

California Fair Credit Reporting Certification

California Certification. Stretto customers who order and use consumer credit reports (“Customers”) must certify that they will comply with applicable provisions under California law, including but not limited to the Consumer Credit Reporting Agencies Act and the Investigative Consumer Reporting Agencies Act, parts of which are included herein for Customers’ reference. Customers must acknowledge that the California statutes and rule excerpts provided by Stretto are not an exhaustive representation of all California laws affecting credit report users and are not intended to provide Customers with legal advice regarding California law or Customers’ obligations thereunder. If Customers have questions about their specific obligations under the FCRA or any related state law, they should consult with their own legal counsel.

California Code

Civil Code - CIV

DIVISION 3 - OBLIGATIONS

PART 4 - OBLIGATIONS ARISING FROM ICULAR TRANSACTIONS

TITLE 1.6 - CONSUMER CREDIT REPORTING AGENCIES ACT

CHAPTER 2 - Obligations of Consumer Credit Reporting Agencies

Sections 1785.10 – 1785.6

1785.13.

(a) No consumer credit reporting agency shall make any consumer credit report containing any of the following items of information:

- (1) Bankruptcies that, from the date of the order for relief, antedate the report by more than 10 years.
- (2) Suits and judgments that, from the date of entry or renewal, antedate the report by more than seven years or until the governing statute of limitations has expired, whichever is the longer period.
- (3) Unlawful detainer actions, unless the lessor was the prevailing party. For purposes of this paragraph, the lessor shall be deemed to be the prevailing party only if (A) final judgment was awarded to the lessor (i) upon entry of the tenant’s default, (ii) upon the granting of the lessor’s motion for summary judgment, or (iii) following trial, or (B) the action was resolved by a written settlement agreement between the parties that states that the unlawful detainer action may be reported. In any other instance in which the action is resolved by settlement agreement, the lessor shall not be deemed to be the prevailing party for purposes of this paragraph.
- (4) Paid tax liens that, from the date of payment, antedate the report by more than seven years.
- (5) Accounts placed for collection or charged to profit and loss that antedate the report by more than seven years.
- (6) Records of arrest, indictment, information, misdemeanor complaint, or conviction of a crime that, from the date of disposition, release, or parole, antedate the report by more than seven years. These items of information shall no longer be reported if at any time it is learned that in the case of a conviction a full pardon has been granted, or in the case of an arrest, indictment, information, or misdemeanor complaint a conviction did not result.
- (7) Any other adverse information that antedates the report by more than seven years.

(b) The seven-year period specified in paragraphs (5) and (7) of subdivision (a) shall commence to run, with respect to any account that is placed for collection (internally or by referral to a third party, whichever is earlier), charged to profit and loss, or subjected to any similar action, upon the expiration of the 180-day period beginning on the date of the commencement of the delinquency that immediately preceded the collection activity, charge to profit and loss, or similar action. Where more than one of these actions is taken with respect to a particular account, the seven-year period specified in paragraphs (5) and (7) shall commence concurrently for all these actions on the date of the first of these actions.

(c) Any consumer credit reporting agency that furnishes a consumer credit report containing information regarding any case involving a consumer arising under the bankruptcy provisions of Title 11 of the United States Code shall include an identification of the chapter of Title 11 of the United States Code under which the case arose if that can be ascertained from what was provided to the consumer credit reporting agency by the source of the information.

(d) A consumer credit report shall not include any adverse information concerning a consumer antedating the report by more than 10 years or that otherwise is prohibited from being included in a consumer credit report.

(e) If a consumer credit reporting agency is notified by a furnisher of credit information that an open-end credit account of the consumer has been closed by the consumer, any consumer credit report thereafter issued by the consumer credit reporting agency with respect to that consumer, and that includes information respecting that account, shall indicate the fact that the consumer has closed the account. For purposes of this subdivision, "open-end credit account" does not include any demand deposit account, such as a checking account, money market account, or share draft account.

(f) Consumer credit reporting agencies shall not include medical information in their files on consumers or furnish medical information for employment, insurance, or credit purposes in a consumer credit report without the consent of the consumer.

(g) A consumer credit reporting agency shall include in any consumer credit report information, if any, on the failure of the consumer to pay overdue child or spousal support, where the information either was provided to the consumer credit reporting agency pursuant to Section 4752 or has been provided to the consumer credit reporting agency and verified by another federal, state, or local governmental agency.

(Amended by Stats. 2009, Ch. 500, Sec. 10. (AB 1059) Effective January 1, 2010.)

1785.20.5.

(a) Prior to requesting a consumer credit report for employment purposes, the user of the report shall provide written notice to the person involved. The notice shall inform the person that a report will be used, and shall identify the specific basis under subdivision (a) of Section 1024.5 of the Labor Code for use of the report. The notice shall also inform the person of the source of the report, and shall contain a box that the person may check off to receive a copy of the credit report. If the consumer indicates that he or she wishes to receive a copy of the report, the user shall request that a copy be provided to the person when the user requests its copy from the credit reporting agency. The report to the user and to the subject person shall be provided contemporaneously and at no charge to the subject person.

(b) Whenever employment involving a consumer is denied either wholly or partly because of information contained in a consumer credit report from a consumer credit reporting agency, the user of the consumer credit report shall so advise the consumer against whom the adverse action has been taken and supply the name and address or addresses of the consumer credit reporting agency making the report. No person shall be held liable for any violation of this section if he or she shows by a preponderance of the evidence that, at the time of the alleged violation, he or she maintained reasonable procedures to assure compliance with this section.

(Amended by Stats. 2011, Ch. 724, Sec. 1. (AB 22) Effective January 1, 2012.)

California Code

Civil Code - CIV

DIVISION 3 - OBLIGATIONS

PART 4 - OBLIGATIONS ARISING FROM ICULAR TRANSACTIONS

TITLE 1.6A- INVESTIGATIVE CONSUMER REPORTING AGENCIES ACT

ARTICLE 2 - Obligations of Investigative Consumer Credit Reporting Agencies

Sections 1786.10 – 1786.40

1786.18.

(a) Except as authorized under subdivision (b), an investigative consumer reporting agency may not make or furnish any investigative consumer report containing any of the following items of information:

- (1) Bankruptcies that, from the date of the order for relief, antedate the report by more than 10 years.
- (2) Suits that, from the date of filing, and satisfied judgments that, from the date of entry, antedate the report by more than seven years.
- (3) Unsatisfied judgments that, from the date of entry, antedate the report by more than seven years.
- (4) Unlawful detainer actions where the defendant was the prevailing party or where the action is resolved by settlement agreement.
- (5) Paid tax liens that, from the date of payment, antedate the report by more than seven years.
- (6) Accounts placed for collection or charged to profit and loss that antedate the report by more than seven years.
- (7) Records of arrest, indictment, information, misdemeanor complaint, or conviction of a crime that, from the date of disposition, release, or parole, antedate the report by more than seven years. These items of information shall no longer be reported if at any time it is learned that, in the case of a conviction, a full pardon has been granted or, in the case of an arrest, indictment, information, or misdemeanor complaint, a conviction did not result; except that records of arrest, indictment, information, or misdemeanor complaints may be reported pending pronouncement of judgment on the particular subject matter of those records.

(8) Any other adverse information that antedates the report by more than seven years.

(b) The provisions of subdivision (a) are not applicable in either of the following circumstances:

(1) If the investigative consumer report is to be used in the underwriting of life insurance involving, or that may reasonably be expected to involve, an amount of two hundred fifty thousand dollars (\$250,000) or more.

(2) If the investigative consumer report is to be used by an employer who is explicitly required by a governmental regulatory agency to check for records that are prohibited by subdivision (a) when the employer is reviewing a consumer's qualification for employment.

(c) Except as otherwise provided in Section 1786.28, an investigative consumer reporting agency shall not furnish an investigative consumer report that includes information that is a matter of public record and that relates to an arrest, indictment, conviction, civil judicial action, tax lien, or outstanding judgment, unless the agency has verified the accuracy of the information during the 30-day period ending on the date on which the report is furnished.

(d) An investigative consumer reporting agency shall not prepare or furnish an investigative consumer report on a consumer that contains information that is adverse to the interest of the consumer and that is obtained through a personal interview with a neighbor, friend, or associate of the consumer or with another person with whom the consumer is acquainted or who has knowledge of the item of information, unless either (1) the investigative consumer reporting agency has followed reasonable procedures to obtain confirmation of the information, from an additional source that has independent and direct knowledge of the information, or (2) the person interviewed is the best possible source of the information.

(Amended by Stats. 2009, Ch. 500, Sec. 11. (AB 1059) Effective January 1, 2010.)