





## CLIENT SERVICE AGREEMENT

This agreement is entered this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between The Pre-Check Company®, an Ohio Corporation (hereinafter referred to as "Pre-Check"), and \_\_\_\_\_ (hereinafter referred to as "Client"). Client agrees to pay Pre-Check for services provided under this agreement in accordance with the prevailing charges or in accordance with charges stated in a service proposal provided directly to the Client.

### ATTENTION

#### The Client agrees as follows:

- 1) Client will comply with all the provisions of Public Law 91-508 (Fair Credit Reporting Act, hereinafter FCRA) and all other applicable statutes, both state and federal.
- 2) Information will be requested only for the Client's exclusive use. Neither Client, nor its authorized representatives, will request consumer credit reports for any other use than a use authorized by law and necessary for business purposes, and agrees to use the information provided in a manner that is consistent with all state and federal laws governing the use of such information.
- 3) Client will make every reasonable effort to safeguard and secure all information provided by Pre-Check, as well as all supporting documentation. All consumer information will be held in strict confidence, except to the extent permitted by law. Reports on employees will be requested only by Client's designated representatives. Employees will be forbidden to attempt to obtain reports on themselves, associates, or any other person except in the exercise of their official duties. Client will not disclose consumer credit information to the subject of the information except as permitted by law, but will refer the subject to the appropriate Credit Bureau office identified on the consumer information.
- 5) Recognizing that security is not easily maintained, and that no form of dissemination is absolutely safe, Client designates herein, by mark and initial, the one form of dissemination most secure and reasonable for Client receipt of consumer credit information.
  - Secure website access \_\_\_\_\_ (initial) **Preferred**
  - Facsimile transmission \_\_\_\_\_ (initial)
  - U.S. postal mail delivery \_\_\_\_\_ (initial)
  - Electronic mail delivery \_\_\_\_\_ (initial)
- 6) Each time a request for information or a credit report is made of Pre-Check for employment, retention, or promotion purposes, Client will comply with §604 of the FCRA namely (1) the consumer has been given a clear and conspicuous written notice, in advance (in a document that consists solely of the disclosure) that a consumer report may be required for employment purposes; (2) the consumer has authorized the Client, in writing to procure the report; (3) the information in the consumer report will not be used in violation of any applicable federal or state equal employment opportunity law or regulation; (4) before taking adverse action, in whole or in part on the report, Client will provide the consumer a copy of the report and a description of the consumer's rights under the FCRA.

(Public Law 91-508 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.)
- 7) Client agrees to furnish Pre-Check pertinent information on applicants, in writing or verbally, to enable Pre-Check to perform the requested background checks for employment, retention, or promotion purposes.
- 8) To the best of its ability, Client will provide prompt, accurate and complete information at the time of transmission and will comply with §623 of the FCRA.
- 9) Client recognizes that information in reports provided by Pre-Check is obtained from and processed by fallible sources (human and otherwise). For the fee charged, Pre-Check and its officers, employees, agents, and independent contractors cannot be insurers or guarantors for the accuracy of the information obtained; and the Client will release Pre-Check and its officers, employees, agents and independent contractors from all liability from claims arising out of inaccuracy and/or incompleteness of the information supplied by such sources to Pre-Check and its officers, employees, agents and independent contractors.





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

### **A Summary of Your Rights Under the Fair Credit Reporting Act**

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA.

**For more information, including information about additional rights, go to [www.ftc.gov/credit](http://www.ftc.gov/credit) or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

- ✓ **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- ✓ **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”).
  - You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
    - a person has taken adverse action against you because of information in your credit report;
    - you are the victim of identify theft and place a fraud alert in your file;
    - your file contains inaccurate information as a result of fraud;
    - you are on public assistance;
    - you are unemployed but expect to apply for employment within 60 days.
  - In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for additional information.
- ✓ **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- ✓ **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for an explanation of dispute procedures.
- ✓ **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- ✓ **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- ✓ **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

- ✓ **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.ftc.gov/credit](http://www.ftc.gov/credit).
- ✓ **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- ✓ **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- ✓ **Identity theft victims and active duty military personnel have additional rights.** For more information, visit [www.ftc.gov/credit](http://www.ftc.gov/credit).

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

**TYPE OF BUSINESS:**

Consumer reporting agencies, creditors and others not listed below

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

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

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

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

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

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

Activities subject to the Packers and Stockyards Act, 1921

**CONTACT:**

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

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

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

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

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

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

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

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

## Un Resumen de Sus Derechos en Virtud de la Ley de Informe Justo de Crédito

La Ley Federal de Informe Justo de Crédito (*Fair Credit Reporting Act*, FCRA) fomenta la exactitud, justicia y privacidad de la información en los expedientes de las agencias de informe del consumidor. Existen muchos tipos de agencias de informe del consumidor, incluyendo las agencias de crédito (credit bureaus) y las especializadas (como agencias que venden información sobre historial de firma de cheques, expedientes médicos e historial de alquiler). A continuación tiene un breve resumen de sus principales derechos en virtud de la FCRA.

**Para más información, incluyendo información sobre derechos adicionales, visite [www.ftc.gov/credit/espanol\\_loans.htm](http://www.ftc.gov/credit/espanol_loans.htm) o escriba a: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

- ✓ **Deben notificarle si la información en su expediente se ha utilizado en contra de usted.** Todo aquel que utilice un informe de crédito u otro tipo de informe de consumidor para denegar su solicitud de crédito, seguro o empleo, o para emprender otra acción contra usted, debe informarle y debe darle el nombre, la dirección y el teléfono de la agencia que proporcionó esa información.
- ✓ **Tiene derecho a saber lo que está en su expediente.** Puede solicitar y obtener toda la información sobre usted en los archivos de una agencia de informe del consumidor. Deberá proporcionar identificación, que puede incluir su número de Seguro Social. En muchos casos, la divulgación de esta información será gratuita. Tiene derecho a una divulgación gratuita si:
  - una persona ha emprendido una acción adversa contra usted debido a información en su informe de crédito;
  - usted es víctima de un robo de identidad y se coloca una alerta de fraude en su expediente;
  - su expediente contiene información no exacta como resultado de fraude;
  - usted recibe asistencia pública;
  - no está empleado pero anticipa solicitar empleo en 60 días.

Asimismo, para septiembre de 2005, todos los consumidores tendrán derecho a una divulgación cada 12 meses si así lo solicitan a cada agencia de crédito nacional y de las agencias nacionales de informe del consumidor especializadas. Para información adicional, visite [www.ftc.gov/credit/espanol\\_loans.htm](http://www.ftc.gov/credit/espanol_loans.htm).

- ✓ **Tiene derecho a pedir su puntuación de crédito.** Las puntuaciones de crédito son resúmenes numéricos de su valía de crédito basados en información de las agencias de crédito. Puede solicitar una puntuación de crédito de agencias de informe del consumidor que crean puntuaciones o distribuyen las puntuaciones utilizadas en préstamos de bienes raíces residenciales, pero tendrá que pagar para recibirla. En algunas transacciones hipotecarias, el prestamista le dará gratuitamente información sobre su puntuación de crédito.
- ✓ **Tiene derecho a confrontar información incompleta o no exacta.** Si identifica información en su expediente que es incompleta o inexacta, y la reporta a la agencia de informe del consumidor, la agencia debe investigar a menos que su confrontación sea frívola. Visite [www.ftc.gov/credit/espanol\\_loans.htm](http://www.ftc.gov/credit/espanol_loans.htm) para una explicación de los procedimientos de confrontación.
- ✓ **Las agencias de informe del consumidor deben corregir o eliminar información inexacta, incompleta o no verificable.** La información no exacta, incompleta o no verificable debe ser retirada o corregida, generalmente dentro de 30 días. No obstante, una agencia de informe del consumidor puede seguir reportando información si ha verificado su exactitud.
- ✓ **Las agencias de informe del consumidor no pueden reportar información negative atrasada.** En la mayoría de los casos, una agencia de informe del consumidor puede no reportar información negativa ocurrida hace más de siete años, ni quiebras ocurridas hace más de 10 años.

- ✓ **El acceso a su expediente es limitado.** Una agencia de informe del consumidor puede proporcionar información sobre usted solamente a personas que realmente la necesiten-generalmente para considerar una solicitud con un acreedor, asegurador, empleador, propietario de vivienda u otro negocio. La FCRA especifica quiénes son las personas que tienen una necesidad válida de acceso.
- ✓ **Debe otorgar su consentimiento para que se envíen sus informes a empleadores.** Una agencia de informe del consumidor no puede dar información sobre usted a su empleador, o a un posible empleador, sin su consentimiento escrito previo otorgado al empleador. El consentimiento escrito generalmente no es requerido en la industria de camiones. Para más información visite [www.ftc.gov/credit/espanol\\_loans.htm](http://www.ftc.gov/credit/espanol_loans.htm).
- ✓ **Puede limitar las ofertas “preevaluadas” de crédito y seguro que obtiene basadas en información en su informe de crédito.** Las ofertas “preevaluadas” de crédito y seguro deben incluir un número de teléfono sin cargo al que puede llamar si desea eliminar su nombre y dirección de las listas en las que se basan estas ofertas. Puede optar por no figurar en las listas de las agencias de crédito llamando al 1-888-5-OPTOUT (1-888-567-8888).
- ✓ **Puede obtener compensación de los acreedores.** Si una agencia de informe del consumidor, o en algunos casos, un usuario de informes de consumidor o proveedor de información a una agencia de informe del consumidor infringe la FCRA, usted puede presentar un pleito en un tribunal estatal o federal.
- ✓ **Las víctimas de robo de identidad y el personal militar en activo tienen derechos adicionales.** Para más información, visite [www.ftc.gov/credit/espanol\\_loans.htm](http://www.ftc.gov/credit/espanol_loans.htm).

**Los estados tienen autoridad para hacer cumplir la FCRA, y muchos estados tienen su propia legislación de informe del consumidor. En algunos casos, usted puede tener más derechos en virtud de la ley estatal. Comuníquese con su agencia de protección estatal o local del consumidor o su Fiscal general estatal. Las agencias a nivel federal son:**

**TIPO DE NEGOCIO:**

Agencias de informe del consumidor, acreedores y otros no mencionados abajo

Bancos nacionales, sucursales/agencias federales de bancos extranjeros (con la palabra “National” o las iniciales “N.A.” en o después del nombre del banco)

Bancos que pertenecen al Sistema de la Reserva Federal (salvo bancos nacionales, y sucursales/agencias federales de bancos extranjeros)

Asociaciones de ahorros y cajas de ahorros con acreditación federal (con la palabra “Federal” o las iniciales “F.S.B.” en el nombre de la institución federal)

Bancos de crédito federales (con las palabras “Federal Credit Union” en el nombre de la institución)

Bancos acreditados a nivel estatal que no son miembros del Sistema de la Reserva Federal

Transportadores por aire, superficie o ferrocarril regulados por la antigua Junta de Aeronáutica Civil o por la Comisión Interestatal de Comercio

Actividades sujetas a la Ley de Empacadores y Estibadores de 1921

**CONTACTAR:**

Federal Trade Commission: Consumer Response Center - FCRA  
Washington, DC 20580  
877-382-4357  
Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6  
Washington, DC 20219  
800-613-6743

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

Office of Thrift Supervision  
Consumer Programs  
Washington, DC 20552  
800-842-6929

National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314  
703-518-6360

Federal Deposit Insurance Corporation  
Division of Compliance & Consumer Affairs  
Washington, DC 20429  
800-934-FDIC

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

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

## **SAMPLE LETTER**

### **Notification of Adverse Action**

Dear \_\_\_\_\_:

This letter is to notify you that we have decided not to offer you employment at this time based in whole or in part upon information contained in a "consumer report" provided by the Pre-Check Company. A copy of the report has previously been furnished to you.

Pre-Check is an independent consumer reporting agency that we use to conduct pre-employment background checks. Their full name, address, and telephone number is as follows:

The Pre-Check Company  
FCRA Compliance  
P.O. Box 771264  
Lakewood, OH 44107-0062  
Telephone: (800) 268-2435

Please be advised that the Pre-Check Company did not make the adverse employment decision referred to above and is therefore unable to provide you with the specific reasons for this adverse decision.

Thank you for your interest in our company.

Sincerely,

## PROTECTION FROM DISCLOSURE

### Qualified Immunity for Employers

Effective July 3, 1996, employers in Ohio will be protected when disclosing to a prospective employer job performance information about a current or former employee. The new law, which covers “any person employing one or more individuals in this state,” grants **qualified immunity** in a civil action related to the disclosure of job performance information. The immunity from liability is lost if an employer discloses information which the employer knows is false, or discloses information in bad faith or with malicious purpose.

Under Section 4113.71 of the Ohio Revised Code, an employer disclosing information about the job performance of an employee or former employee is not liable in damages in a civil action to that employee, former employee, prospective employer, or any other person for any harm sustained as a result of making the disclosure. Liability may be imposed only if the claimant shows that the employer disclosed information with the knowledge that it was false, with deliberate intent to mislead the prospective employer or another person, in bad faith or with malicious purpose. The employer also may be liable if the disclosure constitutes an unlawful discriminatory practice under Ohio law.

An excerpt from the June 1996 Client Advisory by  
Benesch Friedlander Coplan & Aronoff, Attorneys at Law

### Release from Criminal Prosecution

Effective October 1, 1997, the Fair Credit Reporting Act states in Section 610 (e):

“Except as provided in Sections 616 and 617, **no consumer may bring any action or proceeding in the nature of defamation, invasion of privacy, or negligence** with respect to the reporting of information against any consumer reporting agency, any user of information, or any person who furnishes information to a consumer reporting agency, based on information disclosed pursuant to Section 609, 610, or 615, or **based on information disclosed by a user of a consumer report to or for a consumer against whom the user has taken adverse action, based in whole or in part on the report** except as to false information furnished with malice or willful intent to injure such consumer.”

Fair Credit Reporting Act  
Title VI Consumer Credit Reporting (15USC 1681)  
Effective date: October 1, 1997

## U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

### AGE DISCRIMINATION

The Age Discrimination in Employment Act of 1967 (ADEA) protects individuals who are 40 years of age or older from employment discrimination based on age. The ADEA's protections apply to both employees and job applicants. Under the ADEA, it is unlawful to discriminate against a person because of his/her age with respect to any term, condition, or privilege of employment – including, but not limited to, hiring, firing, promotion, layoff, compensation, benefits, job assignments, and training.

It is also unlawful to retaliate against an individual for opposing employment practices that discriminate based on age or for filing an age discrimination charge, testifying, or participating in any way in an investigation, proceeding, or litigation under the ADEA.

The ADEA applies to employers with 20 or more employees, including state and local governments. It also applies to employment agencies and to labor organizations, as well as to the federal government.

### APPRENTICESHIP PROGRAMS

It is generally unlawful for apprenticeship programs, including joint labor-management apprenticeship programs, to discriminate on the basis of an individual's age. Age limitations in apprenticeship programs are valid only if they fall within certain specific exceptions under the ADEA or if the EEOC grants a specific exemption.

### JOB NOTICES AND ADVERTISEMENTS

The ADEA makes it unlawful to include age preferences, limitations, or specifications in job notices or advertisements. As a narrow exception to that general rule, a job notice or advertisement may specify an age limit in the rare circumstances where age is shown to be a "bona fide occupational qualification" (BFOQ) reasonably necessary to the essence of the business.

### PRE-EMPLOYMENT INQUIRIES

The ADEA does not specifically prohibit an employer from asking an applicant's age or date of birth. However, because such inquiries may deter older workers from applying for employment or may otherwise indicate possible intent to discriminate based on age, requests for age information will be closely scrutinized to make sure that the inquiry was made for a lawful purpose, rather than for a purpose prohibited by the ADEA.

### BENEFITS

The Older Workers Benefit Protection Act of 1990 (OWBPA) amended the ADEA to specifically prohibit employers from denying benefits to older employees. An employer may reduce benefits based on age only if the cost of providing the reduced benefits to older workers is the same as the cost of providing benefits to younger workers.

### WAIVERS OF ADEA RIGHTS

At an employer's request, an individual may agree to waive his/her rights or claims under the ADEA. However, the ADEA, as amended by OWBPA, sets out specific minimum standards that must be met in order for a waiver to be considered knowing and voluntary and, therefore, valid. Among other requirements, a valid ADEA waiver: (1) must be in writing and be understandable; (2) must specifically refer to ADEA rights or claims; (3) may not waive rights or claims that may arise in the future; (4) must be in exchange for valuable consideration; (5) must advise the individual in writing to consult an attorney before signing the waiver; and (6) must provide the individual at least 21 days to consider the agreement and at least 7 days to revoke the agreement after signing it. In addition, if an employer requests an ADEA waiver in connection with an exit incentive program or other employment termination program, the minimum requirements for a valid waiver are more extensive.

## FILING A CHARGE

Age discrimination charges may be filed at any U.W. Equal Employment Opportunity Commission (EEOC) field office. Field offices are located in 50 cities throughout the U.S. and are listed in most telephone directories under "U.S. Government." You may also call toll free 1-800-669-4000 or 1-800-669-6820 (TDD) for the appropriate EEOC field office for your geographic area. Information on all EEOC-enforced laws may be obtained by calling toll free 1-800-660-EEOC or 1-800-800-3302 (TDD).

The time limitation for filing a charge with the EEOC is 180 days from the date of the alleged discrimination or 300 days in states with designated Fair Employment Practices Agencies. If you have been discriminated against because of age, you may be entitled to a remedy, including, but not limited to, hiring, promotion, reinstatement, back pay, liquidated damages (i.e., an amount equal to any monetary damages you are awarded), and attorney's fees.

This fact sheet is available in alternative formats, upon request.

U.S. Equal Employment Opportunity Commission  
Office of Communications and Legislative Affairs  
1801 L Street, NW  
Washington, DC 20507

June 1996