

Credit Agencies Requirements for Credentialing End Users

1. A completed and signed Membership Agreement (provided by The Source)
2. A completed and signed Service Agreement (Provided by The Source)
3. A separate letter of intent on company letterhead and signed by an officer, owner or authorized manager of the company. The letter must contain, at a minimum, the following:
 - a. The nature of the business
 - b. Its anticipated use for the service (Employment Screening would nbe the most common)
 - c. Anticipated monthly volume
 - d. Intent as to whether it anticipates its access to be primarily local, regional or national
4. A Site Inspection by a third party company authorized by the Credit Agency. The inspection is to verify that the business has such things as security on any computers used to access the data, locking file cabinets to store hard copies, and to verify that the company appears to be legitimate ie has phones, desks, signs on the building, etc. **Site inspections are not required for End Users that meet the following conditions:**
 - a. End User is a publicly held company under the regulatory authority of the US Securities Exchange Commission. The Source must be able to secure printed documentation from www.sec.gov/edgar
 - b. End User is subject to the regulatory authority of any agency listed in section 621(b) of the **FCRA**. The Source must be able to secure printed documentation from the appropriate federal agency's website.
 - c. End User is a licensed insurance company. The Source must obtain a copy of the applicant's insurance license of printed verification from AM Best.
 - d. End User has been approved by the Internal Revenue Service as a tax-exempt organization pursuant to Section 501(c)(3) of the Internal Revenue Code. The Source must obtain a copy of the tax-exemption certificate.
 - e. End User has been certified by the Small Business Administration for participation in an SBA-administered program, such as the Section 8(a) Business Development Program or the Historically Underutilized Business ("HUBZone") Program. The Source must obtain written documentation from the applicable federal agency to support this item.
 - f. End User has been certified by the department of Transportation for participation in the Department of transportation's Disadvantaged Business Enterprise Program. The Source must obtain written documentation from the applicable federal agency for this item.
 - g. End User is a Federal or State agency that obtains solely Consumer Reports for Employment Purposes.
5. Business Type verification through the Yellow Pages or other means to determine whether the End User's business type is unauthorized. If it is, the End User can only access Consumer Reports with the credit agency's written permission. **The unauthorized business types are:**
 - a. Adult entertainment service of any kind

- b. Attorney or Law firms engaged in the practice of law, unless engaged in collections or using the report in connection with a consumer bankruptcy pursuant to the written authorization of the consumer
- c. Bail Bondsmen, unless licensed by the state in which they are operating
- d. Credit counseling, except for non-profit credit counselors.
- e. Credit repair clinics
- f. Dating Services
- g. Financial counseling, except a registered securities broker
- h. Genealogical or heir research firms
- i. Massage services
- j. Companies that locate missing children
- k. Pawn shops
- l. Private detectives, detective agencies or investigative companies
- m. Companies that handle third party repossessions
- n. Subscriptions (magazines, book clubs, record clubs, etc)
- o. Tattoo Services
- p. Companies seeking information in connection with time shares (exception: financiers of time shares)
- q. Law enforcement agencies
- r. Asset location services
- s. News agencies or journalists
- t. Other resellers

Notwithstanding the foregoing, The Source may provide Consumer Reports for Employment Purposes to End Users who are private investigative agencies, detective agencies, law firms, security services, investigators and lawyers or attorneys at law, provided the End User executes an appropriate Service Agreement containing all the required terms as prescribed by the Credit Agency.

- 6. The Source must verify the End User's business bank account with a financial institution and credit accounts with a financial institution or business vendor (provided that such vendor is listed in a reputable business directory or phone listing). Verifications shall include:
 - a. The length of the relationship between the End User and the financial institution or business vendor
 - b. The type of account(s)
 - c. The End User's name and address on record with the financial institution or business vendor
 - d. As an alternative to banking and credit verification, The Source may obtain one of the following:
 - i. A listing with a reputable industry listing or rating, such as AM Best's, Moody's, Standard and Poor's, FDIC or NCUA. The Source must obtain a copy of such listing

- ii. A copy of the End User's Annual Report published within the last 12 months, which has been verified by a certified public accounting firm.
- 7. If the End User has a Web Site, The Source must print and maintain copies of the site's home page. The Source must review all information on the web site to verify its consistency with the data supplied on the Membership Agreement.
- 8. If End User operates in a geographical location or industry subject to licensing requirements, a copy of the End User's business license, Federal Tax ID/Employer Identification Number and/or Articles of Incorporation must be secured. As an alternative, verifications of the same from websites of the authorized issuer of the license may be printed and maintained.
- 9. If a End User has been in business for 1 year or less, two of the following items must be obtained:
 - a. Copy of the utility or phone bill in the business name for service at the principal place of business
 - b. Copy of lease or proof of property ownership by business of the principal place of business of End User
 - c. Copy of bank statement addressed to the End User's at its principal place of business
- 10. In additin to the above, if the End User is a sole proprietor or partnership, The Source must obtain written consent to secure a copy of the owner's or partners' personal credit reports. The Source must also obtain copies of the owner's or partners' government issued photo identification, and confirm that the name, address and date of birth on the card match the information supplied on the consent form prior to requesting a credit report. Reseleer must then obtain a credit report on the owner or partners including a fraud risk evaluation tool, and an additional authentication service. The Source must review these reports to determine whether the individual credit report is consistent with the individual's age and business experience, whether the Social Security number is associated with any other individual or whether there are any other indications of identity fraud. If the sole proprietor or partners refuse to consent to having their personal credit reports accessed, The Source must deny the application.