ACCURATE Background, Inc.

End User Agreement

This End User Agreement ("Agreement") effective ________________,2014 ("Effective Date") is made and entered into by and between Accurate Background, Inc., a California Corporation, its directors, officers, employees, affiliates, agents and subsidiaries (hereafter collectively known as "ACCURATE"), with its principal offices located at 7515 Irvine Center Drive, Irvine, California, 92618, and the City of Las Vegas (hereafter known as "END USER"), a municipal corporation within the State of Nevada, with its principal offices located at 495 South Main Street, Las Vegas, Nevada 89101.

WHEREAS, ACCURATE is a consumer reporting agency, whose business consists of providing employers with the employment screening services more fully described below, including, without limitation, drug testing and information products, which are used to make employment related decisions on the status of persons (hereinafter "consumers") who are currently employed by, or are being considered for employment with, END USER, and providing the systems used to facilitate the performance of the aforementioned services; and

WHEREAS, ACCURATE strives to deliver accurate and timely information products to assist END USER in making intelligent and informed decisions for a permissible purpose under applicable law, and to this end, assembles information from a variety of sources, including courts, employers, education institutions, databases maintained by consumer reporting agencies containing information from public records, other information repositories and third-party researchers; and

WHEREAS, END USER is a local government employer responsible for making various employment decisions on the status of consumers who are currently employed, or are being considered for employment with END USER; and

WHEREAS, END USER desires to purchase the services and information products more fully described below pursuant to the terms and conditions set forth in this Agreement and its Addendums.

NOW, THEREFORE, in consideration of the above premises, the parties hereto do agree to the following:

1. ACCURATE Obligations. For the term of this Agreement, and in consideration of the compensation to be paid to ACCURATE based on the pricing set forth in *Addendum A-Pricing* attached to this Agreement, ACCURATE agrees to provide the services and the informational products set forth in subsections a through e below (collectively the "Services") subject to the restrictions on the use by END USER of such information products as described therein and in other parts of this Agreement.

a. In General. At all times herein, ACCURATE will take reasonable measures to ensure industry standards in reporting and protecting confidential information. ACCURATE will comply with the applicable requirements set forth in the Fair Credit Reporting Act (15 USC s 1681 et seq.). ACCURATE will, at all times herein, exercise efforts to perform the Services and deliver information products to the END USER in an expeditious and efficient manner, but it shall have no obligation or liability to the END USER for any delay or failure to perform under this Agreement for causes beyond ACCURATE's direct control

b. Consumer Report Service. If so requested by END USER, ACCURATE agrees to perform the services necessary to provide a Consumer Report on each person whose name and information is provided by END USER. For purposes of this Agreement, "Consumer Report" is defined in accordance with the Fair Credit Reporting Act (FCRA) to include any written, oral, or other communication of any information by a consumer reporting agency, of which ACCURATE is one, bearing on person's character, general reputation, personal characteristics or mode of living, which is used or expected to be used, or collected in whole or in part, for the purpose of serving as a factor in establishing the consumer's eligibility for employment purposes. Whereas, an "Investigative Consumer Report" is, in part, a consumer report or portion thereof in which information on a consumer's character, general reputation, personal characteristics, or mode of living is obtained through personal interviews with neighbors, friends, or associates of the consumer reported on or with others with whom he is acquainted or who may have knowledge concerning any such items of information. For the purposes of this Agreement, any requirements related to a "Consumer Report" will include both "Consumer Reports and "Investigative Consumer Reports" unless specified otherwise. Each Consumer Report provided to END USER is subject to the following requirements and restrictions set forth below.

(1) Required Notice Prior to Requesting Consumer Report. END USER agrees that prior to obtaining a Consumer Report and/or an investigative consumer report on a consumer, a clear and conspicuous disclosure, in a document consisting *solely of the disclosure*, will be made in writing to the consumer explaining that a Consumer Report may be obtained for employment purposes. This disclosure is for the purpose of satisfying the requirements identified in Sections 604(b)(2) and 606(a)(1) of the Fair Credit Reporting Act, as well as any applicable state or local laws. As a prerequisite to each request by END USER, the consumer shall authorized, in writing, the obtaining of the Consumer Report by END USER, and a copy of such written authorization shall be retained for a minimum of five (5) years from the date that the Consumer Report was requested by the END USER.

(2) Required Notice Prior to Taking Adverse Employment Action. If the END USER wants to deny the consumer employment, or otherwise take an adverse employment action, based in whole or in part on the information provided by ACCURATE, prior to taking any such action, END USER will provide the following: (i) a pre-adverse action notice, including, but not limited to, ACCURATE's contact information; (ii) a copy of the Consumer Report, and (iii) a description, in writing, of the consumer's rights set forth in a document entitled: "A Summary of Your Rights Under the Fair Credit Reporting Act", a copy of which is provided as *Exhibit B – Summary of Your Rights Under the Fair Credit Reporting Act* attached to this Agreement, and (iv) any required state or industry specific notices. After expiration of the appropriate waiting period allowing the consumer time to dispute the information contained in the Consumer Report, END USER will issue to the consumer notice of the adverse action taken, including ACCURATE's contact information and the statutorily required notices identified in Section 615 of the Fair Credit Reporting Act. END USER hereby acknowledges that it has received a copy of the *Notice of Users of Consumer Reports* (16 C.F.R. Part 601, Exhibit A) and *Summary of Rights* (16 C.F.R. Part 601, Exhibit B). If so requested, ACCURATE agrees to provide assistance to END USER in meeting the requirements of the notices described above at END USER's expense.

(3) Required Disclosure if Requested by Consumer. In addition to the disclosure requirements identified above, if the consumer makes a written request to END USER related to an Investigative Consumer Report within a reasonable amount of time after receiving the notice pursuant to Section b(1) above, END USER will provide the following in accordance with the FCRA [15 U.S.C. § 1681d]: (i) information about whether a Consumer Report has been requested by END USER of the consumer; (ii) if a Consumer Report has been requested, written disclosure of the nature and scope of the investigation requested; and (iii) ACCURATE's contact information, including 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 the Consumer Report was first requested by the END USER, whichever is the latter.

The pricing for FCRA, State or consumer letter notifying the consumer of the disclosures required herein, if to be provided by ACCURATE, is at an additional charge outlined in the *Addendum A – Pricing.*

(4) Compliance with Laws. END USER agrees to comply any and all federal, state and local statutes, regulations and ordinances governing the use and distribution of the Consumer Reports to be furnished by ACCURATE including, but not limited to, the provisions of the Fair Credit Reporting Act ("FCRA") (15 USC s 1681 et seq.), State and Federal EEOC compliance and the Americans with Disabilities Act (42 USC § 12101 et seq.), and regulations promulgated thereunder. END USER agrees that each order for a Consumer Report, or any other information product from ACCURATE, shall be made, and the resulting reports shall be used only for, the purposes set forth in Section 604(a)(3)(B) of the Fair Credit Reporting Act, to wit: Employment purposes, including evaluating a consumer for employment, promotion, reassignment or retention as an employee, where the consumer has given prior written permission. END USER accepts full responsibility for complying with all such laws and for using the information products it receives from ACCURATE in a legally acceptable fashion. END USER further accepts full responsibility for any and all consequences of use and/or dissemination of those products. Any violation of the terms of this Section would be considered a breach of this Agreement and ACCURATE may, upon its election, immediately cancel this Agreement.

(5) Retention Period for Consumer Report. END USER agrees that each Consumer Report provided pursuant to this Agreement will be retained for a period of five years from the date it was received from ACCURATE.

(6) Penalty for Failure to Comply. 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.

c. International Criminal Record Search Service

If so requested by END USER, ACCURATE agrees to perform the services necessary to conduct an international criminal record search on each person whose name and information is provided by END USER. For purposes of this Agreement, END USER agrees represents and warrants that it shall comply with the data privacy laws governing the transfer, storage and access of personal information including but not limited to the European Union Directive on Data Protection. END USER understands that searches of international background screening will be conducted through the services of a third-party independent contractor. Because of differences in foreign laws, language, and the manner in which foreign records are maintained and reported, ACCURATE cannot be either an insurer or a guarantor of the accuracy of the information reported. END USER therefore releases ACCURATE and its affiliated companies, officers, agents, employees, and independent contractors from any liability whatsoever in connection with erroneous information received as a result of an international background screening report.

d. Motor Vehicle Reports (MVRs) and Driving Records Search Service

If so requested by END USER, ACCURATE agrees to conduct a motor vehicle search and driving record search of the person whose name and information is submitted for search, and the results thereof submitted to the END USER in a written report. END USER agrees that Motor Vehicle Reports and/or Driving Records (MVRs) shall only be ordered in strict compliance with the Driver Privacy Protection Act ("DPPA") (18 U.S.C. § 2721 *et seq.*) and any related state laws. END USER further agrees that the MVRs shall not be ordered without first obtaining the written consent of the consumer on whom the MVR has been requested, and evidence of such consent shall be transmitted to ACCURATE in the form of the consumer's signed release authorization form. END USER also agrees to use this information 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. END USER shall not transmit any data contained in the resulting MVR via the public internet, electronic mail or any other unsecured means. END USER shall not resell the MVRs to any third party. Additionally, END USER will request MVRs only if the subject of the report is a current employee of, or a direct applicant for employment with END USER.

e. Social Security Number Verification Service (SSNVS)

If so requested by END USER, ACCURATE agrees to conduct a search to verify the social security number for the person whose name and information is submitted for such verification. END USER agrees that Social Security Number Verification Service (SSNVS) queries shall only be submitted and shall only be used in compliance with the relevant rules, laws, and regulations (including, but not limited to, the Social Security Number Verification Service Handbook, Social Security Administration regulations, and Internal Revenue Service regulations). The SSNVS handbook, listing certain requirements for use of SSNVS, may be found at http://www.ssa.gov/employer/ssnvshandbk/ssnvsHandbook.pdf.

Without limiting the generality of the above, END USER understands that SSNVS queries (1) may only be submitted to ensure proper wage reporting for current or former employees; (2) may not be used for pre-screening purposes; (3) may not be used for any purpose other than to confirm proper wage reporting; and (4) may only be administered in a nondiscriminatory manner. END USER also understands that adverse action may not be taken against an employee based solely on receipt of a "no-match" SSNVS result. ACCURATE recommends that END USER consult legal counsel regarding the proper use of SSNVS.

END USER understands that SSNVS queries will be conducted through the federal government's database. Because ACCURATE has no participation in the maintenance of the federal government's database, ACCURATE cannot be either an insurer or a guarantor of the accuracy of the information reported. END

USER therefore releases ACCURATE and its affiliated companies, officers, agents, employees, and independent contractors from any liability whatsoever in connection with erroneous information received as a result of an SSNVS query.

f. Consent Based Social Security Number Verification Service (CBSV)

If so requested by END USER, ACCURATE agrees to conduct a consent based verification of the social security number for the person whose name and information is submitted for such verification. END USER agrees that CBSV queries shall only be submitted and shall only be used in strict compliance with the laws, rules and regulations applicable to use of such information, including, but not limited to, the Social Security Administration (SSA) regulations and the guidelines set forth in the Consent Based Social Security Number Verification User Guide. Additional Information on the CBSV, including certain requirements for the use of CBSV, may be found at the following e-mail address: http://www.ssa.gov/cbsv/and http://www.socialsecurity.gov/cbsv/docs/CBSVUserGuide.pdf.

Without limiting the generality of the above, END USER understands that CBSV queries (1) are to verify the name and Social Security Number of the subject with the name in the SSA files; (2) do not identity, citizenship, employment eligibility nor does it interface with the Department of Homeland Security's Verification System nor does CBSV does not satisfy DHS's I-9 requirements;(3) require END USER to provide a completed SSA-89 form; and (4) will not specify which identifier(s) did not match with the SSA files. ACCURATE recommends that END USER consult legal counsel regarding the proper use of CBSV.

END USER understands that CBSV queries will be conducted through the federal government's database. Because ACCURATE has no participation in the maintenance of the federal government's database, ACCURATE is neither an insurer nor a guarantor of the accuracy of the information reported. END USER therefore releases ACCURATE and its affiliated companies, officers, agents, employees, and independent contractors from any liability whatsoever in connection with erroneous information received as a result of a CBSV query.

2. END USER Obligations. END USER agrees to abide by the requirements set forth in this Agreement and in *Exhibit A – Notices to Users of Consumer Reports*, or as otherwise approved by the Consumer Financial Protection Bureau. END USEAR will provide a copy of *Exhibit B – Summary of Your Rights Under the Fair Credit Reporting Act,* or the most current version issued by the CFPB, to every consumer on which a Consumer Report has being ordered by END USER. If END USER is permitted to request consumer reports for employment purposes via ACCURATE's website then, in addition to all other obligations, END USER agrees to abide by such additional conditions that may be imposed to utilize the website, provide all required certifications electronically, to maintain complete and accurate files containing all required consent, authorization and disclosure forms with regard to each consumer for whom a report has been requested, and maintain strict security procedures and controls to assure that its personnel are not able to use END USER's Internet access to obtain reports for improper, illegal or unauthorized purposes.

As a condition of entering into this Agreement, END USER certifies that it has in place reasonable procedures designed to comply with the requirements of applicable local, state and federal laws. END USER agrees to a one time use of each Consumer Report for employment purposes only, and shall hold the report in strict confidence, and not disclose it to any third parties that are not involved in the employment decision. END USER shall ensure that employee designated and authorized obtain a Consumer Report shall not attempt to obtain a Consumer Reports on themselves, associates, or any other person except in the exercise of their official duties.

3. Disclaimer of Accuracy. Notwithstanding anything herein to the contrary, the data sources which make up the Services to be provided to END USER by ACCURATE have been created and are maintained by, among others, various state agencies, which are not under the control of ACCURATE. Therefore, ACCURATE cannot be a guarantor that the information provided from these sources is absolutely accurate or current. Responsibility for the accuracy and the currency of the information contained in such data sources rests solely with the various state agencies and other contributors who create and maintain the data sources. Nevertheless, ACCURATE has in place procedures designed to respond promptly to claims of incorrect or inaccurate information in accordance with applicable law. END USER specifically waives any claim or claims against ACCURATE and ACCURATE data suppliers arising out of or related to the accuracy and currency of data contained in such data sources.

4. Redistribution of Information Products Prohibited. END USER agrees not to resell, lease, rent, sub-license, deliver, display or otherwise distribute to any third party any of the information products addressed herein, whether alone, in conjunction with End User's own data, or otherwise, except as required by law.

5. Audit. In order to be compliant with various laws and requirements of ACCURATE's data providers, END USER agrees to allow ACCURATE to audit its documentation and records relating to the background requests specifically the existence of properly executed Disclosure and Authorization Forms at any time, upon reasonable notice given. Breaches of this Agreement and/or violations of applicable law discovered by ACCURATE may result in immediate suspension and/or termination of the account, legal action and/or referral to federal or state regulatory agencies.

5. Confidential Information. Neither party shall reveal, publish or otherwise disclose any Confidential Information to any third party without the prior written consent of the other party. "Confidential Information" means any and all proprietary or secret data; sales or pricing information relating to either party, its operations, employees, products or services; and, all information relating to any customer, potential customer, Agent, independent sales outlet, employee and/or applicant information. The Parties agree to keep this information confidential at all times during the term of this Agreement, and continuing for five years after receipt of any Confidential Information. Notwithstanding anything to the contrary herein, in no event shall ACCURATE be required to destroy, erase or return any consumer reports or applicant data related thereto in ACCURATE's files, all of which ACCURATE shall maintain as a consumer reporting agency in strict accordance with all applicable federal, state, and local laws.

END USER agrees to abide by *Addendum B –Access Security and Data Disposal Requirements* and to have reasonable procedures for the fair and equitable use of background information and to secure the confidentiality of private information. END USER agrees to take precautionary measures to protect the security and dissemination of this information including, for example, restricting terminal access, and utilizing passwords to restrict access to terminal devices, and securing access to, dissemination and destruction of electronic and hard copy reports.

6. Billing and Payment. END USER shall pay ACCURATE, at the current published rates as stated in *Addendum A*. END USER agrees to pay nonrefundable third party fees and other charges or costs for ACCURATE's background services ("Statutory Fees"). Any charges or costs, including but not limited to surcharges and other fees levied by federal, state, county, other governmental agencies, educational institutions, employer verification lines and licensing agencies, incurred by ACCURATE in servicing END USER, will be passed onto END USER. END USER agrees that Statutory Fees services are subject to change with a fifteen (15) day notice due to changes at the source of the fee. In those instances in which a fifteen (day) notice is not available, ACCURATE will make every reasonable effort to give notice of such change before it becomes effective.

Invoices are issued on a mid-month billing cycle and due thirty (30) days after date of invoice for all undisputed amounts. For disputed invoices; upon reconciliation of all errors, corrections, credits, and disputes, payment to ACCURATE will be made in full within 30 calendar days. Invoices received without a valid purchase order number will be returned unpaid. ACCURATE shall submit the original invoice to:

ATTN: Accounts Payable
Department of Finance
City of Las Vegas
495 South Main Street, 4th Floor
Las Vegas, Nevada 89101-2986

Copy to:

ATTN: Recruitment and Employment Services Manager
Department of Human Resources
City of Las Vegas
495 South Main Street, 1st Floor
Las Vegas, Nevada 89101-2986

Reconciled accounts with outstanding balances 45 days from date of invoice may be placed on hold until the entire balance is paid in full. Should an account be suspended for non-payment, no additional requests will be processed until the balance due is paid in full or arrangements have been made with ACCURATE's Accounts Receivable Department. Any account that remains inactive for a period of twelve (12) months will be deemed inactive and may be terminated by ACCURATE.

7. Warranties and Remedies. END USER understands that ACCURATE obtains the information reported in its information products from various third party sources "AS IS", and therefore is providing the information to END USER "AS IS". Additionally, a typical search scope is 7 years. If END USER requests a search exceeding 7 years, ACCURATE will make reasonable efforts to provide the search scope requested. ACCURATE 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 or breadth and depth of any information products and/or consumer reports, that the information products will meet END USER's needs, or will be provided on an uninterrupted basis; ACCURATE expressly disclaims any and all such representations and warranties.

ACCURATE will: (a) perform all of the Services in a competent and workmanlike manner in accordance with industry standards; and (b) utilize sufficient personnel possessing the skills, experience and abilities to perform the Services.

8. Indemnification. Without waiving any of the limitations of liability as to third party claims set forth in Nevada Revised Statutes Chapter 41, and subject to the limitation set forth therein, END USER agrees to be responsible for any and all claims, suits, proceedings, damages, costs, expenses (including, without limitation, reasonable attorneys' fees and court costs) brought or suffered by any third party arising or resulting from, or otherwise in connection with, any breach by END USER of the provisions of this Agreement, or its negligence or willful misconduct.

9. Limitation of Liability. ACCURATE will not be liable for any indirect, incidental, consequential, or special damages for loss of profits, whether incurred as a result of negligence or otherwise, even if ACCURATE has been advised of the possibility of such damages. ACCURATE, nevertheless, agrees to be responsible for actual damages in third party claims directly resulting from ACCURATE's sole negligence in assembling the consumer report. ACCURATE does not guarantee END USER's compliance with all applicable laws in its use of reported information. END USER understands that any templates provided, conversation or communication with ACCURATE's representatives regarding searches, verifications or other services offered by ACCURATE are not to be considered a legal opinion regarding such use. END USER agrees that it will consult with its own legal or other counsel regarding (1) overall screening program compliance; (2) their requirements under the Fair Credit Reporting Act; and (3) the use of background screening information, including but not limited to, the legality of using or relying on reported information.

END USER understands that ACCURATE's Risk Reduction Technology™ is provided solely as a convenience to END USER. ACCURATE may adjudicate any consumer reports based on criteria established and provided by END USER ("Criteria"). ACCURATE makes no representations regarding the validity, legality or appropriateness of the Criteria. Adjudication services rendered by ACCURATE are purely clerical in nature and shall be performed by ACCURATE on behalf of the END USER. All employment-related decisions, including hiring, contracting and site-access decisions, are made by the END USER, not by ACCURATE. END USER shall ensure all statuses set to "Needs Further Review" will be appropriately changed within 30 (thirty) days. END USER shall assume full responsibility for such decisions, and failing to update the status accordingly shall constitute a breach of this Agreement. Without waiving the limitations of liability as to third party claims set forth in NRS Chapter 41, and subject to the limitation set forth therein, END USER agrees to indemnify and hold ACCURATE harmless from any and all claims, losses, damages and other costs (including reasonable attorney fees) that may be incurred or sought against ACCURATE for employment related decisions, including hiring, contracting and site-access decisions.

Furthermore, legal restrictions associated with the use of information for employment purposes vary from state to state and may also be industry specific. ACCURATE will use reasonable measures to provide current, valid state and industry compliance of the background screening reports provided to END USER.

Without waiving the limitations of liability as to third party claims set forth in NRS Chapter 41, and subject to the limitation set forth therein, END USER agrees to indemnify and hold ACCURATE harmless from any and all claims, losses, damages and other costs (including reasonable attorney fees) that may be incurred or sought against ACCURATE for the use of information for employment purposes contained in background screening reports provided by ACCURATE to END USER is used by the END USER in violation of federal, state or local laws.

ACCURATE will from time to time provide recommendations to END USER on the contents, best practices and thoroughness of the background checks to be conducted by ACCURATE. However, the decisions of the informational components to be included in each background check are at the END USER'S discretion. Without waiving the limitations of liability as to third party claims set forth in NRS Chapter 41, and subject to the limitation set forth therein, END USER agrees to indemnify and hold ACCURATE harmless from any and all claims, losses, damages and other costs (including reasonable attorney fees) that may be incurred or sought against ACCURATE by third parties decisions of the END USER related to the scope or comprehensiveness of the background check contracted for, and conducted by ACCURATE on the behalf of the END USER.

10. Term. This Agreement shall become effective upon approval and the execution by ACCURATE and END USER and shall continue in full force until terminated by either ACCURATE or END USER upon at least ninety (90) days prior written notice of termination to the other party.

11. Termination for Breach. In addition to any and all other rights a party may have available according to law, if a party materially breaches this Agreement, or defaults by failing to perform any provision, term or condition of this Agreement, the other party may terminate the Agreement by providing written notice to the defaulting party. This notice shall describe with sufficient detail the nature of the default. The party receiving such notice shall have thirty (30) days from the receipt of such notice to cure the default(s). Unless waived by party providing notice, the failure to cure the default(s) within such time period shall result in the automatic termination of this Agreement.

12. Force Majeure. END USER agrees that ACCURATE 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 ACCURATE from meeting its obligations under this Agreement.

13. Governing Law. This agreement shall be governed by, and construed and enforced in accordance with, the laws of the state of California other than conflict of laws principles thereof directing the application of any law other than that of California. The United States District Court, Central District of California, Santa Ana Division and the California State Courts with jurisdiction of Orange County will have exclusive jurisdiction over any and all disputes between the parties arising out of or relating to this agreement, the fulfillment of any Services or responsibilities describes herein, and any and all of the agreements, instruments and documents contemplated hereby. The parties hereby consent to and agree to submit to the jurisdiction of such courts.

14. Interpretation. This Agreement shall be construed as if it were jointly prepared. Both parties agree that this Agreement constitutes all conditions of service, present and future. Changes to these conditions may be made only by mutual written consent of an authorized representative of END USER and an officer of ACCURATE. The headings of each section shall have no effect upon the construction or interpretation of any part of this Agreement.

14. Effect of Agreement. This Agreement (which shall include all current and future exhibits hereto) embodies the entire understanding between ACCURATE and END USER with respect to the subject matter hereof and supersedes any and all prior understandings and agreements, oral or written relating thereto.

15. Assignment. Neither party shall assign this Agreement or any interest herein or allow the same to be assigned by operation of law or otherwise without the prior written consent of the other party.

16. No Waiver. No delay or omission by ACCURATE in exercising any right, power or remedy hereunder or otherwise afforded by contract, at law, in equity or by statute, shall constitute an acquiescence therein, impair any other right, power or remedy hereunder, or otherwise afforded by contract, at law in equity or by statute, or operate as a waiver of such right, power or remedy.

17. Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, shall be held invalid or unenforceable under any applicable law, such invalidity or unenforceability shall not affect any other provision of this Agreement that can be given effect without the invalid or unenforceable provision, or the application of such provision to other persons or circumstances, and, to this end, the provisions hereof are severable.

18. Attorney's Fees. If an action shall be brought on account of any breach of or to enforce or interpret any of the terms, covenants or conditions of this Agreement, the prevailing party shall be entitled to recover from the other party, reasonable attorney's fees and court costs.

19. Non-Solicitation. Each party acknowledges and agrees that the employees and consultants of the other party are a valuable asset to such other party and are difficult to replace. Accordingly, each party agrees that, during the term of this Agreement and for a period of two (2) years thereafter, it will not offer employment as an employee, independent contractor, or consultant to any employee, subcontractor or consultant of the other party. This shall not restrict one party from hiring any employee of the other who responds to regular employment solicitation efforts, such as newspaper advertisements, employment agencies, open house or job fair events, or widely distributed announcements of job openings, or who makes a direct inquiry as to employment with ACCURATE or END USER.

20. Notices. Any written notice by either party shall be delivered personally by messenger, private mail courier service, or sent by registered or certified mail, return receipt requested, postage prepaid to the addresses listed above.

FOR THE USER: City of Las Vegas
Manager, Purchasing and Contracts
City Hall, Third Floor
495 South Main Street
Las Vegas, Nevada 89101-2986

FOR ACCURATE: Attn: Compliance Department
Accurate Background, Inc.
7515 Irvine Center Drive
Irvine, California 92618

21. Indemnification by ACCURATE. In addition to the insurance requirements set forth in Section 22 below, ACCURATE agrees to defend, indemnify and hold END USER, its public officials, officers, employees and, agents harmless from any and all claims, liabilities, damages, losses, suits, actions, decrees, judgments and expenses (including reasonable attorney's fees and court costs) (collectively herein the "Liabilities") which may be recovered from or sought against END USER, as a result of, by reason of, or as a consequence of, the negligent act or willful misconduct on the part of ACCURATE, its officers, employees, or agents in the performance of this Agreement.

22. Insurance. ACCURATE shall procure and maintain, at its own expense, during the entire term of this Agreement, and any renewals thereof, Commercial General Liability Insurance (bodily injury, property damage) with respect to its employees and agents assigned to the performance of this Agreement in a policy limit of not less than $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate, for bodily injury, products, completed operations, personal injury and property damages. Such coverage shall be on an "occurrence" basis and not on a "claims made" basis, and be provided on either a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad form CGL endorsement) insurance form. The form must be written on an ISO Form CG 00 01 10 01, or an equivalent form. The General Liability policy shall have a waiver of subrogation endorsement in favor of the City of Las Vegas, and shall be endorsed to include the City, its officers, and employees as additional insured.

Accurate shall provide required insurance certificates and endorsements to Insurance Tracking Services (ITS) immediately upon notification of selection. Award is conditional upon verification by ITS that the insurance requirements set forth herein have been met. The required aggregate limits must be disclosed and amounts entered on the certificate(s) of insurance. The certificates must identify the Agreement number issued by END USER and include a description of the Agreement. ACCURATE shall annually provide ITS with a certificate of insurance and endorsements as evidence that all insurance requirements have been met. ACCURATE and/or insurance carrier shall provide END USER with notice of policy modification, cancellation or erosion of insurance limits, in accordance with policy provisions, sent by certified mail "return receipt requested".

The Certificates of Insurance is to be submitted to:

City of Las Vegas	Account Manager: Michael Palacios
C/O Insurance Tracking Services, Inc. (ITS)	Phone: (888) 435-2955 ext. 503 • Fax: 562-435-2999
P.O. Box 21919	Email: michael.palacios@instracking.com
Long Beach, CA 90801	

A certified, true and exact copy of each of the project specific insurance policies (including renewal policies) required under this Section shall be provided to END USER if so requested.

Each insurance carrier's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required certificate of insurance. END USER requires insurance carriers to maintain a Best's Key rating of A VII, or higher. The adequacy of the insurance supplied by ACCURATE, including the rating and financial health of each insurance carrier providing coverage, is subject to the approval of END USER.

INTENTIONALLY LEFT BLANK – SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF the parties have executed this Agreement effective as of the date first set forth above.

Each undersigned below certifies that he or she is authorized to execute this Agreement on behalf of the END USER or ACCURATE, whichever is indicated below. The END USER have read and understand the "Notice to Uses of Consumer Reports" notice *(Exhibit A)*, "Summary of Your Rights" notice *(Exhibit B)* will take all reasonable measures to enforce them. The END USER certifies that that they will use any Consumer Report ordered pursuant to this Agreement except for the purpose stated in the Permissible Purpose section on this application. The END USER and ACCURATE will not sell the Consumer Reports to any consumer or any other business directly or indirectly.

FOR CITY OF LAS VEGAS

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

FOR ACCURATE BACKGROUND, INC.

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

ATTEST:

____
BEVERLY K. BRIDGES, MMC Date
City Clerk

APPROVED AS TO FORM:

Robert S. Sylvain 5-6-14
Deputy City Attorney Date

CLV Contract No. 140147-CB
Background Screening Services

End User Billing Application

ACCURATE Background, Inc.

Company Name: City of Las Vegas

Type of Business: Local Municipality

Fed. Tax ID #: 88-6000198 Years In Business: 109

Street Address: 495 South Main Street, Las Vegas, Nevada 89101; 4th Floor

Department of Finance and Business Services

City: Las Vegas State: Nevada Zip: 89101

Telephone: 702.229.6321 Fax:702.382.6441

Company Type: ☐ Corporation ☐ Partnership

☐ Sole Proprietorship X Other: Local Municipality

Contact Person: Accounting Operations Manager Title: N/A

Company Website URL: http://www.lasvegasnevada.gov/

Billing Information

Billing Contact Person: Accounts Payable Title: N/A

Telephone: 702.229.6321 Fax:702.382.6441

Email: accountspayable@lasvegasnevada.gov

Billing Address (if different from above): ____

City: ____ State: ____ Zip: ____

Method of Payment:

Options – See details below:

Option 1: ACH Payments

Option 2: Credit Card Payments

Option 3: Apply for Credit Terms / Invoicing

☐ **Option 1 – ACH Payments**

ACCURATE'S Finance Department will submit ACH information directly to END USER.

Printed Name of END USER: ______________________________

Title: ______________________

END USER's Signature: ______________________________ Date: __________

☐ **Option 2 – Credit Card Payment**

Name on Credit Card: ______________________________

Credit Card # : ______________________________ Expiration Date: __________

Credit Card Billing Address (if different from above):

____

City: ______________________________ State: __________ Zip: __________

Credit Card Payment Conditions and Terms – Card is charged at end of calendar month for all services incurred throughout the month. A three-percent (3%) credit card processing fee will be added.

Terms of services, including terms of payment and charges for each order are agreed to be those specified on the face of each invoice. The END USER hereby agrees to pay all costs of collection or legal fees should such action be necessary due to non-payment. The above information is willingly supplied. All decisions with respect to the extension or continuation shall be in the sole discretion of the creditor. The creditor may terminate any credit availability within its sole discretion.

I authorize Accurate Background, Inc. to charge my credit card each month for usage which is incurred for services requested by me or my representatives.

Printed Name of END USER: ______________________________

Title: ______________________

END USER's Signature: ______________________________ Date: __________

X **Option 3 – Apply For Credit Terms/Invoicing** (Accurate Background, Inc. will request a D&B Report on End User Company to determine credit eligibility. You may also be asked to provide bank and trade references.)

D&B Number____________________________________

Conditions - Terms Are Net 30 Days upon Credit Approval
Terms of services, including terms of payment and charges for each order are agreed to be those specified on the face of each invoice. The END USER hereby agrees to pay all costs of collection or legal fees should such action be necessary due to non-payment. The enclosed information is willingly supplied and the creditor is authorized to contact the bank and trade references listed and attached in order to establish the creditworthiness of the above named company. If the applicant is not a corporation, the creditor is authorized to obtain credit reports on the proprietors, partners or principals, should credit availability be granted by the creditor. All decisions with respect to the extension or continuation shall be in the sole discretion of the creditor. The creditor may terminate any credit availability within its sole discretion.

Printed Name of END USER: City of Las Vegas

END USER's Signature:____ Date:_________

Title: ___________________________________

This Section for Accurate Background, Inc. Use Only:			
Date Received:__________________	AE:______________	AM:______________	Approved By:______________
End User I.D.: __________________	Billing Cycle: ______________	Anticipated	
Usage:____________________			

Addendum A – Pricing

Pricing stated below is based on an undefined annual volume of applicants.

Customize Packages	Pricing
Verification Only Package • Employment Verification (Unlimited employers past 10 years) • Education Verification (highest level)	$21.00
Verification + References Package • Employment Verification (Unlimited employers past 10 years) • Education Verification (highest level) • Professional References (7 standard questions one reference)	$31.55
Comprehensive Package • National Address Locater (SSN Trace) • 7 year **County Criminal Search (F/M) in each county the applicant lived in** based on the SSN Trace *– Unlimited County Search Nationwide* • One name Submission • Employment Verification (Unlimited employers past 10 years) • Education Verification (highest level) • Professional References (7 standard questions one reference) • Credit Report • NV - Statewide • National Criminal Database • Nation Sex Offender Database • Federal Criminal • Global Watch • County Civil Records (upper or lower) • Motor Vehicle Report	$67.85 ***Add Aliases*** $79.75
A la Carte Pricing	
All searches may be customized into a package	
Verifications	
Employment verification (Unlimited employers past 10 years)	$15.40
Education verification (per school)	$5.60
Employment Verification (per employer)	$5.55
Professional References (7 standard questions per reference)	$9.80
Miscellaneous	
All compliance letters (Bundled in package)	$2.60
Subject Notification letter (CA, MN, OK, NY, CT) (per letter)	$2.60
Pre-Adverse Action letter (per letter)	$2.60
Adverse Action letter (per letter)	$2.60
Risk Reduction Technology TM (Automatic Adjudication) (per package)	$2.60

- Statutory fees may be imposed in certain counties on criminal searches across the United States. These fees are verified with the courts directly and will be billed only where applicable. A list of statutory fees is available upon request and is subject to change without notice due to changes in court impositions of such fees.
- Employment Verifications conducted through third party entities may carry additional fees, which will only be billed when applicable.
- On Motor Vehicle and Statewide Criminal Searches, state fees will be charged, which are billed as a pass through charge. A list of state fees for Motor Vehicle and Statewide Criminal Searches is available upon request and is subject to change without notice due to changes in state impositions of such fees
- Additional fees apply for Document Retrieval and copies of court cases.
- Add $15 per verification for translation when necessary.
- International criminal search fees vary based on country/territory.

- A $5.00 data entry fee will be assessed for manual entry requests.
- If additional hits (i.e., criminal records) are uncovered through the National Criminal Database or a Statewide search in a county that were not previously uncovered by the National SSN/Address Locater, a local county felony/misdemeanor search will be added to the package at the a la carte rate listed above.
- Drug Test Collection Fees are for "In Network" locations only. Additional fees may apply for Out of Network locations.

Accurate Background, Inc. will review search volumes quarterly. Additionally, Accurate Background, Inc. has the right to review and change prices with 90 days' notice should search volumes be significantly lower than stated here.

Addendum B – Access Security and Data Disposal Requirements

In signing the Accurate Background, Inc. End User Agreement, you agree to follow these measures.

Access Security Requirements

For the purposes of this Addendum, the term "Authorized User" means an END USER employee that the END USER has authorized to order and/or access the Service and who is trained on the END USER's obligations under this Agreement with respect to the ordering and use of the Service END USER will, with respect to handling Consumer Reports from ACCURATE:

1. Ensure that only Authorized User can order or have access to the Service.

2. Ensure that Authorized users do not order Consumer Reports for personal reasons or provide them to any third party except as permitted by this Agreement.

3. Ensure that all devices used by END USER to order or access the Services 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.

4. Take all necessary measures to prevent unauthorized ordering of, or access to the Services by any person other than an Authorized User for permissible purposes, including, without limitation, limiting the knowledge of the usernames, user IDs, and any passwords END USER may use, to those individuals with a need to know, changing END USER'S passwords at least every ninety (90) days, or sooner if an Authorized User is no longer responsible for accessing the Service, or if END USER suspects an unauthorized person has learned the password, and using all security features in the software and hardware END USER uses to order or access the Services.

5. In no event access the Service via any 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. Wireless enabled computers (laptops) are acceptable however they must be contained to company infrastructure and must meet security encryption standards for connectivity.

6. Not use 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, DVDs, software, and code) to store Consumer Reports. All printed Consumer Reports must be stored in a secure, locked container when not in use, and must be 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.

7. If END USER electronically sends, transfers or ships any Consumer Reports, encrypt the Consumer Report using the following minimum standards, which standards may be modified from time to time by ACCURATE: Advanced Encryption Standard (AES), minimum 128-bit key, encrypted algorithms.

8. Monitor compliance with the obligations of this Addendum, and immediately notify ACCURATE if END USER suspects or knows of any unauthorized access or attempt to access the Services, including, without limitation, a review of each ACCURATE invoice for the purpose of detecting any unauthorized activity.

9. Not ship hardware or software between locations or to third parties without deleting all ACCURATE usernames, user IDs, passwords, and any consumer information.

10. Inform Authorized Users that unauthorized access to Services may subject them to civil and criminal liability under the FCRA punishable by fines and imprisonment, Under Section 621 (a) (2) (A) of the FCRA, any person that violates any provisions of the FCRA may be liable for a civil penalty of not

more than $2,500.00 per violation.

11. Use commercially reasonable efforts as described in the next Section to assure data security when disposing of Consumer Reports or record obtained from ACCURATE. Such efforts must include the use of those procedures issued by the federal regulatory agency charged with oversight of END USER's activities (e.g. the Federal Trade Commission) applicable to the disposal of consumer information or records.

Proper Disposal of Consumer Information

As used herein, the term "Consumer Information" shall mean any record about an individual, whether in paper, electronic, or other form, that is a Consumer Report or is derived from a Consumer Report. Consumer Information also means a compilation of such records. Consumer Information does not include information that does not identify individuals, such as aggregate information or blind data.

"Dispose," "disposing," or "disposal" means: (1) The discarding or abandonment of consumer information, or (2) The sale, donation, or transfer of any medium, including computer equipment, upon which consumer information is stored.

1. Standard. Any person who maintains Consumer Information for a business purpose must properly dispose of such information by taking reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal.

2. Examples. Reasonable measures to protect against unauthorized access to or use of Consumer Information in connection with its disposal include the following examples:
    a. Implementing and monitoring compliance with policies and procedures that require the burning, pulverizing, or shredding of papers containing Consumer Information so that the information cannot practicably be read or reconstructed.
    b. Implementing and monitoring compliance with policies and procedures that require the destruction or erasure of electronic media containing Consumer Information so that the information cannot practicably be read or reconstructed.
    c. After due diligence, entering into and monitoring compliance with a contract with another party engaged in the business of record destruction to dispose of material, specifically identified as Consumer Information, in a manner consistent with this rule.
    d. For persons who maintain Consumer Information through their provision of services directly to a person subject to this part, implementing and monitoring compliance with policies and procedures that protect against unauthorized or unintentional disposal of Consumer Information, and disposing of such information in accordance with examples (2)(a) and (b) of this section.

Exhibit A - Notice to Users of Consumer Reports

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.

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

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Consumer Financial Protection Bureau's (CFPB) website at 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 identify 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.

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.

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 pre-established criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and to grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer's CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, 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, has more information about the FCRA, including publications for businesses and the full text of the FCRA.

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

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

Exhibit B - A Summary of Your Rights Under the Fair Credit Reporting Act

Para información en español, visite 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 the FCRA. **For more information, including information about additional rights, go to 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 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 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.

• **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 1-888-567-8688.

• **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.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:
1.a. Banks, savings associations, and credit unions with total assets of over $10 billion and their affiliates.	a. Consumer Financial Protection Bureau 1700 G Street NW Washington, DC 20552
b. Such affiliates that are not banks, savings associations, or credit unions also should list, in addition to the CFPB:	b. Federal Trade Commission: Consumer Response Center – FCRA Washington, DC 20580 (877) 382-4357
2. To the extent not included in item 1 above:	
a. National banks, federal savings associations, and federal branches and federal agencies of foreign banks	a. Office of the Comptroller of the Currency Customer Assistance Group 1301 McKinney Street, Suite 3450 Houston, TX 77010-9050
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	b. Federal Reserve Consumer Help Center P.O. Box 1200 Minneapolis, MN 55480
c. Nonmember Insured Banks, Insured State Branches of Foreign Banks, and insured state savings associations	c. FDIC Consumer Response Center 1100 Walnut Street, Box #11 Kansas City, MO 64106
d. Federal Credit Unions	d. National Credit Union Administration Office of Consumer Protection (OCP) Division of Consumer Compliance and Outreach (DCCO) 1775 Duke Street Alexandria, VA 22314
3. Air carriers	Asst. General Counsel for Aviation Enforcement & Proceedings Aviation Consumer Protection Division Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590
4. Creditors Subject to Surface Transportation Board	Office of Proceedings, Surface Transportation Board Department of Transportation 395 E Street S.W. Washington, DC 20423
5. Creditors Subject to Packers and Stockyards Act, 1921	Nearest Packers and Stockyards Administration area supervisor
6. Small Business Investment Companies	Associate Deputy Administrator for Capital Access United States Small Business Administration 409 Third Street, SW, 8th Floor Washington, DC 20416
7. Brokers and Dealers	Securities and Exchange Commission 100 F St NE Washington, DC 20549
8. Federal Land Banks, Federal Land Bank Associations, Federal Intermediate Credit Banks, and Production Credit Associations	Farm Credit Administration 1501 Farm Credit Drive McLean, VA 22102-5090
9. Retailers, Finance Companies, and All Other Creditors Not Listed Above	FTC Regional Office for region in which the creditor operates or Federal Trade Commission: Consumer Response Center – FCRA Washington, DC 20580 (877) 382-4357