



FCRA REQUIREMENTS FOR RESELLERS

Before reselling a customer report, or any information within the report:

- You must disclose to the original consumer reporting agency:
 - The identity of the end-user who will use the report or information; and
 - Each permissible purpose for which the report or information will be furnished to the end-user.¹
- You must also confirm that the report or information will be furnished for a “permissible purpose” under the FCRA. “Permissible purpose” means, among other uses, furnishing a consumer report under the following circumstances:
 - In accordance with the written instructions of the consumer to whom it relates.
 - For employment purposes
 - In connection with the underwriting of insurance involving the consumer; OR
 - For a legitimate business need:
 - In connection with a business transaction that is initiated by the consumer; or
 - To review an account to determine whether the consumer continues to meet the terms of the account.²
- You must establish and comply with reasonable procedures that are designed to ensure that the report or information is resold only for a permissible purpose. These procedures include ensuring that the following information is tracked and making a reasonable effort to verify the following information:
 - Information identifying each end user of the resold report or information;
 - Certifications of each purpose that the report or information will be used for from each end user; and
 - Certifications that the report or information will not be used for any other purpose, from each end user.³

Accuracy Requirements: A reseller must accurately assemble and merge the information obtained from the original consumer reporting agency.⁴

*Note: This should NOT be construed as legal advice, guidance or counsel. You should consult your own attorney about your compliance responsibilities under the FCRA and applicable state law. SambaSafety expressly disclaims any warranties or responsibility or damages associated with or arising out of information provided.

¹ See 15 U.S.C. § 1681e(e)(1).

² See 15 U.S.C. § 1681b(a).

³ See 15 U.S.C. § 1681e(e)(2).

⁴ See 15 U.S.C. §§ 1681a(u); 1681e(b).

Reinvestigation Requirements: If a reseller receives a notice from a consumer, that disputes the completeness or accuracy of information that is in a consumer report produced by the reseller, then the reseller must:

- Within five days of receiving the notice, determine if the information is incomplete or inaccurate as the result of an action of omission on its part.
 - If so, the reseller must correct the information on the consumer report or delete it. This must be done within 20 days of receiving the notice of the dispute.
 - If not, the reseller must convey the notice of the dispute and all relevant information provided by the consumer to each consumer reporting agency that provided the information that is subject to the dispute.⁵
- When a consumer reporting agency completes a reinvestigation and sends the notice of the results of the reinvestigation to the reseller, the reseller must immediately convey the notice to the consumer.⁶

Fraud Alerts: A reseller must include in its report any fraud alert or active duty alert that is placed in a consumer's file by another consumer reporting agency.⁷

⁵ See 15 U.S.C. § 1681i(f)(2).

⁶ See 15 U.S.C. § 1681i(f)(3).⁷ See 15 U.S.C. § 1681c(f).