-employ.com, Inc.'s fees in a timely manner, a material change in legal requirements that materially affects this Agreement, and/or End-User's violation of this Agreement.
- D. During the term of this Agreement, Pre-employ.com, Inc. will be the exclusive provider to the End-User of all background screening services ordered by End-User.

## 8. INDEMNIFICATION.

- A. All indemnifications or limitations of liability or statutes of limitations shall be to the extent authorized under Texas law and shall follow Texas law without modifying the County's rights.
- B. End-User shall indemnify, defend, and hold harmless Pre-employ.com, Inc., its affiliates and subsidiaries and their respective officers, directors, and employees from and against any and all damages, penalties, losses, liabilities, judgments, settlements, awards, costs, and expenses (including reasonable attorneys' fees and expenses) arising out of or in connection with any claims, assertions, demands, causes of action, suits, proceedings or other actions, whether at law or in equity (collectively, "Claims") related to: (i) any breach by End-User of this Agreement or addenda to this Agreement; (ii) End-User's violation of applicable laws or ordinances; or (iii) End-User's negligence, misconduct, recklessness, errors or omissions.
- C. If Pre-employ.com, Inc. intends to seek indemnification under this Section, it shall promptly notify End-User of any Claim for which Pre-employ.com, Inc. intends to seek such indemnification. However, Pre-employ.com, Inc.'s failure to provide such prompt notice will not release End-User from its obligations hereunder. End-User shall have the right, but not the obligation, to assume the defense thereof with counsel selected by End-User, provided that neither party shall enter into any settlement in a way that would bind or obligate the other party without the other party's prior written consent.

9. **LIMITATION OF LIABILITY.** PRE-EMPLOY.COM, INC. SHALL NOT BE LIABLE TO END-USER FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY OR INDIRECT DAMAGES (INCLUDING LOST PROFITS OR SAVINGS), EVEN IF PRE-EMPLOY.COM, INC. WAS ADVISED OF THE POSSIBILITY OF THE OCCURRENCE OF SUCH DAMAGES. IN ADDITION, PRE-EMPLOY.COM, INC. SHALL NOT BE LIABLE TO END-USER FOR AN AMOUNT THAT EXCEEDS TWO TIMES (2X) THE TOTAL FEES PAID TO PRE-EMPLOY.COM, INC. IN THE YEAR IN WHICH SUCH LIABILITY AROSE. THE PARTIES AGREE TO FURTHER LIMIT LIABILITY TO THE EXTENT NARROWED IN ANY ADDENDUM OR EXHIBIT TO THIS AGREEMENT.

10. **CONFIDENTIALITY AND NON-DISCLOSURE.**

- A. Pre-employ.com, Inc. and/or End-User may disclose to the other party certain information within the context of their business relationship ("Confidential Information"), and each desires to protect the confidentiality of that information. The Parties acknowledge that Confidential Information constitutes a valuable commercial asset of the Disclosing Party, and each party is willing to disclose such information to the other only on the terms and conditions contained herein. The Parties also agree that this Agreement covers Confidential Information disclosed before, during and after the Effective Date of this Agreement.
- B. For purposes of this Agreement, "Confidential Information" means any information of or about the Disclosing Party that is not generally known to the public or in the industry, whether tangible or intangible and whether stored, compiled or memorialized physically, electronically, graphically, photographically or in any other media, including (i) information that can be used in the operation of the disclosing party's business and is sufficiently valuable and secret to afford the Disclosing Party with actual or potential economic advantage; (ii) financial, technical, economic, and design information, plans and strategies, reports, forecasts, know-how, systems, processes, research and development, methods, formulas, protocols, processes and techniques, discoveries, inventions, and ideas; (iii) certain business information about products, services, employees, vendors, customers, customer lists, new, improved or future products or services, market research or plans; (iv) certain databases, software, algorithms, models, or strategies, information relating to proprietary computer code, and computer and network hardware and configurations; (v) information that is a trade secret or is subject to trade secret or similar regulation under any state or federal statute or regulation; (vi) information of or about third persons known to the Disclosing Party which is subject to restrictions on use and/or disclosure by the Disclosing Party; (vii) the fact that discussions are taking place about a possible alliance, acquisition or other similar transaction; and (viii) information labeled "Confidential" or otherwise marked with a restriction on disclosure (however, information is not required to be so marked to be Confidential Information). "Confidential Information" does not include any information:
- (1) In the public domain at the time of disclosure, or thereafter, other than through breach of this Agreement by the Receiving Party;
  - (2) That the Receiving Party can demonstrate already was known to the receiving party at the time of disclosure by the Disclosing Party;
  - (3) That becomes known to the Receiving Party from a source other than the Disclosing Party without breach of this Agreement or, to the Receiving Party's knowledge, without breach of a duty owed by any other person to the Disclosing Party; or
  - (4) That the Receiving Party can demonstrate was or is independently developed by the Receiving Party without use of or reference to the Confidential Information and without breach of this Agreement.
- C. The Receiving Party of any Confidential Information agrees to:
- (1) Limit use of the Disclosing Party's Confidential Information to the purposes set forth above and, except as otherwise permitted in this Agreement, not use such Confidential Information for any other purpose;
  - (2) Not disclose or distribute the Disclosing Party's Confidential Information to any person that is not a party to this Agreement without the Disclosing Party's prior written consent, except that the Receiving Party may disclose such Confidential Information only to those of the Receiving Party's affiliates, employees, consultants, attorneys, accountants or agents (collectively, "Representatives") who: (a) have a need to know such information to accomplish a purpose consistent with this Agreement, as set forth above; (b) have been advised of the confidential nature of this information; and (c) are bound by enforceable duties of confidentiality and non-use with respect to such information;
  - (3) Protect the Disclosing Party's Confidential Information with a commercially reasonable degree of care consistent with the care the Receiving Party applies to its own confidential or proprietary information;
  - (4) Not duplicate, download, upload, transmit, communicate or modify the Disclosing Party's Confidential Information other than for the purpose set forth above, unless authorized to do so in writing by the Disclosing Party, and, upon the Disclosing Party's written request, to destroy such Confidential Information together with any copies, or provide written confirmation of the destruction thereof. Notwithstanding the foregoing, nothing contained herein shall require the destruction, deletion or modification of any backup tapes or other

media made pursuant to automated archival processes in the Receiving Party's or its Representatives' ordinary course of business, and the Receiving Party may retain, subject to the confidentiality requirements of this Agreement, one (1) copy of any work product prepared by it that contains the Disclosing Party's Confidential Information to the extent necessary or advisable by the Receiving Party; and

- (5) Not reverse engineer, de-compile, decrypt, disassemble or otherwise attempt to create or discover the source code or underlying ideas, algorithms, structure or organization of the Disclosing Party's software.
  - a) The Receiving Party agrees that it will be responsible for any disclosure or use of the Disclosing Party's Confidential Information by the Receiving Party's representatives that would constitute a breach of this Agreement if made by the Receiving Party.
  - b) The Receiving Party agrees that in no event will its representatives who are permitted to receive such Confidential Information disclose such Confidential Information to any other third party (not including Receiving Party or any other representatives) without the Disclosing Party's prior written consent which may be withheld in its sole discretion.
- D. **Mandatory Disclosure.** A Receiving Party may disclose the Disclosing Party's Confidential Information to the limited extent required by applicable law, regulation or court order, provided that, if legally permitted, the Receiving Party shall give the Disclosing Party as much advance written notice of such required disclosure as reasonably is possible and shall reasonably cooperate with the Disclosing Party's efforts, at the Disclosing Party's expense, to limit the scope of disclosure and/or obtain confidential treatment thereof (whether by protective order or otherwise). If legally permissible, the Receiving Party will only disclose the minimum amount of such Confidential Information that the Receiving Party reasonably deems necessary to abide by the applicable law or court order.
- E. **Derivative Property.** Neither this Section 10 nor the disclosure of any of the Disclosing Party's Confidential Information or any other information shall be construed as granting the Receiving Party any right or license under any intellectual property now or hereafter owned or controlled by the Disclosing Party. Confidential Information furnished by the Disclosing Party and any intellectual property derived from it shall remain the exclusive property of the Disclosing Party hereunder.
- F. **Right to Refuse Confidential Information.** Neither party is obliged under this Section 10 to accept Confidential Information disclosed by the other party, and either party may refuse to receive Confidential Information from the other party prior to disclosure. Nothing in this Agreement limits a Disclosing Party's rights to use or disclose its own Confidential Information in any manner it deems appropriate in its sole discretion.
- G. **Remedies.** The Parties acknowledge and agree that a breach of the provisions of this Section 10 may cause the Disclosing Party to suffer irreparable damage that could not be adequately remedied by an action at law. Accordingly, the Receiving Party agrees that the Disclosing Party may have the right to specific performance of the provisions of this Section 10 (including a preliminary or permanent injunction or temporary restraining order) to enjoin a breach or threatened breach of the provisions thereof, such right being in addition to all other rights and remedies available to the Disclosing Party at law, in equity, or otherwise.

## **11. GENERAL PROVISIONS.**

- A. Nothing in this agreement will be deemed to constitute a waiver of sovereign immunity or powers of licensee, the Williamson County Commissioners Court, or the Williamson County Judge.
- B. This Agreement, including any exhibits, schedules, and addenda related to it, constitutes the complete and entire understanding and agreement, and supersedes all prior and contemporaneous understandings and agreements (whether written or oral), between the Parties with respect to the subject matter hereof and may not be modified or amended except by written instrument duly executed by the Parties hereto. A summary of these components are listed for clarification in Section 14.
- C. Additional Addendum or Exhibits may be required for specific services, and if applicable, shall be incorporated hereto in by reference.
- D. End-User may not assign or transfer this Agreement without the prior written consent of Pre-employ.com, Inc. Nothing contained in this Agreement shall be construed to require the commission of any act contrary to law, and if any provision of this Agreement shall for any reason be held invalid, illegal or unenforceable, such provision shall not affect the validity of this Agreement or of any other provision hereof and this Agreement shall be interpreted and construed as if such provision, to the extent invalid, illegal or unenforceable, had not been contained herein.
- E. No waiver, modification or amendment of any term, condition or provision of this Agreement shall be valid or of any force or effect unless made in writing, signed by the duly authorized representatives of the Parties hereto, and specifying with particularity the nature and extent of such waiver, modification or amendment. Any such waiver, modification or amendment in any instance or instances shall, in no event, be construed to be a general waiver, abandonment, modification or amendment of any of the terms, conditions or provisions of this Agreement.

- F. All notices, consents, waivers, and any other communications given under this Agreement shall be in writing and deemed effectively given (i) upon personal delivery to the party to be notified, (ii) when received by confirmed facsimile transmission if received during normal business hours of the recipient on a business day, or if not, then on the next business day, (iii) five (5) days following deposit into the United States mail (certified mail, return receipt requested), or (iv) one (1) business day after deposit with an internationally recognized overnight courier, with written verification of receipt. Notices shall be delivered or sent to the following addresses (or to such other address as either party may notify to the other from time to time):

*If to End-User:*

**(END-USER) (Address, City, State, Zip)**  
**County of Williamson**  
**301 SE Inner Loop Suite 108**  
**Georgetown, TX 78626**

*If to Pre-employ.com, Inc.:*

Pre-employ.com, Inc.  
Attn: Robert V. Mather, Chief Executive Officer  
PO Box 491570  
Redding, CA 96049

[Bob.m@pre-employ.com](mailto:Bob.m@pre-employ.com)

[ap@pre-employ.com](mailto:ap@pre-employ.com)

[compliance@pre-employ.com](mailto:compliance@pre-employ.com)

[blindstrom@pre-employ.com](mailto:blindstrom@pre-employ.com)

- G. Mediation: The parties agree to use mediation for dispute resolution prior to and formal legal action being taken on this Contract.
- H. Venue of this contract shall be Williamson County, Texas, and the law of the State of Texas shall govern. Each party hereby consents to the exclusive personal jurisdiction of such courts, following mediation. In the event of any litigation to enforce a party's rights under this Agreement, the substantially prevailing party shall be entitled to recover from the other party an amount equal to the substantially prevailing party's attorneys' fees, expert fees, court costs, and other expenses related to such litigation.
- I. Right to Audit: Pre-Employ.com, Inc. agrees that licensee or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of Pre-Employ.com, Inc. which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. Pre-Employ.com, Inc. agrees that licensee shall have access during normal working hours to all necessary Pre-Employ.com, Inc. facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. licensee shall give Pre-Employ.com, Inc. reasonable advance notice of intended audits.
- J. The provisions of Sections 2, 6, 7, 8, 9, 10, 11, 13, 14, among others, shall survive the expiration or earlier termination of the Term of this Agreement and/or any Statement of Work issued hereunder.
- K. The headings of each section or paragraph are inserted only for convenience of reference and are in no way to be construed to be a part of this Agreement or as a limitation of the scope of the sections, paragraphs, and/or provisions to which they refer.
- L. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Each party agrees that it had the opportunity to review and negotiate this Agreement with an attorney and neither party shall be considered the drafter of this Agreement.
12. **FORCE MAJEURE.** End-User agrees that Pre-employ.com, Inc. is not responsible for any events or circumstances beyond its control (e.g., including but not limited to war, riots, embargoes, strikes, and/or Acts of God) that prevent Pre-employ.com, Inc. from meeting its obligations under this Agreement.
13. **EXECUTION.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. A signature on a copy of this Agreement received by either party by facsimile or email is binding upon the other party as if it were an original. The Parties shall treat a photocopy of such facsimile as a duplicate original. The individuals signing below represent that they are duly authorized to do so.
14. **SUMMARY OF DOCUMENTATION.** This Agreement may include the following as listed:

Document Reference:	Document Title:	Terms:	Active
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End-User Agreement	End-User Agreement & CA End-User Agreement	FCRA and Consumer Obligations & CA state and Consumer Obligations	YES
Exhibit 1B	Statement of Work Fees and Pricing	Pricing Agreement	YES
Addendum 2	Statement of Work No. 2	Outsourced Responses to Third-Party Employment and Income Verification Requests	If applicable
Addendum 3	Statement of Work No. 3	I-9 and/or E-Verify Services	If applicable
Addendum B	Credit Report Information	Credit Report Service	If applicable
Addendum C	Workers' Compensation Record Reports	Workers' Compensation Record Reports	If applicable
Addendum D	Drug Testing	Drug Testing	If applicable
Addendum E	TALX Equifax EVS Workplace Solutions	Employment Verifications fulfilled by TALX/Equifax/EVS provider	If applicable
Appendix A	A Summary of your rights under the Fair Credit Reporting Act	FCRA	Yes
Appendix B	Notice to Users of Consumer Reports: Obligations of Users Under the FCRA	FCRA	Yes
Appendix C	Notice to Furnishers of Information: Obligations of Furnishers Under the FCRA	FCRA	Yes
	Remedying the Effects of Identity Theft	Consumer Rights and Notifications for Identity Theft Situations	Yes

In the event that either or both parties execute this agreement in electronic signature format, the signing party agrees that by entering your electronic signature below, you are (a) agreeing to use an electronic signature to demonstrate your authorization, and (b) acknowledging your understanding that it is as legally binding as an ink signature.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on the date(s) shown below, to be effective as of the Effective Date.

County of Williamson  
Legal Business Name

PRE-EMPLOY.COM, INC.

Signature\* \_\_\_\_\_

Signature \_\_\_\_\_

Printed \_\_\_\_\_

Printed \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

\*The individual signing this document is either the owner of End-User or authorized by End-User to sign on behalf of End-User. Moreover, the individual signing this document for End-User has knowledge of all facts certified herein.

Physical Address/Location of End-User Signed above (Must be completed by document signer)

\_\_\_\_\_  
\_\_\_\_\_



## END-USER AGREEMENT

**THIS AGREEMENT**, (hereinafter “End-User Agreement”) is made and entered into by and between Pre-employ.com, Inc., a California corporation (and its affiliates) (collectively, “Pre-employ.com, Inc.”), with its primary office located at 3655 Meadow View Drive, Redding, CA 96002, and (End-User Company Legal Business Name) County Of Williamson (and its subsidiaries and affiliates) (collectively, “End-User”), a corporation organized under the laws of the State of (State)Texas, with its primary office located at (address, city, state and zip) 301 SE Inner Loop Suite 108 Georgetown, TX 78626. End-User and Pre-employ.com, Inc. shall be referred to collectively as the “Parties.” This Agreement shall be effective on the date of last signature below (the “Effective Date”).

**WHEREAS**, the [Fair Credit Reporting Act](#) (“FCRA”) imposes on End-User various obligations related to, among other things, the procurement, use and confidential destruction of consumer reports and/or investigative reports (collectively, “Reports”) as an end-user of such Reports; and

**WHEREAS**, End-User wishes for Pre-employ.com, Inc. to provide End-User with Reports; and

**WHEREAS**, End-User agrees that it will abide by all of its obligations under applicable law, including but not limited to the FCRA and corresponding and like federal, state and municipal laws, regulations, ordinances and guidelines, including all fair employment and equal employment opportunity laws, including but not limited to Title VII of the Civil Rights Act of 1964 and the Americans With Disabilities Act (all such laws, regulations, ordinances and guidance collectively referred to as “Laws”);

**NOW, THEREFORE**, the Parties hereby agree as follows:

1. **SERVICES OFFERED BY PRE-EMPLOY.COM, INC.** Pre-employ.com, Inc. is a “consumer reporting agency” and a “reseller of consumer reporting services” as such terms are defined in the FCRA. Upon request and as allowed by the Laws, Pre-employ.com, Inc. will provide Reports to End-User. Pre-employ.com, Inc. will only furnish Reports to End-User for a permissible purpose under the Laws and for no other purpose. In addition to providing Reports to End-User, Pre-employ.com, Inc. shall, upon request and as permitted by the Laws, provide certain other business-related services to End-User (collectively, the “Services”).
2. **PERMISSIBLE PURPOSE.**
  - End-User certifies that all of its orders for Reports from Pre-employ.com, Inc. shall be made, and the resulting Reports shall be used, only in accordance with the Laws, and with regard to the FCRA, for the following FCRA- permissible purposes only:

**(CHECK ALL THAT APPLY).**

	Section 604(a)(2). As instructed by the consumer in writing.
✓	Section 604(a)(3)(B). For <u>employment</u> purposes, including evaluating a consumer for employment, promotion, reassignment or retention as an employee, where the consumer has given prior written permission (“employment purposes”).

- Pre-employ.com will process every request for Services as for an “investigative consumer report,” as defined by the FCRA, and for employment purposes, and End-User certifies with and for each order for a Report that it has complied with the Laws before placing the order for Services, including its obligation, if any, to provide to each consumer the required disclosures and obtain his or her authorization.
- End-User shall not request, obtain or use Reports for any purpose not checked above, including, but not limited to, for the purpose of selling, leasing, renting or otherwise providing information obtained under this Agreement, or derived from such information, to any other party, whether alone or in conjunction with End-User’s own data.
- End-User understands and agrees that it will be required to identify and certify the specific permissible purpose for each individual Report requested from Pre-employ.com, Inc. at the time of each order, and that it will be used solely for End-User’s exclusive one-time use.
- The Reports shall be requested by, and disclosed by End-User only to, End-User’s designated and authorized employees having a need to know and only to the extent necessary to enable End-User to use the Reports in accordance with this Agreement. End-User shall ensure that such designated and authorized employees shall not attempt to obtain any Reports on themselves, associates, or any other person except in the exercise of their authorized and official duties.

- **PLEASE NOTE:** THE FCRA PROVIDES 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 OF THE UNITED STATES CODE OR IMPRISONED NOT MORE THAN TWO YEARS, OR BOTH.

**3. PRE-EMPLOY.COM, INC. SERVICES SELECTED BY END-USER.**

By placing a mark below in Check this Box to Order, End-User is requesting that Pre-employ.com, Inc. provide the identified Service to End-User. End User acknowledges receipt of “A Summary of your rights under the Fair Credit Reporting Act” and “Notice to Users of Consumer Reports: Obligations of Users Under the FCRA” published by the Consumer Financial Protection Bureau (“CFPB”) and must initial it has received all associated documentation listed.

- ✓ **END-USER: PLEASE CHECK EACH SERVICE THAT YOU WOULD LIKE TO ORDER AND PLACE INITIALS TO CONFIRM YOU HAVE RECEIVED THE ASSOCIATED DOCUMENTATION.**

CHECK THIS BOX TO ORDER	INITIAL IF HAVE RECEIVED ASSOCIATED DOCUMENTATION	SERVICE	ASSOCIATED DOCUMENTATION
✓		Background Screening Services	<ul style="list-style-type: none"> <li>• End-User Agreement</li> <li>• Master Service Agreement</li> <li>• Exhibit 1B: Statement of Work Fees and Pricing</li> <li>• Appendix A: A Summary of your rights under the Fair Credit Reporting Act</li> <li>• Appendix B: Notice to Users of Consumer Reports: Obligations of Users Under the FCRA</li> <li>• Appendix C: Notice to Furnishers of Information Obligations Under the FCRA</li> <li>• Remedying the Effects of Identity Theft</li> </ul>

**SEPARATE ADDENDA REQUIRED FOR SPECIFIC SERVICES**

- ✓ **END-USER: SOME SERVICES PROVIDED BY PRE-EMPLOY.COM, INC. REQUIRE ADDITIONAL CONTRACTUAL LANGUAGE. IF YOU INTEND TO ORDER ANY OF THE ITEMS BELOW. PLEASE PLACE A CHECK MARK NEXT TO THE DESIRED SERVICE AND INITIAL TO CONFIRM YOU HAVE RECEIVED THE ASSOCIATED ADDENDUM.**

CHECK THIS BOX TO ORDER	INITIAL IF HAVE RECEIVED ASSOCIATED DOCUMENTATION	SERVICE	ASSOCIATED DOCUMENTATION
		Credit Reports	Addendum B
		Workers' Compensation Record Reports	Addendum C
✓		Drug Testing	Addendum D
✓		Employment Verifications only available via Equifax EVS – REQUIRED FOR ALL EMPLOYMENT VERIFICATIONS	Addendum E
		I-9 and E-Verify	Addendum 3

**4. END-USER'S GENERAL CERTIFICATION OF LEGAL COMPLIANCE.**

- A. End-User certifies that it will comply with all Laws governing the acquisition and/or use of Reports, including, but not limited to, the FCRA, all state equivalents to the FCRA, Title VII of the Civil Rights Act of 1964, and the Drivers Privacy Protection Act (“DPPA”).

- B. End-User understands that it will be required to certify to various FCRA consumer protection statements at each request for Services, and only after it has fulfilled such obligations. In the event that End-User utilizes a third party provider for its submission of requests for Services to Pre-employ.com, Inc., End-User will ensure that all such requests for Services include all such required certifications, as defined by the FCRA, the other Laws, and outlined by Pre-employ.com, Inc. herein.
- C. End-User understands and acknowledges that each component or search of the background check or consumer report can have bearing on other items within the report, and as such should not consider or make decisions upon individual items within the report, and those items may be adjusted until the entire report or case has been fulfilled.
- D. End-User further certifies that it will only use a Report received from Pre-employ.com, Inc. one time and that it will not distribute, sell, re-sell, copy or give any information received from Pre-employ.com, Inc. to a third party, except as allowed by the Laws.
- E. End-User is responsible for adherence to all regulatory requirements for their industry, and to convey any specific requirements to Pre-employ.com, Inc.
- F. End-User certifies that it will not request or use other services offered by Pre-employ.com, Inc., including but not limited to I-9 and E-Verify services, in violation of any federal, state or local law.

**5. END-USER'S ADDITIONAL CERTIFICATION OF LEGAL COMPLIANCE AS TO SPECIFIC SERVICES.**

**A. When Reports are Procured and/or Used for Employment Purposes.**

- (1) **Disclosure and Consent.** End-User certifies that prior to procuring or causing a Report to be procured for any employment purpose, End-User has made a clear and conspicuous disclosure to the consumer, in writing, in a document consisting solely of the disclosure, has been made in writing to the consumer explaining that End-User may obtain a consumer report and/or investigative consumer report for employment purposes (the "Disclosure"), and end-user has also obtained the consumer's authorization for End-User to procure or cause a Report to be procured from Pre-employ.com, Inc. for employment purposes (the "Authorization"). The Disclosure and Authorization must satisfy all requirements identified in Section 604(b)(2) and, as appropriate, Section 606(a)(1) of the FCRA. During the written consent process, the consumer will be properly apprised by End-User of his or her legal rights, as required by law. Pre-employ.com, Inc. may request, and if requested End-User shall promptly provide, proof of End-User's compliance with the Laws, including copies of the Disclosure and Authorization.
  - a. End-User shall identify in the Disclosure all parties that may procure and/or use Reports (including, but not limited to parent, subsidiary and affiliated companies) that may procure or cause to be procured and/or use Reports, and the Authorization shall extend to all such parties. Pre-employ.com, Inc. may request, and if requested End-User shall promptly provide, proof and/or copies of End-User's compliance with the Laws at its discretion or as business need may arise.
  - b. End-User represents that in some circumstances End-User's contract with its customer contemplates that End-User must provide its customer with direct access to Reports. In such circumstances, before placing orders for Reports, End-User shall specifically identify in the Disclosure both End-User and End-User's customer and obtain authorization from consumers specifically for the procurement of Reports from Pre-employ.com, Inc. by both End-User and End-User's customer. Before placing orders for Reports, End-User shall also notify its customer, in writing, that all Reports compiled by Pre-employ.com, Inc. for End-User will be furnished for employment purposes, and provide to any such customer a copy of the CFPB's publication entitled "Notice to Users of Consumer Reports: Obligations of Users Under the FCRA."

If End-User is a company that requires another party, such as, but not limited to its contractors, to provide the type of direct access to Reports described in subpart (b)(i), End-User certifies that, before accessing any such Reports, End-User has confirmed that the other party's Disclosure identifies, and its Authorization extends to, both End-User and the other party. End-User also confirms that it has received, and will comply with, the designated CFPB publication.

- (2) **Adverse Action.** If the consumer may be denied employment or incur another "adverse action," as that term is defined by the Laws, based in whole or part on a Report provided by Pre-employ.com, Inc., End-User will timely provide to the consumer: (1) a copy of the Report, and (2) a description, in writing, of the rights of the consumer entitled "A Summary of Your Rights Under the Fair Credit Reporting Act," and (3) a written notice containing any and all other required notifications under the Laws. End-User will then provide consumer with an appropriate period of time to **dispute** the accuracy of the Report before taking any adverse action. After the appropriate waiting period, and assuming no dispute, End-User will issue to the consumer notice of the adverse action taken, including the statutorily required notice identified in Section 615 of the FCRA. Among other things, such notice will include: (1) the name, address, and telephone number of Pre-employ.com, Inc., as the consumer reporting agency, (2) a statement that the Pre-employ.com, Inc. did not

make the decision to take the adverse action and is unable to provide the consumer the specific reasons why the adverse action was taken, (3) a statement that the consumer may obtain a free copy of the consumer report from Pre-employ.com, Inc. within 60 days pursuant to Section 612 of the FCRA, and (4) a statement that the consumer has the right to dispute with Pre-employ.com, Inc. the accuracy or completeness of any information in a consumer report furnished by Pre-employ.com, Inc.

- (3) If a dispute as to the accuracy or completeness of the Report is raised by the consumer during the waiting period, End-User will afford Pre-employ.com, Inc. the legally allowed time to resolve the dispute before deciding whether to take any final adverse action.

If End-User has requested that Pre-employ.com, Inc. fulfill any portions of the pre-adverse or adverse action processes on its behalf as part of the Services, End-User will provide to Pre-employ.com, Inc. all necessary template letters and other notifications, and the specifications for providing same to consumers. Pre-employ.com, Inc. assumes no liability of any kind whatsoever on behalf of or to End-User by providing these letters and notifications to consumers and, rather, expressly disclaims any such liability.

- (4) **Decision-Making.** End-User is aware that the Laws impact how and under what circumstances End-User may use criminal history information, credit history information, and other consumer report information for employment purposes. End-User assumes full responsibility for complying with all Laws. End-User certifies it will not use any Report in violation of any Law, including any applicable federal or state equal employment opportunity law or regulation. Among other things, End-User has or will become familiar with the EEOC's April 2012 Enforcement Guidance explaining how employers may utilize criminal history information in compliance with Title VII of the Civil Right Acts of 1964.

**B. When Consumer or Investigative Consumer Reports Are Used for Tenant/Owner Purposes.**

- (1) **Disclosure and Consent.** If End-User intends to request a Report from Pre-employ.com, Inc. for "Tenant/Owner Purposes," it will first obtain the written consent of the consumer to do so.
- (2) **Adverse Action.** If End-User takes adverse action against a tenant or prospective tenant based upon a Report from Pre-employ.com, Inc., End-User agrees to follow all adverse action requirements specified by the Laws, including in Section 615 of the FCRA. Among other things, End-User agrees that after taking adverse action it will provide a notice to the consumer that includes: (1) the name, address, and telephone number of Pre-employ.com, Inc., as the consumer reporting agency, (2) a statement that Pre-employ.com, Inc. did not make the decision to take the adverse action and is unable to provide the consumer the specific reasons why the adverse action was taken, (3) a statement that the consumer may obtain a free copy of the consumer report from Pre-employ.com, Inc. within 60 days pursuant to Section 612 of the FCRA, and (4) a statement that the consumer has the right to dispute with Pre-employ.com, Inc. the accuracy or completeness of any information in a consumer report furnished by Pre-employ.com, Inc..
- (3) **Decision Making.** End-User is aware that local, state, and federal laws and regulations impact how and under what circumstances End-User may use criminal history information, credit history information, and other consumer report information for tenant screening and/or owner screening purposes. End-User assumes full responsibility for complying with all applicable laws and regulations. Among other things, End-User has or will become familiar with applicable federal, state, and local "Fair Housing Laws."

**6. END-USER'S ADDITIONAL CERTIFICATION OF CALIFORNIA LEGAL COMPLIANCE AND CERTIFICATION**

By placing each order with Pre-employ.com, Inc., and in general, End-User hereby certifies under the Investigative Consumer Reporting Agencies Act ("ICRAA"), California Civil Code Sections 1786 et seq., and the Consumer Credit Reporting Agencies Act ("CCRAA"), California Civil Code Sections 1785.1 et seq., to:

- (i) Request and use the Services solely for permissible purpose(s) identified under California Civil Code Sections 1785.11 and 1786.12.
- (ii) When, at any time, the Services are sought for employment purposes, that End-User has provided a clear and conspicuous disclosure in writing to the consumer, which solely discloses: (1) that an "investigative consumer report" (as defined by the ICRAA) may be obtained; (2) the permissible purpose of the investigative consumer report; (3) that information on the consumer's character, general reputation, personal characteristics and mode of living may be disclosed; (4) the name, address, telephone number, and website of Pre-employ.com, Inc. as the consumer reporting agency conducting the investigation; and (5) the nature and scope of the investigation requested, including a summary of the provisions of California Civil Code Section 1786.22. The disclosure also shall list Pre-employ.com, Inc.'s web site address.
- (iii) Provide the consumer a means by which he/she may indicate on a written form, by means of a box to check, that the consumer wishes to receive a copy of any investigative consumer report that is prepared.

(iv) If the consumer wishes to receive a copy of the investigative consumer report, send or arrange to send a copy of the investigative consumer report to the consumer within three business days of the date that the investigative consumer report is provided to End-User. The copy of the investigative consumer report shall contain the name, address, and telephone number of Pre-employ.com, Inc. as the entity that issued the report and how to contact Pre-employ.com, Inc.

(v) When, at any time, the Services are sought for employment purposes, only request an investigative consumer report if the subject thereof has first authorized in writing the procurement of the report by the End-User.

(vi) Under all applicable circumstances, comply with California Civil Code Sections 1785.20 and 1786.40 if the taking of adverse action is a consideration, which shall include, but may not be limited to, advising the consumer against whom an adverse action has been taken that the adverse action was based in whole or in part upon information contained in the investigative consumer report, informing the consumer in writing of Pre-employ.com, Inc.'s name, address, and telephone number, and provide the consumer of a written notice of his/her rights under the ICRAA and the CCRAA.

(vii) Comply with all other requirements under applicable California law, including, but not limited to any statutes, regulations and rules governing the procurement, use and/or disclosure of any investigative consumer reports, including, but not limited to, the ICRAA and CCRAA.

7. **INVESTIGATIVE CONSUMER REPORTS.** Due to the interpretive nature of the term, Pre-employ.com will process every request for Services as a request for an "investigative consumer report" within the meaning of the FCRA. End-user certifies that it complies with the Laws, including its obligation, if any, to provide to each consumer the required disclosures and obtain his or her authorization before the order is placed. If the consumer makes a written request within a reasonable amount of time, End-User will provide to the consumer:

- A. information about the Report that has been requested;
- B. if a Report has been requested, written disclosure of the nature and scope of the investigation requested; and
- C. Pre-employ.com, Inc.'s contact information, including its complete address and toll-free telephone number.

This information will be provided to the consumer no later than five (5) days after the request for such disclosure was received from the consumer or such report was first requested, whichever is the later.

8. **INTERNATIONAL CRIMINAL RECORD SEARCHES.** End-User understands that international background screening searches will be conducted through a third-party business entity that is independent of Pre-employ.com, Inc. Accordingly, End-User releases and holds harmless Pre-employ.com, Inc. and its affiliated companies, officers, agents, and employees from any liability of any kind whatsoever in connection with any information received as a result of an international background screening report.

9. **NATIONAL/MULTI-STATE DATABASE SEARCHES.** Pre-employ.com, Inc. recommends that End-User screen its employees at the county level as well as using federal and multi-state/nationwide databases. End-User understands that Pre-employ.com, Inc. cannot be held responsible for any records that exist that do not fall within the scope of the specific search(es) ordered by End-User. End-User further understands that the multi-state/nationwide database report only will be offered in conjunction with a county or state-level verification of any possible "hit" (that is, confirmation of the record in the database at or with the primary source of the record).

10. **MOTOR VEHICLE RECORDS (MVRs) AND DRIVING RECORDS.**

- A. End-User hereby certifies that it will only order motor vehicle records and/or driving records (collectively "MVRs") as allowed by the Driver Privacy Protection Act ("DPPA", at 18 U.S.C. § 2721 *et seq.*) and any corresponding state laws.
- B. End-User further certifies that no MVRs shall be ordered without first obtaining the written consent of the consumer to obtain "driving records," evidence of which shall be transmitted to Pre-employ.com, Inc. in the form of the consumer's signed release authorization form.
- C. End-User also certifies that it will use MVRs only in the normal course of business to obtain lawful information relating to the holder of a commercial driver's license or to verify information provided by an applicant or employee.
- D. End-User shall not transmit any data contained in the reported MVR via the public internet, electronic mail or any other unsecured means.
- E. End-User understands that when MVRs are sought in certain states, including but not limited to Washington, Colorado, Georgia, Arkansas, Illinois, Maryland, New Hampshire and Pennsylvania, **End-User will be required to obtain specific consumer consent, complete, provide to Pre-employ at time of ordering, and store certain state-specific written consent materials in connection with any MVR check performed by Pre-employ.com, Inc.** End-User agrees to obtain and complete such state-specific written consent materials, as required by law or requested by Pre-employ.com, Inc.

- F. End-User further agrees to maintain in its own possession all documentation related to Motor Vehicle records, authorizations, and materials in an accessible format for no less than five years, as required by the DPPA.

11. **CONTEMPORANEOUS NOTIFICATION (FCRA SECTION 613)** Pre-employ.com, Inc. provides this candidate notification service to comply with the FCRA and like laws. The FCRA in some circumstances requires a consumer reporting agency to notify the subject of an employment-purposed consumer report with certain public record information (i.e., information “likely to have an adverse effect upon a consumer’s ability to obtain employment”) of: (1) the fact the public records are being reported to the end-user, sent at the time such public records are reported to the end-user, and (2) the end-user’s name and address. FCRA 613 (15 U.S.C. §1681k(a)(1)). Credit Reports, MVRs and any other such report that is procured and provided directly to the end-user will also prompt this consumer notification.

Pre-employ will provide these notices utilizing the company name listed on this Agreement, unless End-User indicates that the end-user name, or department name or company name (including address) required should be utilized from the information provided here: County of Williamson

This notification is not intended to, and does not, substitute for End-User’s independent obligations under the Laws.

12. **FEDERAL NOTICES RECEIVED.** End-User hereby acknowledges that it has received a copy of “A Summary of Your Rights Under the Fair Credit Reporting Act”, “Notice to Users of Consumer Reports: Obligations of Users Under the FCRA”, and “Remedying the Effects of Identity Theft”.

13. **NO LEGAL ADVICE/COUNSEL.**

- A. End-User acknowledges the importance of complying with its obligations under the Laws and agrees that it will consult with legal counsel at its own expense regarding the acquisition and use of Reports. End-User understands and acknowledges that Pre-employ.com, Inc. is not a law firm and does not provide legal advice in connection with the Services or End-User’s use of Reports. End-User understands that any communications by Pre-employ.com, Inc.’s employees or representatives regarding the Services are not to be considered or construed in any way, directly or indirectly, as legal advice. End-User shall always consult with its own counsel before deciding whether to act upon information reported by Pre-employ.com, Inc. End-User understands that sample forms or documents made available by Pre-employ.com, Inc. to End-User, including but not limited to sample disclosure notices, written authorizations, and adverse action notices, are offered solely as a courtesy and should not be construed as legal advice. Laws governing the content of such documents frequently change. Accordingly, End-User shall consult with its own counsel to make sure that End-User is using appropriate documents that comply with all Laws.
- B. End-User further acknowledges that the use of Pre-employ.com’s online portal, candidate entry and candidate portal, and all resources located within those platforms are made available for usage, however all forms, disclosures, authorizations, resources, and processes are provided as a courtesy and should be reviewed with End-User’s legal counsel for legal compliance. Pre-employ.com assumes no liability of any kind whatsoever on behalf of or to End-User by providing content or process path in these platforms and, rather, expressly disclaims any such liability.
- C. End-User also agrees and understands that Pre-employ.com, Inc. does not provide legal advice in connection with any of the other Services that it offers, including, but not limited to, I-9 and E-Verify services. End-User accepts full responsibility for complying with any and all applicable laws and regulations and shall consult with its own counsel to ensure that it has all required processes and procedures in place.

14. **SECURITY AND CONSUMER DATA PROTECTION.** Before ordering any reports from Pre-employ.com, End-User will establish strong access control measures: (1) to ensure the fair and equitable use of Reports; (2) to safeguard the confidentiality of information reported by Pre-employ.com, Inc.; and (3) to comply with all Laws. In addition to governmental regulations, many of the security actions are also required by data providers such as TransUnion, Equifax and Experian. Failure to agree to and/or maintain any of the following items may result in revocation of access to some or all of the Services.

Among other things, End-User shall take the following actions:

- (1) End-User shall properly restrict access to information reported by Pre-employ.com, Inc. to those with a legitimate business need to access such information, and only to the extent necessary to enable End-User to use the Reports in a manner consistent with this Agreement.
- (2) End-User shall take steps to ensure that employees authorized to order Reports do not attempt to obtain any such Reports on themselves, and also that such authorized employees only order Reports on other individuals when both consistent with this Agreement and permissible under the Laws.
- (3) End-User shall develop strong passwords (minimum length of 8 alpha and numeric characters, frequent and mandatory password changes – at least every sixty (60) days) for access to information reported by Pre-employ.com, Inc. and ensure that such passwords are not easily guessable (high risk words are not allowable). For example, End-User shall avoid using its company name or repeating numbers/letters or consecutive numbers/letters or the word “password.”
- (4) End-User shall accept and implement Pre-employ.com, Inc.’s Best Practice of 60-day Password Recycle

policy. Users who do not recycle within 60 days will be automatically deactivated from the system.

- (5) Individual End User IDs and passwords must not be pre-installed, electronically “remembered,” or scripted
- (6) End-User shall ensure that user credentials (IDs and passwords) are not shared or physically accessible by others within the secure facility, and that no Peer-to-Peer file sharing will be enabled on those users’ profiles. Note: Pre-employ.com, Inc. will never ask users for this information via phone or other methods.
- (7) End-User shall implement a process to terminate access rights immediately for users when those users are terminated or when they have a change in their job tasks that changes information needed to view. It is the responsibility of the End-User to maintain this process.
- (8) End-User shall implement physical and technical security controls to prevent unauthorized entry to its facility and access to systems.
- (9) End-User certifies that it will retain information it receives from Pre-employ.com in accordance with applicable law and will make such information available to Pre-employ.com upon request
- (10) End-User shall maintain each written authorization obtained from an individual subject to a Report, along with the disclosures and notices provided to such individual, in accordance with applicable law and will make such information available to Pre-employ.com upon request.
- (11) End-User shall ensure that data destruction is completed in a secure manner to make it inaccessible, unreadable, and/or unrecoverable of hard copy information and electronic information reported by Pre-employ.com, Inc. Destruction of data must be implemented in accordance with current industry best practices such as FTC and DPPA, which may include: burning, pulverizing or shredding.
- (12) End-User shall ensure that paper documents containing personally identifiable information (particularly name, date of birth, driver’s license number, and SSN), if retained at individual desks/workstations, shall be destroyed or inaccessible no later than the end of each workday.
- (13) End-User understands and agree Pre-employ will only keep information it provides to End-User for the lesser of two (2) years or as required by applicable law.
  - i. If End-User wishes to receive a copy or copies of consumer reports or investigative consumer reports for its own retention purposes, End-User shall advise Pre-employ if and how to receive consumer reports or investigative consumer reports in an agreed upon manner and at agreed upon intervals prior to the two (2) year expiration.
  - ii. Pre-employ will not be responsible or liable for any consumer reports, investigative consumer reports, or other consumer information not retained after the two (2) year period described above.
  - iii. Pre-employ will not be responsible or liable for any consumer reports or investigative consumer reports not retrieved in an agreed upon manner after the two (2) year period described above.
- (14) Credit Reporting Agency Providers. Agencies require that End-User will ensure that all devices with access to consumer report and consumer information are in a secure location, accessible only by authorized users with secure workstations that are locked when not in use. End-User understands that Equifax and other Credit Reporting Agencies disallow the storing of data provided by their agency to any hard drive, portable device and/or removable data storage device. This is applicable to the use of cellular phones or mobile devices. Encryption, transfer or shipping of information must also be encrypted with industry standard methods and disposal efforts must include those that are standard to disposal of consumer report information or records.
- (15) End-User shall protect the privacy of consumer information which is contained in MVRs, and access DMV records only with written consent of consumer.

15. **GENERAL INFORMATION FOR VETTING PURPOSES.** End-User understands that its business must be “vetted” by Pre-employ.com, Inc. before it will be permitted to obtain Reports from Pre-employ.com, Inc. Accordingly, End-User hereby provides the following information to facilitate such “vetting.”

End-User: Please provide the following information to begin the “vetting” process. You may be asked for additional information as the process unfolds.

Type of Ownership (Partnership, Nonprofit, Corp, LLC)	Not needed, already vetted.
Type of Business Conducted	
Company Website Address	
Company Address (Street, City, State, Zip)	

Company Phone and Fax	
Email of Authorized Officer Signing	
Name of Authorized Officer Signing	
Title of Authorized Officer Signing	

<b>End-User: Please attach one of the following (indicate which by checking the appropriate box):</b>		
<input type="checkbox"/> Copy of Business License	<input type="checkbox"/> Federal ID No. form (not application)	<input type="checkbox"/> Corporation verification with State or Federal government
<input type="checkbox"/> Articles of Incorporation / Partnership	<input type="checkbox"/> Professional State Issued License	<input type="checkbox"/> State Tax ID Certificate (not application)
<b>End-User: Please also attach one of the following (indicate which by checking the appropriate box):</b>		
<input type="checkbox"/> Copy of Current Business Phone Bill or Utility Bill (first page only)	<input type="checkbox"/> Copy of Business Check <input type="checkbox"/> Copy of Office Lease (first page only)	<input type="checkbox"/> Copy of Principal's Photo ID / Driver's License (only if in business under 1 yr)

**16. NO WARRANTIES.**

- A. Pre-employ.com, Inc. assembles information from a variety of sources, including databases maintained by other consumer reporting agencies containing information from public records, other information repositories, governmental agencies and employees, and third-party researchers. End-User understands that these informational sources and resources are not maintained by Pre-employ.com, Inc. Therefore, Pre-employ.com, Inc. cannot be a guarantor that the information provided from these sources is absolutely accurate, current and complete. Nevertheless, Pre-employ.com, Inc. has in place procedures to ensure the maximum possible accuracy of the information reported and also procedures designed to respond promptly to claims of inaccurate or incomplete information in accordance with the Laws.
- B. End-User understands that Pre-employ.com, Inc. obtains the information in its Reports from various third-party sources "AS IS" and, therefore, is providing the information to End-User "AS IS". Pre-employ.com, Inc. makes no representation or warranty whatsoever, express or implied, including but not limited to, implied warranties of merchantability or fitness for particular purpose or implied warranties arising from the course of dealing or a course of performance with respect to the accuracy, validity or completeness of any information and/or Reports, that the Reports will meet End-User's needs or will be provided on an uninterrupted basis; Pre-employ.com, Inc. expressly disclaims any and all such representations and warranties.
- C. Except as provided herein or in an addendum to this Agreement, Pre-employ.com, Inc. also makes no representation or warranty, express or implied, including but not limited to, implied warranties of merchantability or fitness for particular purpose or implied warranties arising from the course of dealing or a course of performance, as to any other product or service that it will provide to End-User. Pre-employ.com, Inc. expressly disclaims any and all such representations and warranties.

**17. GENERAL PROVISIONS.**

- A. Pre-employ.com, Inc. shall not make or authorize any disclosures concerning the commercial relationship between Pre-employ.com, Inc. and End-User without End-User's prior written consent.
- B. Pre-employ.com, Inc. does not make employment decisions regarding any individuals about whom it reports information, nor does it give any input on employment qualifications for any individuals. End-User agrees and certifies that Pre-employ.com, Inc. has no input whatsoever into any of End-User's employment decisions.
- C. End-User understands that state or federal law may, under some circumstances, require Pre-employ.com, Inc. to provide a copy of the Report to the subject thereof. End-User understands and agrees that Pre-employ.com, Inc. may do so under such circumstances. In addition, End-User agrees that Pre-employ.com, Inc. may provide access to a Report to the subject thereof even where not specifically required by law.
- D. End-User understands and acknowledges that the subject of a Report is entitled to a free disclosure thereof pursuant to, among other things, the provisions of Sections 609 and 610 of the FCRA, and that End-User authorizes Pre-employ.com, Inc. to set up a consumer account for such consumers to view their completed Report ordered by End-User.
- E. Pre-employ.com, Inc. reserves the right to contact End-User or a consumer for additional information pertaining to any Report.
- F. End-User agrees to allow Pre-employ.com, Inc. to audit documents, records and information relevant to this Agreement at any time, upon reasonable notice given, and End-User agrees to promptly and meaningfully cooperate

with any such audits.

G. The headings of each section or paragraph are inserted only for convenience of reference and are in no way to be construed to be a part of this Agreement or as a limitation of the scope of the sections, paragraphs, and/or provisions to which they refer.

H. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Each party agrees that it has had the opportunity to review and negotiate this Agreement with an attorney and neither party shall be considered the drafter of this Agreement.

18. **EXECUTION.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. A signature on a copy of this Agreement received by either party by facsimile or email is binding upon the other party as if it were an original. The Parties shall treat a photocopy of such facsimile as a duplicate original. The individuals signing below represent that they are duly authorized to do so.

19. **SUMMARY OF DOCUMENTATION.** This Agreement may include the following as listed:

Document Reference:	Document Title:	Terms:	Active
MSA – Master Services Agreement	Master Services Agreement	General Terms and Provisions	YES – If applicable
End-User Agreement	End-User Agreement	FCRA Required Agreement between CRA and End-User & California End-User Certification Addendum	YES
Exhibit 1B	Statement of Work Fees and Pricing	Pricing Agreement	YES
Addendum 3	Statement of Work No. 3	I-9 and/or E-Verify Services	If applicable
Addendum B	Credit Report	Credit Report Service	If applicable
Addendum C	Workers' Compensation Record Reports	Workers' Compensation Record Reports	If applicable
Addendum D	Drug Testing	Drug Testing	If applicable
Addendum E	TALX Equifax EVS Workplace Solutions.docx	Employment Verifications required and specifically provided by third party vendor TALX/Equifax	If applicable
Appendix A	A Summary of your rights under the Fair Credit Reporting Act	FCRA	Yes
Appendix B	Notice to Users of Consumer Reports: Obligations of Users Under the FCRA	FCRA	Yes
Appendix C	Notice to Furnishers of Information: Obligations of Furnishers Under the FCRA	FCRA	Yes

**Full Force and Effect.** Except as specifically set forth in this Addendum, the End-User Agreement, Master Services End-User Agreement and other addenda thereto are not modified, revoked or superseded and remain in full force and effect.

In the event that either or both parties execute this agreement in electronic signature format, the signing party agrees that by entering your electronic signature below, you are (a) agreeing to use an electronic signature to demonstrate your authorization, and (b) acknowledging your understanding that it is as legally binding as an ink signature.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on the date(s) shown below, to be effective as of the Effective Date.

County of Williamson  
Legal Business Name

PRE-EMPLOY.COM, INC.

Signature\* \_\_\_\_\_

Printed \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Printed \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

\*The individual signing this document is either the owner of End-User or authorized by End-User to sign on behalf of the business entity. Moreover, the individual signing this document for End-User has knowledge of all facts certified herein.

Physical Address/Location of End-User Signed above  
301 SE Inner Loop Suite 108  
Georgetown, TX 78626



**ADDENDUM D TO MASTER SERVICES**  
**END-USER AGREEMENT**

**DRUG AND/OR ALCOHOL TESTING**

This Addendum, dated as of this 17th day of August, 2020, is made to the Master Services End-User Agreement dated 8/17/2020, between County Of Williamson ("End-User") and Pre-employ.com, Inc. ("Pre-employ"), and supplements any other Addenda signed between End-User and Pre-employ.

**WHEREAS**, the Master Services End-User Agreement covers various terms related to services performed by Pre-employ for End-User;

**WHEREAS**, End-User desires Pre-employ to provide certain drug and/or alcohol testing services for End-User; and

**WHEREAS**, End-User and Pre-employ wish to further clarify terms related to such drug and/or alcohol testing services.

**NOW, THEREFORE**, the parties hereby agree as follows:

- I. Selected Services.** End-User hereby requests that Pre-employ provide the following drug and/or alcohol testing services for it (please check all that apply):

Drug And/Or Alcohol Testing For Ordinary Employment Purposes

- Pre-employment drug testing
- Post-accident drug and alcohol testing
- Reasonable suspicion drug and alcohol testing
- Return-to-duty drug testing
- Random drug and alcohol testing

Drug And/Or Alcohol Testing For Department of Transportation (DOT)-Related Purposes

- Pre-employment drug testing
- Post-accident drug and alcohol testing
- Reasonable suspicion drug and alcohol testing
- Return-to-duty drug testing
- Random drug and alcohol testing

**II. Pre-Employ Obligations As To Drug/Alcohol Testing For Ordinary Employment Purposes.**

- a. Pre-employ shall provide the drug and/or alcohol testing services requested in Section I of this Addendum by End-User in accordance with applicable state and federal laws and regulations.
- b. Pre-employ shall provide a site for test specimen collection with trained, qualified collectors within 5 miles, or a reasonable distance, of End-User.
- c. Pre-employ shall make on-site mobile collection with trained and qualified collectors available to End-User.
- d. Where random drug and alcohol testing is requested, Pre-employ shall use a scientifically valid selection method and conduct a monthly, computer-generated, random selection of Company employees.
- e. Pre-employ will maintain all result documentation for any tests completed through the administration of End-User's drug and alcohol testing program for a period of 3 years.
- f. Pre-employ will provide result documentation to End-User within two (2) days of request made by End-User.

**III. End-User Obligations As To Drug/Alcohol Testing For Ordinary Employment Purposes.**

- a. End-User understands and acknowledges that various federal, state, and local laws govern employers' requests for and use of drug testing results. End-User certifies that it will only request and use drug and/or alcohol testing services from Pre-employ in accordance with applicable federal, state, and local laws.
- b. End-User shall supply any and all information requested by Pre-employ necessary to facilitate drug testing.

**IV. Pre-employ's Obligations As To Drug/Alcohol Testing For Department Of Transportation (DOT)-Related Purposes**

- a. Pre-employ shall maintain a list of End-User's Designated Employer Representatives ("DERs") authorized to receive names of employees selected for random testing and to whom test results may be reported.
- b. To facilitate random drug and alcohol testing, Pre-employ shall use a scientifically valid selection method and conduct a monthly, computer-generated, random selection of Company employees.
- c. Pre-employ shall provide a site for test specimen collection with trained, qualified collectors within 5 miles, or a reasonable distance, of End-User.
- d. Pre-employ shall make on-site mobile collection with trained and qualified collectors available to End-User.

- e. Pre-employ shall ensure all laboratories available for use by End-User are subject to monthly quality control testing using blind specimens or blind performance test specimens as the terms are defined by DOT regulations.
- f. Pre-employ shall utilize a Department of Health and Human Services certified laboratory to conduct drug testing of all DOT-regulated programs.
- g. Pre-employ shall utilize a certified Medical Review Officer (“MRO”), who will review all non-negative drug test results for all DOT-regulated programs.
- h. Pre-employ shall retest split urine specimens upon request for an additional cost.
- i. Pre-employ shall report negative drug test results to End-User’s DER within same day of receipt of confirmation from reporting laboratory or MRO.
- j. Pre-employ shall report MRO-confirmed non-negative drug test results to End-User DER within same day of receipt of confirmation from MRO.
- k. Pre-employ shall maintain records of negative and non-negative drug and alcohol test results, refusals to test, random pool records, random selection lists, and notices.
- l. Pre-employ shall refer employees to qualified Substance Abuse Professionals (“SAP”) when required to do so under applicable laws or regulations.
- m. Pre-employ shall report results to End-User DER except when reports are required to go to another party per state and/or federal regulations.
- n. If positive test results are received on an End-User employee who is the owner-operator of End-User and he/she is not removed from his/her safety-sensitive position or is returned to a safety-sensitive position before successfully completing the return-to-duty process, Pre-employ shall notify the DOT operating mode’s headquarters in Washington, D.C. to the extent required by applicable laws and/or regulations.
- o. If End-User stops requesting drug testing services through Pre-employ, Pre-employ shall notify the DOT, in accordance with applicable requirements.
- p. Pre-employ may expel End-User from its drug and alcohol testing program if End-User fails to comply with the outlined End-User Responsibilities herein and/or DOT rules and regulations.
- q. Pre-employ shall maintain all result documentation for any tests completed through the administration of End-User’s drug and alcohol testing program for a period of 3 years.
- r. Pre-employ shall provide all documentation to End-User within two (2) days of request made by DOT, another federal agency or End-User.

**V. End-User's Obligations As To Drug/Alcohol Testing For Department Of Transportation (DOT)-Related Purposes**

- a. End-User understands and acknowledges that various federal, state, and local laws govern employers' requests for and use of drug testing results. End-User certifies that it will only request and use drug testing services from Pre-employ in accordance with applicable federal, state, and local law.
- b. End-User shall provide any and all information requested by Pre-employ necessary to facilitate drug testing.
- c. For the purpose of managing End-User's random drug and alcohol testing program, End-User shall provide Pre-employ with an updated employee roster by the 15th day of each month.
- d. End-User shall timely provide Pre-employ with updated lists of the primary and secondary DERs (Attachment A) as appropriate.
- e. End-User shall submit all safety-sensitive job applicants through pre-employment drug testing or provide written proof of exemption from the requirement.
- f. To ensure the integrity of its testing program, End-User agrees to conduct all of its required drug and alcohol tests, including pre-employment, random, reasonable suspicion, post-accident, return-to-duty, and follow-up through Pre-employ.

**VI. No Legal Advice/Counsel.** Pre-employ does not provide legal advice or other compliance-related advice upon which End-User may rely in connection with Pre-employ's delivery of drug and alcohol program services. End-User understands that any conversation or communication with Pre-employ's representatives regarding the services related to the drug and alcohol services are not to be considered legal advice or opinion. End-User shall seek counsel from experienced attorneys as appropriate before requesting or relying upon drug testing results obtained through Pre-employ.

**VII. Indemnification.** In addition to any indemnification promises made in the Master Services End-User Agreement, End-User agrees to indemnify, defend, and hold harmless Pre-employ, its successors and assigns, officers, directors, employees, agents, vendors, and suppliers from any and all claims, actions or liabilities, as well as costs and attorneys' fees, arising from or with respect to: (i) any breach by End-User of this Addendum or the representations, certifications or warranties made in this Addendum, (ii) End-User's violation of applicable laws or ordinances, (iii) End-User's negligence, misconduct, recklessness, errors or omissions, (iv) End-User's request for or use of drug and alcohol testing services provided by Pre-employ, or (v) Pre-employ's performance of drug and alcohol testing services for End-User.

**VIII. Fees.** End-User will pay the fees outlined in Statement of Work Fees and Pricing – Exhibit 1B (attached hereto) for the drug and alcohol testing services it requests.

**IX. Full Force And Effect.** Except as specifically set forth in this Addendum, the Master Services End-User Agreement and other addenda thereto are not modified, revoked or superseded and remain in full force and effect.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their duly authorized representatives on the date(s) shown below, to be effective as of the Effective Date.

**County Of Williamson**

**PRE-EMPLOY.COM, INC.**

Signature \_\_\_\_\_

Signature 

Printed \_\_\_\_\_

Printed J. B. Smith

Title \_\_\_\_\_

Title CCO

Date \_\_\_\_\_

Date 8/27/20



**FORMERLY TALX CORPORATION  
PROVIDER OF EQUIFAX VERIFICATION SOLUTIONS (EVS)  
WORKFORCE SOLUTIONS (EWS)**

**ADDENDUM E  
REQUIREMENT FOR 3<sup>RD</sup> PARTY EMPLOYMENT/INCOME VERIFICATIONS**

**This Addendum E to Master Services and/or  
End-User Agreement is specifically and solely required by Equifax from  
each subscriber to continue their services.**

**As taken directly from the EWS/EVS Reseller Policy:**

“The CRA must require each subscriber to sign an Agreement for Service that complies with the terms and conditions set out in the CRA’s Agreement for Service with Equifax. Periodically, Equifax may notify CRA resellers of additional or new service level requirements or security guidelines that must be adhered to for continued access to Equifax information.”

**Items required by Equifax Workforce Solutions for continuation of services are:**

- **Exhibit A-2 attached**
- **execution of this Addendum E**

This Addendum, dated as of this 17th day of August, 2020, is made to the Master Services End-User Agreement between County Of Williamson (“End-User/Subscriber” or “Subscriber” and its subsidiaries and affiliates) and Pre-employ.com, Inc. (“Pre-employ”), and supplements any other Addenda signed between End-User/Subscriber and Pre-employ.

**WHEREAS**, Equifax Workforce Solutions (“EVS”) requires End-User/Subscriber and Pre-employ to further agree to terms related to the reporting of employment and income verifications to satisfy their defined requirements as a national credit bureaus and data provider.

**NOW, THEREFORE**, the parties hereby agree as follows:

**EVS Employment Information (as defined below) will be received by Subscriber through CRA subject to the following conditions (the “Terms and Conditions”):**

1. **Purpose.** Any information services and data originating from EVS (the "EVS Employment Information") will be requested only for Subscriber's exclusive use and held in strict confidence except to the extent that disclosure to others is required or permitted by law. Only designated representatives of Subscriber will request EVS Employment Information on Subscriber's employees, and employees will be forbidden to obtain EVS Employment Information on themselves, associates or any other persons except in the exercise of their official duties. Subscriber will not disclose EVS Employment Information to the subject of the EVS Employment Information except as permitted or required by law, but will refer the subject to EVS.
2. **Disclosure of Information.** Subscriber will hold EVS and all its agents harmless on account of any expense or damage arising or resulting from the publishing or other disclosure of EVS Employment Information by Subscriber, its employees or agents contrary to the conditions of Section 1 above or applicable law.
3. **Accuracy or Completeness.** Subscriber recognizes that EVS does not guarantee the accuracy or completeness of EVS Employment Information and Subscriber releases EVS and EVS's agents, employees, affiliated credit reporting agencies and independent contractors from any liability, including negligence, in connection with the provision of EVS Employment Information and from any loss or expense suffered by Subscriber resulting directly or indirectly from EVS Employment Information. Subscriber covenants not to sue or maintain any claim, cause of action, demand, cross-action, counterclaim, third-party action or other form of pleading against EVS, EVS's agents, employees, affiliated credit reporting agencies, or independent contractors arising out of or relating in any way to the accuracy, validity, or completeness of any EVS Employment Information.
4. **Payment.** Subscriber will be charged for the EVS Employment Information by CRA, which is responsible for paying EVS for the EVS Employment Information; provided, however, should the underlying relationship between Subscriber and CRA terminate at any time during the term of this Agreement, charges for the EVS Employment Information will be invoiced to Subscriber, and Subscriber will be solely responsible to pay EVS directly.
5. **Fair Credit Reporting Act Certification.** Subscriber certifies that it will order EVS Employment Information, which is a consumer report as defined by the federal Fair Credit Reporting Act, 15 U.S.C. 1681 et seq. ("FCRA"), only when Subscriber intends to use the EVS Employment Information: (a) in accordance with the FCRA and all state law counterparts; and for the following permissible purpose: for employment purposes; provided, however, that Subscriber certifies that, before ordering EVS Employment Information to be used in connection with employment purposes, it will clearly and conspicuously disclose to the Consumer, in a written document consisting solely of the disclosure, that Subscriber may obtain EVS Employment Information for employment purposes, and will also obtain the Consumer's written authorization to obtain or procure EVS Employment Information relating to that Consumer. Subscriber further certifies that it will not take adverse action against the Consumer based in whole or in part upon the EVS Employment Information without first providing to the Consumer to whom the EVS Employment Information relates a copy of the EVS Employment Information and a written description of the Consumer's rights as prescribed by the Consumer Financial Protection Bureau ("CFPB") under Section 609(c)(3) of the FCRA as referenced on

Exhibit A-1 attached hereto, and also will not use any EVS Employment Information in violation of any applicable federal or state equal employment opportunity law or regulation. Subscriber will use EVS Employment Information ordered under this Agreement for the foregoing purpose and for no other purpose. Subscriber acknowledges that it has received from CRA a copy of the consumer rights summary as prescribed by the CFPB as referenced on Exhibit A-1.

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 under false pretenses shall be fined under Title 18, United States Code, imprisoned for not more than two (2) years, or both." EVS may periodically conduct audits of Subscriber regarding its compliance with the FCRA and other certifications in this Agreement. Audits will be conducted by email whenever possible and will require Subscribers to provide documentation as to permissible use of particular EVS Employment Information. In addition, CRA will be required to provide documentation indicating CRA validated the legitimacy of subscriber prior to contract execution and will also provide a copy of agreement between CRA and Subscriber. Subscriber gives its consent to EVS to conduct such audits and agrees that any failure to cooperate fully and promptly in the conduct of any audit, or Subscriber's material breach of this Agreement, constitute grounds for immediate suspension of the Service or termination of this Agreement. If EVS terminates this Agreement due to the conditions in the preceding sentence, Subscriber (i) unconditionally releases and agrees to hold EVS harmless and indemnify it from and against any and all liabilities of whatever kind or nature that may arise from or relate to such termination, and (ii) covenants it will not assert any claim or cause of action of any kind or nature against EVS in connection with such termination.

Vermont Certification. Subscriber certifies that it will comply with applicable provisions under Vermont law. In particular, Subscriber certifies that it will order EVS Employment Information relating to Vermont residents that are consumer reports as defined by the Vermont Fair Credit Reporting Act ("VFCRA"), only after Subscriber has received prior Consumer consent in accordance with VFCRA Section 2480e and applicable Vermont Rules. Subscriber further certifies that a copy of Section 2480e of the Vermont Fair Credit Reporting Statute, attached hereto as Exhibit A-2, was received from CRA.

Subscriber will comply with the applicable provisions of the FCRA, Federal Equal Credit Opportunity Act and any amendments to it, all state law counterparts of them, and all applicable regulations promulgated under any of them including, without limitation, any provisions requiring adverse action notification to the Consumer.

**6. Data Security.** This Section 6 applies to any means through which Subscriber orders or accesses EVS Employment Information including, without limitation, system-to-system, personal computer or the Internet. The term "Authorized User" means a Subscriber employee that Subscriber has authorized to order the EVS Employment Information and who is trained on Subscriber's obligations under this Agreement with respect to the ordering and use of the EVS Employment Information, including Subscriber's FCRA and other obligations with respect to the access and use of consumer reports.

1. With respect to handling the EVS Employment Information, Subscriber agrees to:

- a) ensure that only Authorized Users can order or have access to EVS Employment Information,
- b) ensure that Authorized Users do not order EVS Employment Information for personal reasons or provide them to any third party except as permitted by this Agreement,
- c) inform Authorized Users that unauthorized access to consumer reports may subject them to civil and criminal liability under the FCRA punishable by fines and imprisonment,
- d) ensure that all devices used by Subscriber to order or access the EVS Employment Information are placed in a secure location and accessible only by Authorized Users and that such devices are secured when not in use through such means as screen locks, shutting power controls off, or other commercially reasonable security procedures,
- e) take all necessary measures to prevent unauthorized ordering of EVS Employment Information by any persons other than Authorized Users for permissible purposes, including, without limitation, (a) limiting the knowledge of the Subscriber security codes, member numbers, User IDs, and any passwords Subscriber may use (collectively, "Security Information"), to those individuals with a need to know, (b) changing Subscriber's user passwords at least every ninety (90) days, or sooner if an Authorized User is no longer responsible for accessing the EVS Employment Information, or if Subscriber suspects an unauthorized person has learned the password, and (c) using all security features in the software and hardware Subscriber uses to order EVS Employment Information,
- f) in no event access the EVS Employment Information via any hand-held wireless communication device, including but not limited to, web enabled cell phones, interactive wireless pagers, personal digital assistants (PDAs), mobile data terminals, and portable data terminals,
- g) not use non-company owned assets such as personal computer hard drives or portable and/or removable data storage equipment or media (including but not limited to laptops, zip drives, tapes, disks, CDs, and DVDs) to store EVS Employment Information.
- h) encrypt EVS Employment Information when it is not in use and with respect to all printed EVS Employment Information store in a secure, locked container when not in use and completely destroyed when no longer needed by cross-cut shredding machines (or other equally effective destruction method) such that the results are not readable or useable for any purpose,
- i) if Subscriber sends, transfers or ships any EVS Employment Information, encrypt the EVS Employment Information using the following minimum standards, which standards may be modified from time to time by EVS: Advanced Encryption Standard (AES), minimum 128-bit key or Triple Data Encryption Standard (3DES), minimum 168-bit key encrypted algorithms,
- j) monitor compliance with the obligations of this Section 6, and immediately notify EVS if Subscriber suspects or knows of any unauthorized access or attempt to access the EVS

- Employment Information, including, without limitation, a review of EVS invoices for the purpose of detecting any unauthorized activity,
- k) not ship hardware or software between Subscriber's locations or to third parties without deleting all Security Information and any EVS Employment Information,
  - l) if Subscriber uses a Service Provider to establish access to EVS Employment Information, be responsible for the Service Provider's use of Security Information, and ensure the Service Provider safeguards Security Information through the use of security requirements that are no less stringent than those applicable to Subscriber under this Section 6,
  - m) use commercially reasonable efforts to assure data security when disposing of any consumer information or record obtained from the EVS Employment Information. Such efforts must include the use of those procedures issued by the federal regulatory agency charged with oversight of Subscriber's activities (e.g. the Consumer Financial Protection Bureau, the applicable banking or credit union regulator) applicable to the disposal of consumer report information or records.
  - n) use commercially reasonable efforts to secure EVS Employment Information when stored on servers, subject to the following requirements: (i) servers storing EVS Employment Information must be separated from the internet or other public networks by firewalls which are managed and configured to meet industry accepted best practices, (ii) protect EVS Employment Information through multiple layers of network security, including but not limited to, industry-recognized firewalls, routers, and intrusion detection/prevention devices (IDS/IPS), (iii) secure access (both physical and network) to systems storing EVS Employment Information, which must include authentication and passwords that are changed at least every ninety (90) days; and (iv) all servers must be kept current and patched on a timely basis with appropriate security specific system patches, as they are available,
  - o) not allow EVS Employment Information to be displayed via the internet unless utilizing, at a minimum, a three-tier architecture configured in accordance with industry best practices, and
  - p) use commercially reasonable efforts to establish procedures and logging mechanisms for systems and networks that will allow tracking and analysis in the event there is a compromise, and maintain an audit trail history for at least three (3) months for review by EVS.
2. If EVS reasonably believes that Subscriber has violated this Section 6, EVS may, in addition to any other remedy authorized by this Agreement, with reasonable advance written notice to Subscriber and at EVS's sole expense, conduct, or have a third party conduct on its behalf, an audit of Subscriber's network security systems, facilities, practices and procedures to the extent EVS reasonably deems necessary, including an on-site inspection, to evaluate Subscriber's compliance with the data security requirements of this Section 6.

7. **FCRA Notices.** Subscriber certifies that it has received and read “Summary of Consumer’s Rights Under the Fair Credit Reporting Act” and also “Notice to Users of Consumer Reports, Obligations of Users” which explains Subscriber obligations under the FCRA as a user of consumer information.
8. **Business Type.** The subscriber must acknowledge and agree that they are not one of the companies or type of industry listed in the section below entitled “Business that Cannot Be Provided Equifax Information.”
  - a. Adult entertainment service of any kind.
  - b. Business that operates out of an unrestricted location within a residence must agree upon separate security controls not outlined in this Addendum
  - c. Attorneys or Law Firms (except collection attorneys, bankruptcy attorneys, or those attorneys who use reports solely for employment purposes)
  - d. Bail bondsman
  - e. Check cashing
  - f. Credit counseling
  - g. Credit repair clinic or any type of company involved in credit repair activity
  - h. Dating service
  - i. Financial counseling (except specific housing counseling agencies outlined separately)
  - j. Genealogical or heir research firm
  - k. Judgement recovery entities (other than bona fide third party collection agencies)
  - l. Massage service
  - m. Company that locates missing children
  - n. Pawn shop
  - o. Private detectives, detective agencies or investigative companies
  - p. Individual seeking information for their private use (individual landlords requirements will be addressed in separate agreement)
  - q. Company that handles third party repossession
  - r. Company or individual involved in spiritual counseling
  - s. Subscriptions (magazines, book clubs, record clubs, etc.)
  - t. Tattoo service
  - u. Insurance Claims
9. **On-site Visual Inspection.** An on-site inspection is required, at End-User’s expense, to be completed for each location that has access to EVS Information, and for any subsequently added locations. The on-site inspection must determine that the location meets the required Equifax inspection guidelines to be provided access to EVS Information.
10. **Private Residence.** Subscriber/End-User must advise CRA if they are a business operating from a Private Residence and must adhere to separate agreement if operating from a Private Residence and must have an on-site visual inspection scheduled and completed at residence. This includes individuals accessing information from a residence.

11. **Obligations for Employment Verifications.** Information obtained for Employment Verifications may include salary information, and should be disclosed to and authorized by the consumer for each ordering of a consumer report, regardless of whether such information is requested by the End-user or provided to End-User.
12. **Consumer Notices.** Provide consumers Notice(s) of consumer rights as required by the CFPB, Federal, State and Locality, for employment purposes, or associated with Identity theft found on the web at: <http://www.consumerfinance.gov/learnmore/>.
13. **Term and Termination.** This Equifax Workforce Solutions Addendum will begin on the date signed and continue until any party provides ten (10) days prior written notice of termination of the Addendum to the parties. Such written notice of termination shall be effective regardless of any pricing commitments the parties may have entered into during the term of this Addendum.
14. **Proper disposal of consumer information** on any medium, including but not limited to: computer equipment, paper and electronic, or any other method of data storage and access, must take reasonable measures to protect against unauthorized access or use of the information in connection with its disposal. Examples include, but are not limited to: pulverizing, shredding, or electronically destroying consistent with industry practices such as certification of destruction.
15. **Data Security.** If End-User accesses consumer data via any other method than Pre-employ.com Client Portal, then in addition to Security and Consumer Data Protection items listed within the Master Services and or End-User Agreement, End-user shall implement password protected screensavers with a maximum (15) minute timeout to protect unattended workstations.
16. **Subscriber/End-User Permissible Purpose document retention** requires at least five (5) years after the date of the request for Equifax data.
17. **Indemnification of EVS.** In addition to the indemnification promises made in the Master Services End-User Agreement, each party shall indemnify and hold harmless EVS/Equifax from and against any and all liabilities, acts, omissions, claims, losses, demands, actions, causes of action, damages, expenses (including, without limitation, attorneys' fees and costs of litigations), or liability, arising from or in any manner related to any allegation, claim, demand or suit, whether or not meritorious, brought or asserted by any third party arising out of or resulting from any actual or alleged negligence or intentional misconduct on behalf of either party.

18. **Execution.** End-User understands that it will not be eligible to receive information from Equifax Workforce Solutions until it executes this Addendum, as required by Equifax Workforce Solutions.

**Full Force and Effect.** Except as specifically stated in this Addendum, the Master Services End-User Agreement and other addenda thereto are not modified, revoked or superseded and remain in full force and effect.

In the event that either or both parties execute this agreement in electronic signature format, the signing party agrees that by entering your electronic signature below, you are (a) agreeing to use an electronic signature to demonstrate your authorization, and (b) acknowledging your understanding that it is as legally binding as an ink signature.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their duly authorized representatives as of the date first set forth above. By signing below all parties state that they understand and have direct knowledge of all facts and certify as such.

**END-USER/SUBSCRIBER NAME**

County Of Williamson

**(Must be executed by Owner or Authorized Officer of the Company/End-User)**

PRE-EMPLOY.COM, INC.

Signature \_\_\_\_\_

Signature  \_\_\_\_\_

Printed \_\_\_\_\_

Printed  \_\_\_\_\_

Title \_\_\_\_\_

Title 8/27/20 \_\_\_\_\_

Date \_\_\_\_\_

Date CCD \_\_\_\_\_

Physical Address:  
301 SE Inner Loop Suite 108  
Georgetown, TX 78626

**Exhibit A-2 to CRA Qualified Subscriber Terms and Conditions**  
**State Compliance Matters**  
**Vermont Fair Credit Reporting Contract Certification**

The undersigned, County Of Williamson ("Subscriber"), acknowledges that it subscribes to receive various information services from TALX Corporation, a provider of Equifax Verification Solutions ("EVS") in accordance with the Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999), as amended (the "VFCRA") and the Federal Fair Credit Reporting Act, 15, U.S.C. 1681 et. Seq., as amended (the "FCRA") and its other state law counterparts. In connection with Subscriber's continued use of EVS information services in relation to Vermont consumers, Subscriber hereby certifies as follows:

Vermont Certification. Subscriber certifies that it will comply with applicable provisions under Vermont law. In particular, Subscriber certifies that it will order EVS Employment Information relating to Vermont residents, that are credit reports as defined by the VFCRA, only after Subscriber has received prior consumer consent in accordance with VFCRA § 2480e and applicable Vermont Rules. Subscriber further certifies that the attached copy of § 2480e of the Vermont Fair Credit Reporting Statute was received from EVS.

Subscriber: \_\_\_\_\_ (please print)

Signed By: \_\_\_\_\_

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

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

Account Number: 46993

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

**I. Please also include the following information:**

Compliance Officer or Person Responsible for Credit Reporting Compliance

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

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

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

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

**Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999)**

**§ 2480e. Consumer consent**

- (a) A person shall not obtain the credit report of a consumer unless:
  - (1) the report is obtained in response to the order of a court having jurisdiction to issue such an order; or
  - (2) the person has secured the consent of the consumer, and the report is used for the purpose consented to by the consumer.
- (b) Credit reporting agencies shall adopt reasonable procedures to assure maximum possible compliance with subsection (a) of this section.
- (c) Nothing in this section shall be construed to affect:
  - (1) the ability of a person who has secured the consent of the consumer pursuant to subdivision (a)(2) of this section to include in his or her request to the consumer permission to also obtain credit reports, in connection with the same transaction or extension of credit, for the purpose of reviewing the account, increasing the credit line on the account, for the purpose of taking collection action on the account, or for other legitimate purposes associated with the account; and
  - (2) the use of credit information for the purpose of prescreening, as defined and permitted from time to time by the Consumer Financial Protection Bureau.

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**VERMONT RULES \*\*\* CURRENT THROUGH JUNE 1999 \*\*\*  
AGENCY 06. OFFICE OF THE ATTORNEY GENERAL  
SUB-AGENCY 031. CONSUMER PROTECTION DIVISION  
CHAPTER 012. Consumer Fraud--Fair Credit Reporting  
RULE CF 112 FAIR CREDIT REPORTING  
CVR 06-031-012, CF 112.03 (1999)  
CF 112.03 CONSUMER CONSENT**

(a) A person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing if the consumer has made a written application or written request for credit, insurance, employment, housing or governmental benefit. If the consumer has applied for or requested credit, insurance, employment, housing or governmental benefit in a manner other than in writing, then the person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing or in the same manner in which the consumer made the application or request. The terms of this rule apply whether the consumer or the person required to obtain consumer consent initiates the transaction.

(b) Consumer consent required pursuant to 9 V.S.A. §§ 2480e and 2480g shall be deemed to have been obtained in writing if, after a clear and adequate written disclosure of the circumstances under which a credit report or credit reports may be obtained and the purposes for which the credit report or credit reports may be obtained, the consumer indicates his or her consent by providing his or her signature.

(c) The fact that a clear and adequate written consent form is signed by the consumer after the consumer's credit report has been obtained pursuant to some other form of consent shall not affect the validity of the earlier consent.



**EXHIBIT 1B**  
**STATEMENT OF WORK NO. 1 - CHARGES**

Pre-employ.com, Inc. ("Pre-employ") will provide services at the charge(s) indicated, however important limitations and pricing exclusions are listed in Section 3 – Classifications, Court Fees, and Adjustment Fees.

End-User has selected the Package Background Screening Services identified in Section 1 below.

A la carte searches listed in Section 2 are available to request, but some may be subject to providing additional information and/or contractual requirements prior to ordering. You may contact Client Services at 800-300-1821 to determine requirements at any time.

**Notice:** the charges in Section 1 & 2 are Pre-employ charges and are not inclusive of fees levied by governmental agencies or independent providers, administrative fees, court fees and adjustment fees. Classification parameters listed in Section 3 provides detail information on fees. Be aware for each search type you could have additional fees per each name and or address searched. Please review Section 3 for full detail.

**SECTION 1 – PACKAGE(S)**

Package Name	Package Background Screening Services Selected by End-User	Package Charge:
Package A	County Criminal (All Names/All Counties validated by SSN Address Locator Search Tool), National Sex Offender, Motor Vehicle Report	\$32.95
Yearly MVR Uploads	Motor Vehicle Report batch uploads	\$3.95 ea.
Monthly OIG Uploads	OIG/GSA Uploads	\$1.95 ea.
A la carte	OIG/GSA Previous Employment Verification	\$1.95 \$8.95
Drug Testing	Cotinine Nicotine DOT Drug Test 10 Panel	\$33.75 \$33.95

## SECTION 2 – A LA CARTE SEARCHES

FCRA re-verification Fees starting at \$6.95\*\*

Search Type:	Search Charge:
Social Security Address Locator Tool	\$0.40
SSA Verification	\$10.95
County Civil**	\$13.95
County Criminal **	\$9.95
Credit Report	\$8.95
FACIS 1M** – Fed/State (295 Authorities including: OIG, GSA/SAM, OFAC, Tricare/DHA, State Medicaid Exclusions, Medicare/Medicaid Opt-Out Lists, State Contractor Disqualification/Debarment Lists	\$2.95
FACIS 3** (Over 2,000 Authorities including: All sources of FACIS 1M plus any regulatory body that regulates the licensing, registration or certification of any person or business engaged in the delivery of health care goods and services*	\$9.95
Federal Civil **	\$13.95
Federal Criminal **	\$9.95
I-9 Verification	\$1.95
Incarceration/Arrest Historical** <i>(plus fees when court records located)</i>	\$6.95
International Criminal Search (plus fees)	\$24.95
International Degree Verification (plus fees)	\$24.95
International Employment Verification (plus fees)	\$24.95
International Professional License (plus fees)	\$24.95

Search Type:	Search Charge:
International Reference Verification (plus fees)	\$24.95
Motor Vehicle Record (plus fees)	\$3.95
National Sex Offender	\$2.50
Nationwide Wants & Warrants	\$9.95
OIG/GSA (per name)	\$1.95
Standard Statewide (plus fees)	\$6.50
US Criminal File Search**	\$2.95
D.O.T. (employment only) (plus fees)	\$8.95
Verification – Education (plus fees)	\$8.95
Verification – License (plus fees)	\$8.95
Verification – Employment (plus fees)	\$8.95
Verification - References	\$8.95
Adverse Action Service	Included
FCRA re-verification Fees**	\$6.95

Monitoring:	Search Charge Per Person / Per Month
Incarceration/Arrest Monitoring (price is per person per month) (plus fees)	\$2.50
FACIS 1M** – Fed/State Monthly Monitoring (295 Authorities including: OIG, GSA/SAM, OFAC, Tricare/DHA, State Medicaid Exclusions, Medicare/Medicaid Opt-Out Lists, State Contractor Disqualification/Debarment Lists (price is per person per month) (plus reverification fees)	\$2.10

Drug Testing (In Network Pricing):	Search Charge:
Urine: 5 Panel	\$29.95
Urine: 7 Panel	\$29.95
Urine: 9 Panel	\$29.95
Urine: 10 Panel	\$29.95
Breath Alcohol Test	\$85.95

One Time Fees:	Price:
Business Credentialing Inspection Fee	\$75.00

Grading:	Price:
Included in Package? (Y or N)	
Cost Per Grade	\$2.00

### SECTION 3 – CLASSIFICATIONS, COURT FEES, AND ADJUSTMENT FEES.

#### CLASSIFICATION

**PACKAGES** (Section 1) Pre-employ will search as indicated within the package for **criminal records**.

Below are examples of the optional Classifications:

##### **NAMES:**

One Provided Name (case name)

All Provided Names (case name plus supplied)

All Provided Names Plus Best Names Located (case name plus supplied and found through investigation)

##### **COUNTIES:**

One Provided County

All Provided Counties

All Provided Counties Plus Best Counties Located

Names and/or Counties that exceed package criteria, will be added at A La Carte Rates.

**A LA CARTE** (Section 2) Pricing reflects the rate charged for searching for provided name for that search, in one state, or county or federal jurisdiction.

#### REVERIFICATION

\*\*Consistent with industry best practices, all records found in large databases, including but not limited to “U.S. Criminal” database, will be re-verified at \$6.95. The End-User will be separately charged for each such verification at the rate shown.

#### PLUS FEES: COURT FEES AND ADJUSTMENT FEES

Fees levied by Federal, State, County and other governmental agencies for searches undertaken will be passed through to End-User in addition to the fees charged by Pre-employ.com. Such fees include case copies associated with records found, administrative fees, and/or third-party fees. Additional fees may also include, but are not limited to mailing fees, integration fees with provider, notary fees, certified mail fees, certified check fees, court record printing fees, court record printing and certification fees and fees charged by private investigators or state required licensed professionals.

Unless otherwise noted on this Exhibit, End-User is responsible for payment of these fees. End-User understands that due to the nature of services that adjustments to the costs and fees may be necessary.

All services listed in this Exhibit will be invoiced monthly and due upon receipt unless otherwise listed in the Master Services Addendum, and payment terms listed in Master Services Agreement (incorporated herein by reference) shall apply where appropriate. In the event of a conflict between this document and the Master Service Agreement, this agreement shall govern. Terms of purchases orders submitted by a customer have no application to any screening services provided by Pre-employ.

In the event that either or both parties execute this agreement in electronic signature format, the signing party agrees that by entering your electronic signature below, you are (a) agreeing to use an electronic signature to demonstrate your authorization, and (b) acknowledging your understanding that it is as legally binding as an ink signature.

County Of Williamson

PRE-EMPLOY.COM, INC.

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Printed \_\_\_\_\_

Printed \_\_\_\_\_

Title \_\_\_\_\_

Title CCO

Date \_\_\_\_\_

Date 8/27/20

## APPENDIX A

*Para información en español, visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) o escribe a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.*

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

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

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer

reporting agency, the agency must investigate unless your dispute is frivolous. See [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for an explanation of dispute procedures.

- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete, or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need – usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- The following FCRA right applies with respect to nationwide consumer reporting agencies:

#### **CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY FREEZE**

**You have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization.** The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is

placed on a consumer's credit file. Upon seeing a fraud alert display on a consumer's credit file, a business is required to take steps to verify the consumer's identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years.

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

- **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](http://www.consumerfinance.gov/learnmore).

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

TYPE OF BUSINESS:	CONTACT:
<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 CFPB:</p>	<p>a. Consumer Financial Protection Bureau 1700 G Street, N.W. Washington, DC 20552</p> <p>b. Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue, N.W. Washington, DC 20580 (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 P.O. 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 Financial Protection (OCFP) Division of Consumer Compliance Policy and Outreach 1775 Duke Street Alexandria, VA 22314</p>
<p>3. Air carriers</p>	<p>Asst. General Counsel for Aviation Enforcement &amp; Proceedings Aviation Consumer Protection Division Department of Transportation 1200 New Jersey Avenue, S.E. Washington, DC 20590</p>
<p>4. Creditors Subject to the 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 the Packers and Stockyards Act, 1921</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 States Small Business Administration 409 Third Street, S.W., Suite 8200 Washington, DC 20416</p>
<p>7. Brokers and Dealers</p>	<p>Securities and Exchange Commission 100 F Street, N.E. 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>Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue, N.W. Washington, DC 20580 (877) 382-4357</p>



## APPENDIX B

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

**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](http://www.consumerfinance.gov/learnmore).**

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 (CFPB) website at [www.consumerfinance.gov/learnmore](http://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 CFPB's website. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

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

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

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

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

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

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

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

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and

certifies that the report will not be used for any other purpose.

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

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

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

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

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

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

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

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

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

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

When a consumer has placed a fraud alert, including one relating to 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](http://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 are available at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **VII. OBLIGATIONS OF USERS OF "PRESCREENED" LISTS**

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(1), 604(c), 604(e), and 615(d). This practice is known as "prescreening" and typically involves obtaining from a CRA a list of consumers who meet certain preestablished criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and 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, the CFPB has established the format, type size, and manner of the disclosure required by Section 615(d), with which 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 identify of all end-users;
  - (2) certifications from all users of each purpose for which reports will be used; and
  - (3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

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

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

### **C. Fraud Alerts and Resellers**

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

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

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

The CFPB's website, [www.consumerfinance.gov/learnmore](http://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 etseq.:**

Section 602	15 U.S.C. 1681
Section 603	15 U.S.C. 1681a
Section 604	15 U.S.C. 1681b
Section 605	15 U.S.C. 1681c
Section 605A	15 U.S.C. 1681c-A
Section 605B	15 U.S.C. 1681c-B
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



## APPENDIX C

### **NOTICE TO FURNISHERS OF INFORMATION: OBLIGATIONS OF FURNISHERS UNDER THE FCRA**

**All furnishers of information to consumer reporting agencies 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](http://www.consumerfinance.gov/learnmore).**

The federal Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681-1681y, imposes responsibilities on all persons who furnish information to consumer reporting agencies (CRAs). These responsibilities are found in Section 623 of the FCRA, 15 U.S.C. § 1681s-2. State law may impose additional requirements on furnishers. All furnishers of information to CRAs should become familiar with the applicable laws and may want to consult with their counsel to ensure that they are in compliance. The text of the FCRA is available at the website of the Consumer Financial Protection Bureau (CFPB): [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore). A list of the sections of the FCRA cross-referenced to the U.S. Code is at the end of this document.

Section 623 imposes the following duties upon furnishers:

#### **Accuracy Guidelines**

The FCRA requires furnishers to comply with federal guidelines and regulations dealing with the accuracy of information provided to CRAs by furnishers. Federal regulations and guidelines are available at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore). Section 623(e).

#### **General Prohibition on Reporting Inaccurate Information**

The FCRA prohibits information furnishers from providing information to a CRA that they know or have reasonable cause to believe is inaccurate. However, the furnisher is not subject to this general prohibition if it clearly and conspicuously specifies an address to which consumers may write to notify the furnisher that certain information is inaccurate. Sections 623(a)(1)(A) and (a)(1)(C).

#### **Duty to Correct and Update Information**

If at any time a person who regularly and in the ordinary course of business furnishes information to one or more CRAs determines that the information provided is not complete or accurate, the furnisher must promptly provide complete and accurate information to the CRA. In addition, the furnisher must notify all CRAs that received the information of any corrections, and must thereafter report only the complete and accurate information. Section 623(a)(2).

#### **Duties After Notice of Dispute from Consumer**

If a consumer notifies a furnisher, at an address specified by the furnisher for such notices, that specific information is inaccurate, and the information is, in fact, inaccurate, the furnisher must thereafter report the correct information to CRAs. Section 623(a)(1)(B). If a consumer notifies a furnisher that the consumer disputes the completeness or accuracy of any information reported by the furnisher, the furnisher may not subsequently report that information to a CRA without providing notice of the dispute. Section 623(a)(3).

Furnishers must comply with federal regulations that identify when an information furnisher must investigate a dispute made directly to the furnisher by a consumer. Under these regulations, furnishers must complete an investigation within 30 days (or 45 days, if the consumer later provides relevant additional information) unless the dispute is frivolous or irrelevant or comes from a "credit repair organization." Section 623(a)(8). Federal regulations are available at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore). Section 623(a)(8).

#### **Duties After Notice of Dispute from Consumer Reporting Agency**

If a CRA notifies a furnisher that a consumer disputes the completeness or accuracy of information provided by the furnisher, the furnisher has a duty to follow certain procedures. The furnisher must:

- Conduct an investigation and review all relevant information provided by the CRA, including information given to the CRA by the consumer. Sections 623(b)(1)(A) and (b)(1)(B).
- Report the results to the CRA that referred the dispute, and, if the investigation establishes that the information was, in fact, incomplete or inaccurate, report the results to all CRAs to which the furnisher provided the information that compile and maintain files on a nationwide basis. Sections 623(b)(1)(C) and (b)(1)(D).
- Complete the above steps within 30 days from the date the CRA receives the dispute (or 45 days, if the consumer later provides relevant additional information to the CRA). Section 623(b)(2).
- Promptly modify or delete the information, or block its reporting. Section 623(b)(1)(E).

#### **Duty to Report Voluntary Closing of Credit Accounts**

If a consumer voluntarily closes a credit account, any person who regularly and in the ordinary course of business furnished information to one or more CRAs must report this fact when it provides information to CRAs for the time period in which the account was closed. Section 623(a)(4).

#### **Duty to Report Dates of Delinquencies**

If a furnisher reports information concerning a delinquent account placed for collection, charged to profit or loss, or subject to any similar action, the furnisher must, within 90 days after reporting the information, provide the CRA with the month and the year of the commencement of the delinquency that immediately preceded the action, so that the agency will know how long to keep the information in the consumer's file. Section 623(a)(5).

Any person, such as a debt collector, that has acquired or is responsible for collecting delinquent accounts and that reports information to CRAs may comply with the requirements of Section 623(a)(5) (until there is a consumer dispute) by reporting the same delinquency date previously reported by the creditor. If the creditor did not report this date, they may comply with the FCRA by establishing reasonable procedures to obtain and report delinquency dates, or, if a delinquency date cannot be reasonably obtained, by following reasonable procedures to ensure that the date reported precedes the date when the account was placed for collection, charged to profit or loss, or subjected to any similar action. Section 623(a)(5).

#### **Duties of Financial Institutions When Reporting Negative Information**

Financial institutions that furnish information to "nationwide" consumer reporting agencies, as defined in Section 603(p), must notify consumers in writing if they may furnish or have furnished negative information to a CRA. Section 623(a)(7). The CFPB has prescribed model disclosures, 12 CFR Part 1022, App. B.

#### **Duties When Furnishing Medical Information**

A furnisher whose primary business is providing medical services, products, or devices (and such furnisher's agents or assignees) is a medical information furnisher for the purposes of the FCRA and must notify all CRAs to which it reports of this fact. Section 623(a)(9). This notice will enable CRAs to comply with their duties under Section 604(g) when reporting medical information.

#### **Duties when ID Theft Occurs**

All furnishers must have in place reasonable procedures to respond to notifications from CRAs that information furnished is the result of identity theft, and to prevent refurnishing the information in the future. A furnisher may not furnish information that a consumer has identified as resulting from identity theft unless the furnisher subsequently knows or is informed by the consumer that the information is correct. Section 623(a)(6). If a furnisher learns that it has furnished inaccurate information due to identity theft, it must notify each CRA of the correct information and must thereafter report only complete and accurate information. Section 623(a)(2). When any furnisher of information is notified pursuant to the procedures set forth in Section 605B that a debt has resulted from identity theft, the furnisher may not sell, transfer, or place for collection the debt except in certain limited circumstances. Section 615(f).

The CFPB's website, [www.consumerfinance.gov/learnmore](http://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 etseq.:

Section 602	15 U.S.C. 1681	Section 615	15 U.S.C. 1681m
Section 603	15 U.S.C. 1681a	Section 616	15 U.S.C. 1681n
Section 604	15 U.S.C. 1681b	Section 617	15 U.S.C. 1681o
Section 605	15 U.S.C. 1681c	Section 618	15 U.S.C. 1681p
Section 605A	15 U.S.C. 1681c-A	Section 619	15 U.S.C. 1681q
Section 605B	15 U.S.C. 1681c-B	Section 620	15 U.S.C. 1681r
Section 606	15 U.S.C. 1681d	Section 621	15 U.S.C. 1681s
Section 607	15 U.S.C. 1681e	Section 622	15 U.S.C. 1681s-1
Section 608	15 U.S.C. 1681f	Section 623	15 U.S.C. 1681s-2
Section 609	15 U.S.C. 1681g	Section 624	15 U.S.C. 1681t
Section 610	15 U.S.C. 1681h	Section 625	15 U.S.C. 1681u
Section 611	15 U.S.C. 1681i	Section 626	15 U.S.C. 1681v
Section 612	15 U.S.C. 1681j	Section 627	15 U.S.C. 1681w
Section 613	15 U.S.C. 1681k	Section 628	15 U.S.C. 1681x
Section 614	15 U.S.C. 1681l	Section 629	15 U.S.C. 1681y

*Para información en español, visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) o escribe a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.*

## **Remedying the Effects of Identity Theft**

You are receiving this information because you have notified a consumer reporting agency that you believe that you are a victim of identity theft. Identity theft occurs when someone uses your name, Social Security number, date of birth, or other identifying information, without authority, to commit fraud. For example, someone may have committed identity theft by using your personal information to open a credit card account or get a loan in your name. For more information, visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

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

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

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

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

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

have the ability to obtain additional free file disclosures under other provisions of the FCRA. See [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

3. **You have the right to obtain documents relating to fraudulent transactions made or accounts opened using your personal information.** A creditor or other business must give you copies of applications and other business records relating to transactions and accounts that resulted from the theft of your identity, if you ask for them in writing. A business may ask you for proof of your identity, a police report, and an affidavit before giving you the documents. It may also specify an address for you to send your request. Under certain circumstances a business can refuse to provide you with these documents. See [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).
4. **You have the right to obtain information from a debt collector.** If you ask, a debt collector must provide you with certain information about the debt you believe was incurred in your name by an identity thief – like the name of the creditor and the amount of the debt.
5. **If you believe information in your file results from identity theft, you have the right to ask that a consumer reporting agency block that information from your file.** An identity thief may run up bills in your name and not pay them. Information about the unpaid bills may appear on your consumer report. Should you decide to ask a consumer reporting agency to block the reporting of this information, you must identify the information to block, and provide the consumer reporting agency with proof of your identity and a copy of your identity theft report. The consumer reporting agency can refuse or cancel your request for a block if, for example, you don't provide the necessary documentation, or where the block results from an error or a material misrepresentation of fact made by you. If the agency declines or rescinds the block, it must notify you. Once a debt resulting from identity theft has been blocked, a person or business with notice of the block may not sell, transfer, or place the debt for collection.
6. **You also may prevent businesses from reporting information about you to consumer reporting agencies if you believe the information is a result of identity theft.** To do so, you must send your request to the address specified by the business that reports the information to the consumer reporting agency. The business will expect you to identify what information you do not want reported and to provide an identity theft report.
7. The following FCRA right applies with respect to nationwide consumer reporting agencies:

#### **CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY FREEZE**

**You have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization.** The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely

approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer's credit file. Upon seeing a fraud alert display on a consumer's credit file, a business is required to take steps to verify the consumer's identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years.

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

To learn more about identity theft and how to deal with its consequences, visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore), or write to the Consumer Financial Protection Bureau. You may have additional rights under state law. For more information, contact your local consumer protection agency or your state Attorney General.

In addition to the new rights and procedures to help consumers deal with the effects of identity theft, the FCRA has many other important consumer protections. They are described in more detail at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).