

Northeast Claim Service
P.O Box 1252
Schenectady, NY 12301-1252
518-882-5025
1-888-263-6676
E-Mail Gizzi@privateeye.us
www.Northeastclaimservice.com

To: All Clients

From: Joseph M. Gizzi

Re: Tenant / Co-op or Condo Screening Credit Reports:

The Federal Trade Commission through the Fair Credit Reporting Act strictly regulates the use of credit reports. In addition, the three (3) major credit bureaus have further restricted the use of their credit reports.

Northeast Claim Service. is considered a “re-seller” of these reports. We can only provide our customers with credit reports for certain legitimate business purposes, among which are screening prospective tenants.

Due to recent contractual changes required by the credit bureaus, and requirements mandated by the Federal Trade Commission (FTC), we need additional information from your organization prior to running credit reports.

In order for you to order reports, we are required to obtain documentation so that the credit bureaus, the FTC and we know that you represent a bona fide rental business, legitimate landlord, or co-op board. This is done because the information in credit reports is personal and confidential and to prevent unauthorized use of credit information.

If yours involves an apartment complex, we need the information noted in items 1-4 one time only.

1. Copy of proof of your ownership (deed, tax bill, property insurance, for example).
2. Certification that you will abide by the Fair Credit Reporting Act. (Form enclosed).

The following items 5 & 6 are required for EACH applicant.

TENANT/CO-OP CREDIT REPORTS

3. Copy of signed authorization (use the form provided by Northeast Claim Service) from the individual(s) to be checked, along with a copy of that person's driver's license.

4. Completed End User Credit Report Agreement and Requested Documents

TO: ALL CLIENTS

FROM: Joseph M. Gizzi

**SUBJECT: FAIR CREDIT REPORTING ACT (FCRA) PL-91-508
CONSUMER CREDIT REPORTING REFORM ACT OF 1996 (CCRRA) PL104-208
NEW YORK GENERAL BUSINESS LAWS OF 1977 CHAPTER 867**

This memorandum outlines the principal requirements and procedures that users of *CONSUMER* or *INVESTIGATIVE CONSUMER REPORTS* must comply with, along with a suggested format for *AUTHORIZATION* and *ADVERSE ACTION NOTIFICATION*.

A *CONSUMER REPORT* is a file that may exist on a person in Credit Bureau; an *INVESTIGATIVE CONSUMER REPORT* is basically a "background investigation" of an *APPLICANT* which may contain Credit Bureau files PLUS information from other sources including but not limited to former employers, associates, references and neighbors. Steps 2 and 3 outlined below, apply principally to *JOB APPLICANTS*.

1. ALL CLIENTS must *certify* to Northeast Claim Service that information requested in a *Consumer or Investigative Consumer Report* will be used **ONLY** for the purpose requested.
2. Each landlord must obtain a **WRITTEN AUTHORIZATION** from a prospective tenant before requesting either a *CONSUMER* or *INVESTIGATIVE CONSUMER REPORT*. A suggested format for is provided.
3. Should you decline an applicant tenancy based partly or wholly on data in a report, you must give the applicant the name and address of the agency from which you obtained the report and inform the applicant that the decision to decline was based on such a report.
4. Under the *Consumer Credit Reporting Reform Act of 1996*, whenever any adverse action is taken against an applicant, either partly or wholly because of information contained in a *CONSUMER REPORT*, the user must provide him or her with oral, written or electronic notice of the adverse action, as well as the name, address and phone number of the consumer reporting agency that furnished the report and a statement that the consumer reporting agency did not make the decision to take the adverse action and is unable to explain the specific reasons behind the decision. The applicant must also be notified of his or her right to dispute the accuracy of the report.

Moreover, any user intending to take adverse action against an applicant or employee based wholly or partly on the information contained in a *CONSUMER REPORT* will first have to provide the applicant with a copy of the credit portion of the report, along with a written summary of his or her rights under this statute (including the right to request disclosure of the nature, sources and recipients of any credit report).

Under the Reform Act, "adverse action" includes all business, credit and employment actions affecting consumers that can be considered to have a negative impact-such as unfavorably changing credit or contract terms or conditions, denying or canceling credit or insurance, offering credit on less favorable terms than requested or denying employment or promotion.

5. If your reason for declining the applicant has nothing to do with information in the report, the foregoing notification **DOES NOT** apply.

TO: ALL CLIENTS

FROM: Joseph M Gizzi

**SUBJECT: FAIR CREDIT REPORTING ACT (FCRA) PL 91-508
CONSUMER CREDIT REPORTING REFORM ACT OF 1996 (CCRRA) PL-104-208
GENERAL BUSINESS LAW OF NEW YORK (CH 867-GBL-NY-1977)**

In order to comply with the above statutes, we are required to have a statement from each of our clients to the effect that reports ordered from Northeast Claim Service, which are covered by the above, will be used only for permissible purposes outlined in the acts.

For ease of handling, please read and certify compliance with the statement below by affixing your signature. Forward a copy to us and retain a copy for your files.

If you have any questions regarding the Fair Credit Reporting Act, The Consumer Credit Reporting Reform Act of 1996 or the General Business Law of New York, call our toll free information line at:

1-888-263-6676

The consumer reports or investigative consumer reports ordered by our firm from Northeast Claim Service, will be used only for the permissible purposes outlined in the Fair Credit Reporting Act (PL 91-508), The Consumer Credit Reporting Reform Act of 1996 and the General Business Law of New York (CH 867-NY-1977).

Our firm certifies that it will comply with the Reform Act's disclosure and adverse action requirement and that the information will not be used in violation of any applicable Federal or State equal opportunity law or regulation.

Signed : _____ Date _____

Title: _____

Company: _____

Address: _____

Purpose: tenant credit checks

Please Note: Any person who knowingly obtains a consumer report under false pretenses or without a permissible purpose will be subject to damages. In these circumstances, the person will be liable to both the consumer reporting agency and the applicant or employee for their actual damages sustained or \$1,000, whichever is greater.

In addition, any person that willfully fails to comply with the statute will be liable to the applicant or employee for actual damages, punitive damages, costs and attorney's fees, although the Reform Act limits actual damages in this situation to an amount not less than \$100 and not more than \$1,000.

Finally, if an unsuccessful motion, pleading or other paper is filed in "bad faith or for purposes of harassment," the Reform Act will award reasonable attorney's fees to the prevailing party.

CREDIT AUTHORIZATION STATEMENT

This shall authorize the procurement of a consumer report by _____

Address:

In connection with this request, I authorize all credit agencies, banks, lending institutions, former employers and persons to release information they may have about me to the person or company with which this form has been filed, or their agent, Northeast Claim Service.

This authorization, in original or copy form, shall be valid for this and any future reports or updates that may be requested.

I understand that I have the right to request additional disclosure as to the nature and scope of the investigation, upon written request, within a reasonable period of time.

_____	_____	_____	_____	_____
Applicant's Signature	Print Name	Date		
_____	_____	_____	_____	[]
Birth Name	Social Security Number	Date of Birth	Driver ID Number	State
_____ / _____		_____		
Address	Prior address			

If a spouse or a second applicant is involved, please include the information requested below and be sure both applicants sign this document.

_____	_____	_____	_____	_____
Applicant's Signature	Print Name	Date		
_____	_____	_____	_____	[]
Birth Name	Social Security Number	Date of Birth	Driver ID Number	State
_____ / _____		_____		
Address	Prior address			

The consumer reports or investigative consumer reports ordered by our firm from Northeast Claim Service, will be used only for the permissible purposes outlined in the Fair Credit Reporting Act (PL 91-508), The Consumer Credit Reporting Reform Act of 1996 and the General Business Law of New York (CH 867-NY-1977).

Our firm certifies that it will comply with the Reform Act's disclosure and adverse action requirement and that the information will not be used in violation of any applicable Federal or State equal opportunity law or regulation.

Requested by: _____
Signed _____ Date _____

ADVERSE ACTION NOTIFICATION

Applicant's Name: _____ SS# _____

Your application has been denied based on the following reason(s):

Information contained in a consumer credit report from:
Northeast Claim Service.

Information from a source other than a consumer credit report

Other: _____

In reaching our decision to decline your application, we relied, in whole or in part, on information contained in an investigative consumer report obtained from:

Northeast Claim Service
P.O. Box 1252
Schenectady, NY 12301-1252

1-888-263-6676

You have the right to full disclosure of the nature and substance of the information about you in the agency's files at no charge - if you contact the agency directly within 60 days.

Under The Consumer Credit Reporting Reform Act of 1996, whenever adverse action is taken against an applicant or employee based partly or wholly because of information contained in a *CONSUMER REPORT* we must provide you with the above, as well as advise you that the consumer reporting agency did not make the decision to take the adverse action and is unable to explain the specific reasons behind our decision.

If this section applies, we will provide you with a copy of the *CONSUMER REPORT* and you do have the right to dispute the accuracy of the report directly with the Credit Reporting Agency. We will also provide you with a written summary of your rights under the statute.