

FCRA REQUIREMENTS

Federal Fair Credit Reporting Act (as amended by the Consumer Credit Reporting Reform Act of 1996)

Although the FCRA primarily regulates the operations of consumer credit reporting agencies, it also affects you as a user of information. You can review a copy of the FCRA at <http://www.ftc.gov/os/statutes/fcrajump.htm>. We suggest that you and your employees become familiar with the following sections in particular:

- § 604. Permissible Purposes of Reports
- § 607. Compliance Procedures
- § 610. Conditions and Form of Disclosure to Consumers
- § 611. Procedure in Case of Disputed Accuracy
- § 615. Requirement on users of consumer reports
- § 616. Civil liability for willful noncompliance
- § 617. Civil liability for negligent noncompliance
- § 619. Obtaining information under false pretenses
- § 620. Unauthorized Disclosures by Officers or Employees
- § 621. Administrative Enforcement
- § 623. Responsibilities of Furnishers of Information to Consumer Reporting Agencies

Each of these sections is of direct consequence to users who obtain reports on consumers.

As directed by the law, credit reports may be issued only if they are to be used for extending credit, review or collection of an account, employment purposes, underwriting insurance or in connection with some other legitimate business transaction such as in investment, partnership, etc. It is imperative that you identify each request for a report to be used for employment purposes when such report is ordered. Additional state laws may also impact your usage of reports for employment purposes.

Experian strongly endorses the letter and spirit of the Federal Fair Credit Reporting Act. We believe that this law and similar state laws recognize and preserve the delicate balance between the rights of the consumer and the legitimate needs of commerce.

In addition to the Federal Fair Credit Reporting Act, other federal and state laws addressing such topics as computer crime and unauthorized access to protected databases have also been enacted. As a prospective user of consumer reports, we expect that you and your staff will comply with all relevant federal statutes *and the statutes and regulation of the states in which you operate*.

We support consumer reporting legislation that will assure fair and equitable treatment for all consumers and users of credit information.