As an employer, you are legally entitled to use consumer reports when you hire new employees and when you evaluate employees for promotion, reassignment or retention. When you use these reports, however, you must comply with the Fair Credit Reporting Act - whether or not the report you ordered contains credit information.

If you decide that, based in whole or in part on the report you receive from us, you cannot hire, promote, reassign or retain the individual, you must go through what is called an Adverse Action procedure. This procedure protects the individual from decisions based on a report that may be inaccurate or incomplete. You do not have to go through this procedure if your employment decision is not based on a consumer report.

An Adverse Action is completed in two steps as follows:

1) Before you take Adverse Action, you must give the individual a Pre-Adverse Action Notice, a copy of the consumer report we provided to you and a copy of the Federal Trade Commission's document entitled "A Summary of Your Rights Under the Fair Credit Reporting Act." This document is attached to each report we issue. A sample Pre-Adverse Action notice is included in this packet.

The Pre-Adverse Action notice should include the following information:

The name, address and phone number of the agency issuing the report & the statement that the individual must contact the consumer reporting agency directly to dispute the report.

If the individual contacts us regarding their report, we will open a formal investigation and recheck all items the individual is disputing. During this time you are required to hold the position open for the individual for a reasonable amount of time. Most labor attorneys feel one week is sufficient. When we complete our investigation, which generally takes three to five days, we will issue a final consumer report to both you and the individual, noting any changes or corrections. If you still cannot hire, promote, reassign or retain the individual, you must give the individual a Final Adverse Action notice as follows:

2) Provide the individual the Notice of Adverse Action either orally, in writing or electronically. A sample of a Final Adverse Action Notice is included in this packet. This notice must include the following information:

   a) The name, address and phone number of the agency (Frasco® Profiles) issuing the report
   b) A statement that the agency did not make the decision to take adverse action and cannot give specific reasons for the action; and
   c) A notice of the individual's right to dispute the accuracy or completeness of any information the agency furnished and his or her right to an additional free copy of the report within 60 days directly from the agency.

Once you have completed both of these steps, you are no longer legally obligated to hold the position open and may fill it with another candidate. You are required to take no further action.
<Date>

Dear <Applicant>: 

This letter is being sent to you in compliance with the Fair Credit Reporting Act, 15 U.S.C. Section 1681b(b)(3) to inform you that you may be denied a position with our organization based on information received from the consumer reporting agency listed below during a pre-employment background investigation:

**Frasco® Profiles**
215 W. Alameda Avenue
Burbank, CA 91502
(800) 820-9029

Please find attached a copy of the report that was provided to us, as well as a copy of the Federal Trade Commission's publication, "A Summary of Your Rights Under the Fair Credit Reporting Act."

Should you wish to explain any items that appear on the report, please contact the undersigned immediately. Should you wish to contest any information that appears in the report, you must contact the consumer reporting agency directly pursuant to the information in the Federal Trade Commission's publication.

Cordially,

<Employer Name>
<Date>

Dear <Applicant>:

This letter is being sent to you in compliance with the Fair Credit Reporting Act, 15 U.S.C. Section 1681(m)(a) to inform you that you have been denied a position with our organization based on information received from the consumer reporting agency listed below during a pre-employment background investigation:

**Frasco® Profiles**
215 W. Alameda Avenue
Burbank, CA  91502
(800) 820-9029

Please know that Frasco® Profiles did not make any decision regarding your employment and cannot explain to you why the decision was made. Pursuant to the Fair Credit Reporting Act, you have the following rights:

1. You may obtain an additional free copy of your report by contacting Frasco® Profiles within sixty days of receipt of this notice.

2. You may dispute any inaccurate or incomplete information contained in the report directly with Frasco® Profiles.

Cordially,

<Employer Name>