



December 16, 1991

Equifax Services Inc.
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Atlanta, Georgia 30309
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915 Fed Date 2nd @ 1264

Dear Customer:

Effective 1/1/92 an amendment to the California Consumer Credit Reporting Agencies Act places some *restrictions* on Consumer Reporting Companies and some *requirements* on the user(s) of *consumer credit reports for employment purposes*. While you should check with your own legal counsel for advice and compliance procedures, we are providing a brief overview of the requirements of this amendment, as well as a description of our compliance procedures which will be in place 1/1/92. We believe that the amendment (The Speier Act, Assembly Bill #1102) applies only to *consumers within the state of California, normally residents, but your own practices, policies and legal advice may be a factor in this determination*. The amendment includes the following:

PROHIBITS: (Consumer Reporting Agency)

- The reporting of age, marital status, race, color or creed on consumer credit reports furnished for employment purposes, and of course our reports do not currently contain such information, except for age, which will now be dropped.

REQUIRES: (Consumer Reporting Agency)

- When requested by the user, the consumer credit report to the user shall be provided contemporaneously to the consumer at no charge.

REQUIRES: (User)

- Prior to requesting a consumer credit report for employment purposes, the user of the report shall provide written notice to the person involved. Because our employment reports are investigative in nature and subject to the federal Fair Credit Reporting Act (FCRA), you will normally be giving the applicant or employee a written pre-notification under FCRA section 1681d(a)(1), 15 United States Code section 1681d(a)(1). The Speier Act notification may be made a part of the FCRA pre-notification if you know you will be ordering a report from us, or a separate notice if you are unsure when you take the application of whether a consumer credit report will be ordered, or if the report is on a current employee who is not newly hired. Example A attached is an FCRA pre-notification; Example B is an FCRA pre-notification modified to contain a Speier notification; and Example C is a separate Speier notification.
- The notice shall inform the subject that a consumer credit report will be used and of the source of the report.
- The attached notices contain the box for the subject of the report to check off to receive a copy of the credit report, and this is specifically required by the law.

- As shown on the notices, if the subject of the report indicates that he/she wishes to receive a copy of the consumer credit report, the user shall request that a copy be provided to the subject when the user requests its report from the consumer reporting agency.
- If employment involving a consumer is denied either wholly or partly because of information contained in a consumer credit report, the user shall so advise the subject and supply the name and address of the Consumer Reporting Agency providing the report. (Post-notification).

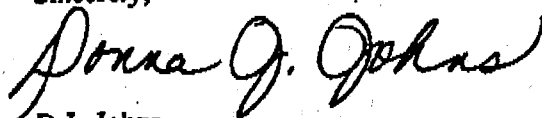
EQUIFAX EMPLOYMENT SERVICES COMPLIANCE PROCEDURES:

- Race, color, creed and marital status will continue not to be shown and age will no longer be shown, on report copies sent to the user or to the subject, for those employment reports with California addresses produced in any of our Employment Service Centers. However, we will continue to use age or date of birth internally as an identifier while preparing the report. ✓
- Because of the difficulties in complying with this law otherwise and to avoid misunderstanding with the subjects of reports, upon receipt of a request from the user to provide a copy of the consumer credit report to the subject, a copy of the entire employment report will be sent to the subject at the same time the report is sent to the user.
- Equifax Employment Services will best be capable of responding to user requests to comply with this amendment if you provide us with complete information to respond to the subject, i.e.
 - A written request to send the subject a free copy,
 - Subject's complete name,
 - Subject's complete current address.

Because practices and factual situations will differ, we would suggest that questions about the amendment would be best handled by your own legal counsel. However, questions about our procedures can be addressed to your Equifax sales associate or John Henschel, Director Operations Support, Atlanta, Georgia 404-870-2549.

We look forward to working with you on this as needed.

Sincerely,



D.J. Johns
President & General Manager
Employment Services Division

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