

**Pre-Adverse Action Letter**

Pre-Adverse Action by Employer:

 An action which will bar an offer of employment based upon information supplied in part or in whole by a Consumer Reporting Agency (CRA) requires a Pre-Adverse Action Letter be sent prior to making a final decision.

Pre-Adverse Action Letter:

Before you take an adverse action, you must give the individual a pre-adverse action disclosure that includes a copy of the individual's consumer report and a copy of "A Summary of Your Rights Under the Fair Credit Reporting Act" — a document prescribed by the Federal Trade Commission. Adam Safeguard’s Reports include this required FCRA document automatically with every Report when printed.

Applicant Pre-Adverse Action Documents If the consumer report (Background Check) provides information that will negatively influence the employment opportunities of the applicant, whether in whole or in part, you must do all of the following BEFORE such an adverse action is made:

a. Provide the applicant with a copy of the consumer report; and

b. Provide the applicant a description in writing of their rights under the FCRA as prescribed by the FTC.

This pre-adverse action process allows the applicant the chance to dispute the negative information in the report. The employer should allow a reasonable amount of time for the applicant to respond to this pre-adverse action notification before final determination is made or adverse action is taken. (There is an FTC opinion letter that deems 5 days as reasonable)

Sample Pre-Adverse Action Letter

Date

Applicant

Address

City/State/Zip

Dear (Applicant);

In Connection with your application for Employment with (Company Name), you authorized the Company to perform a Background check.

(Company Name) is currently in the process of reviewing the investigative components of your screening we received and they may decide to eliminate you from further consideration for employment based, in whole or in part, on the information contained in the Report. Enclosed is a copy of the investigative consumer report together with “A Summary of Your Rights Under the Fair Credit Reporting Act” as required by law.

(Company Name’s) policy is to give an Applicant a (usually 5 business day) time frame to review the information contained in the Background Report before a decision is made. If you can prove that the information contained is inaccurate or incomplete, please contact Adam Safeguard. If the information included in the Background Report is correct and you wish to discuss the issue further, please contact (Company Name) directly prior to (Date – usually 5 business days).

Sincerely,

Adam Safeguard