

**PERSONNEL SECURITY CONSULTANTS, INC.**  
**SUBSCRIBER AGREEMENT**  
**FCRA (Fair Credit Reporting Act)**  
**REQUIREMENTS ADDENDUM**

1. Introduction

The Fair Credit Reporting Act (FCRA) is a United States federal law (15 U.S.C. § 1681 et seq.) that regulates the collection, dissemination, and use of consumer information, including consumer credit information. Personnel Security Consultants, Inc. (PSC) routinely provides such information to its clients. Each client should know that PSC is committed to ensuring the protection of information and associated sensitive materials used in the mission and objectives of the company.

2. Overview

In concert with our clients and applicable federal statutes, PSC provides this Requirements Addendum to ensure each client is aware of relevant standards for which they must abide in accordance with federal law. This Requirements Addendum does not replace the formal federal statute and relevant U.S. Code citations in the complete text of the Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681 et seq. Specific information can be found in FCRA sections numbers §§ 601-629.

3. Definitions (Section 603(d))

- a. Consumer. For the purposes of this document, consumer means an individual.
- b. Consumer Report. A consumer report means any written, oral, or other communication of any information relating to a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living.
- c. Permissible Purposes. Limitations are placed on an individual's credit report to protect the privacy of a consumer; therefore the report is not to be viewed by anyone who does not have legitimate intent of disclosure. (Section 604(a)) Permissible purposes are as follows: employment purposes, court having jurisdiction, written instructions of the consumer to whom it relates, underwriting of insurance involving the consumer, or the use of information in connection with the a determination of the 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.

4. Information Requirements (Section 605)

- a. Consumers are entitled to get copies of their reports at any time.
- b. The FCRA created transparency so consumers are aware of what's in their credit report.
- c. The CCRA requires any prospective user of a consumer report to have a legally permissible purpose to obtain a report.
- d. Consumers can dispute anything that is on their credit report.

5. Compliance Procedures (Section 607)

- a. Agencies shall maintain reasonable procedures to avoid disclosure of information considered to be obsolete or adverse based on applicable time periods.
- b. Agencies require that appropriate identification be made to obtain credit data, and that certification is made to ensure the purposes for which the information is being sought and will be used for no other reason(s).
- c. Follow reasonable procedures to assure maximum possible accuracy of the information.

6. Employment Purposes (Section 613)

In general, an agency that furnishes a report for employment purposes that may have an adverse effect shall maintain strict procedures to insure that it is complete and up to date.

7. User Requirements (Section 615)

- a. Whenever adverse action is taken based in whole or in part on information in a consumer report. the consumer is to be notified.
  - (1) Agencies shall provide oral, written or electronic notice of adverse action.
  - (2) Such notice shall include the name, address and telephone number of the reporting agency.

(3) Such notice shall provide a statement that the reporting agency did not make the decision to take the adverse action and is unable to offer specific reason(s) as to why the adverse action was taken.

b. Agencies shall provide oral, written or electronic notice of consumer's rights.

(1) Such notice shall include a 60-day time period to obtain a free copy of the report.

(2) Such notice shall inform the options of disputing the accuracy or completeness of the information.

#### 8. Disclosures (Sections 609 & 610)

Consumers have the right to see everything that is in their credit file (reference Section 609(c) - summary of rights to obtain and dispute information), and how that information must be disclosed (reference Section 610).

#### 9. Identity Theft (Section 603(q))

In general, notice of identity theft or the suspicion of identity theft may be generated in which case agencies shall provide information on contacting appropriate nationwide consumer reporting entities and reporting notification of identity theft to the Federal Trade Commission.

#### 10. Enforcement and Penalties (Section 621)

Compliance with the requirements are enforced by the Federal Trade Commission under the Federal Trade Commission Act with respect to reporting agencies and all other persons subject thereto.

#### References:

a. Fair Credit Reporting Act (<http://www.ftc.gov/statutes/.pdf>)

b. Consumer Data Industry Association (<http://www.cdiaonline.org>)

c. Commerce and Trade - 15 USC Section 1681 (<http://law.onecle.com/uscode/15/1681>)

#### Source Documents:

a. Definitions (Section 603(d): Definitions Relating to Consumer Reports)

b. Permissible Purposes (Section 604(a): Permissible Purposes of Consumer Reports)

c. Information Requirements (Section 605: Requirements Relating to Information Contained in Consumer Reports)

d. Compliance Procedures (Section 607: Compliance Procedures)

e. Employment Purposes (Section 613: Public Record Information For Employment Purposes)

f. User Requirements (Section 615: Requirements On Users Of Consumer Reports)

g. Disclosures (Section 609: Disclosures to Consumers & Section 610: Conditions And Form of Disclosure To Consumers)

h. Identity Theft (Section 603(q): Identity Theft Prevention; Fraud Alerts And Active Duty Alerts)

i. Enforcement and Penalties (Section 621: Administration Enforcement)

**SUBSCRIBER AGREEMENT  
FCRA (Fair Credit Reporting Act)  
Requirements Addendum**

**AGREED: SUBSCRIBER**

**Subscriber Name, Title, Organization:** \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**AGREED: PERSONNEL SECURITY CONSULTANTS, INC.**

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Michele Justice – President/CEO**