



COMMERCIAL INVESTIGATIONS LLC



CLIENT GUIDE

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TABLE OF CONTENTS

WELCOME	1
HOW YOUR CLIENT GUIDE WILL HELP YOU	1
GENERAL BACKGROUND INVESTIGATIONS INFORMATION	1
YOUR SERVICE AGREEMENT	2
YOUR CLIENT PROFILE	2
YOUR CLIENT PACK	3
THE APPLICANT NOTICE POSTER	3
FCRA USER INFO	3
CIWARE	5
SYSTEM REQUIREMENTS	5
YOUR INQUIRY OPTIONS	6
COUNTY CRIMINAL COURT	6
FEDERAL CRIMINAL COURT	9
SSN & ADDRESS INFORMATION.....	12
MOTOR VEHICLE	13
PROFESSIONAL LICENSE	14
EDUCATION.....	15
EMPLOYMENT	16
REFERENCE.....	17
CREDIT REPORT	17
WHY SO MANY INQUIRY OPTIONS?	18
TURNAROUND TIME	18
THE CONSENT FORM	18
THE REQUEST FORM	19
THE BACKGROUND INVESTIGATIONS REPORT	19
THE PREADVERSE ACTION DISCLOSURE	19
THE ADVERSE ACTION NOTICE	19
THE DISCLOSURE REQUEST	19
DISPUTED ACCURACY	20
VERACITY VERIFICATION	21
CONSULTATIONS	21
DETERRENT STRATEGIES	21
INTERNET ACCESS	21
BACKGROUND INVESTIGATIONS FEES	21
YOUR INVOICE	22
FREQUENTLY ASKED QUESTIONS	23
HELP	24
CONTACTS AT COMMERCIAL INVESTIGATIONS LLC	25
THE RECORD RETENTION POLICY OF COMMERCIAL INVESTIGATIONS LLC	25

WELCOME

Welcome! We're glad to have you as a COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS client and look forward to working with you. COMMERCIAL INVESTIGATIONS LLC is licensed by the New York State Department of State.

COMMERCIAL INVESTIGATIONS LLC is dedicated to providing innovative Private Investigative solutions to its clients and working with them to develop tailored services that meet their needs.

HOW YOUR CLIENT GUIDE WILL HELP YOU

This guide will help you maximize your Background Investigations while remaining in compliance with state and federal regulations. Your CLIENT GUIDE is designed to help you with the following:

- The CLIENT GUIDE will help you understand the various laws involved in BACKGROUND INVESTIGATIONS.
- The CLIENT GUIDE explains the various forms involved in BACKGROUND INVESTIGATIONS and their requirements.
- There is information on each of the inquiry options, why and when you should consider each option, and what information you can expect to receive.
- The CLIENT GUIDE will help you to understand the legal obligations of COMMERCIAL INVESTIGATIONS LLC, as well as your organization's legal responsibilities.
- The CLIENT GUIDE will explain how to use or secure Internet application, CIWARE.
- You will also find other useful information so that you can easily work BACKGROUND INVESTIGATIONS into your hiring process.

If you are unfamiliar with BACKGROUND INVESTIGATIONS, this guide offers important insight and details. We suggest that any staff member involved in using our BACKGROUND INVESTIGATIONS familiarize themselves with the information provided in this guide. Use the table of contents to quickly locate the section that may best answer your question. If you're not sure, you can always check the FAQ section, the contact section, or give us a call at COMMERCIAL INVESTIGATIONS LLC, 518-271-7546.

GENERAL BACKGROUND INVESTIGATIONS INFORMATION

You may do BACKGROUND INVESTIGATIONS when you hire new employees and when you evaluate employees for promotion, reassignment, or retention. By subcontracting your BACKGROUND INVESTIGATIONS needs with COMMERCIAL INVESTIGATIONS LLC you receive certain liability protections and also acquire certain legal obligations, as does COMMERCIAL INVESTIGATIONS LLC.

The liability protection you receive stems from the following paraphrased excerpt from the Fair Credit Reporting Act (FCRA):

No consumer may bring any action or proceeding in the nature of defamation, invasion of privacy, or negligence with respect to the reporting of information against any consumer

reporting agency, any user of information, or any person who furnishes information to a consumer reporting agency, based on information disclosed, except as to false information furnished with malice or willful intent to injure such consumer. [15 U.S.C. § 1681h(e)]

The FCRA protects the privacy of investigative consumer report information (the BACKGROUND INVESTIGATIONS Report) and guarantees that the information supplied by consumer reporting agencies (COMMERCIAL INVESTIGATIONS LLC) is as accurate as possible. It also significantly increases the legal obligations of employers who use investigative consumer reports. Employer responsibilities were expanded by Congress because of concern that inaccurate or incomplete investigative consumer reports could cause applicants to be denied jobs or cause employees to be unjustly denied promotions. The Act ensures that individuals are aware that investigative consumer reports may be used for employment purposes and agree to such use, and that individuals are notified promptly if information in a consumer report may result in a negative employment decision. COMMERCIAL INVESTIGATIONS LLC has developed the required forms for you to use to assure your compliance and we explain, in this guide, when you should use each form. It is our hope that this guide will help you institute those procedures necessary within your organization to most effectively and efficiently use COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS in a compliant manner.

YOUR SERVICE AGREEMENT

By this time you should have an executed Service Agreement. As you may have noticed, this is not an exclusive agreement. You may use any provider you wish for your BACKGROUND INVESTIGATIONS needs. We believe that our clients will choose to use COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS due to our high level of client support provided by our knowledgeable and helpful staff, and our excellent accurate reports that are delivered in a timely manner. These are the reasons why our clients use COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS, not because they are committed through a service agreement.

Because of the compliance requirements involved with BACKGROUND INVESTIGATIONS we have instituted the service agreement process. We believe that it is best for you to know what you can expect from us and what you need to do to be in compliance with the applicable laws.

Your obligations under the agreement and any applicable laws can be fulfilled through the use of the forms and procedures developed by COMMERCIAL INVESTIGATIONS LLC. It is important to us that you maintain compliance with all applicable laws, this is why we have taken the time to develop the documentation necessary for your compliance.

YOUR CLIENT PROFILE

When you received your Service Agreement you should have also received a Client Profile. Hopefully, you have filled it out and returned it to us with your signed agreement. If you haven't, please do so. The reason we request a completed Client

Profile from our clients is so we can be sure to have the most cost effective connections and arrangements made within those geographical areas for which we expect to have a high volume of requests. It's our proactive way of keeping your data accessing fees as low as possible without jeopardizing the quality of information retrieved.

YOUR CLIENT PACK

You received this guide as part of your COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS CLIENT PACK. Along with the pack we have returned your original signed Service Agreement for you to retain for your records. Your CLIENT PACK consists of our Welcome Letter; COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS Brochure; Applicant Notice Poster; Notice to Users of Consumer Reports: Obligations of Users Under the FCRA; this handy CLIENT GUIDE; and originals of the forms necessary for proper compliance – Background Investigation Consent Form, Background Investigation Request Form, Preadverse Action Disclosure, Adverse Action Notice, and Disclosure Request – in hard copy and on CD. These forms should be photocopied or printed as necessary for your operations. If any of these original forms are modified, COMMERCIAL INVESTIGATIONS LLC will make sure that you receive such updated forms. Should you desire customized forms please contact us to discuss.

THE APPLICANT NOTICE POSTER

We have developed this tool for you so that you can alert applicants of your proactive procedures for ensuring the integrity within your organization. This poster notifies applicants that you use an employment background screening service and that any misrepresentations will lead to their disqualification for hire, or promotion and reassignment in the case of current employees. The Applicant Notice Poster contained in your Client Pack has been printed on heavy stock paper in order to yield a sturdy and attractive poster for you to hang with your other applicant and employee postings. There have been instances where the use of the Applicant Notice Poster has been a deterrent and kept unwanted people from even applying. Thus, it saves you time and money before you even get to the Background Investigations request stage of the hiring process. This is just one of many value added items that COMMERCIAL INVESTIGATIONS LLC offers to its clients.

FCRA USER INFO

The Client Pack document titled **Notice to Users of Consumer Reports: Obligations of Users Under the FCRA** is an edited reproduction of a Federal Trade Commission document and is referred by COMMERCIAL INVESTIGATIONS LLC as FCRA User Info. The Federal Trade Commission allows editing to the effect that the provisions not relating to the use of consumer reports for employment purposes have been deleted.

You will notice that the FCRA User Info document has a section relating to Investigative Consumer Reports. We, at COMMERCIAL INVESTIGATIONS LLC, refer to all of our reports as Investigative Consumer Reports because this type of report requires the most compliance efforts and applies to almost all of the reports we will generate. For this

reason you need to make sure that you comply with requirements for Investigative Consumer Reports as well. The use of our forms and recommendations as stated in this guide will help you comply with all requirements.

Investigative Consumer Reports differ from Consumer Reports in that they contain information about an applicant's character, general reputation, personal characteristics, and mode of living which may be obtained through personal interviews. Whereas, Consumer Reports are reports of strictly factual information and of less a subjective view. Any Background Investigations you request with an employment check, professional license, or reference check inquiry would generate a Report that constitutes an Investigative Consumer Report.

You, as a user of Investigative Consumer Reports, must disclose to the consumer that an Investigative Consumer Report may be obtained. This disclosure must include a statement informing the applicant of his or her right to request additional disclosures of the nature and scope of the investigation. Also, the disclosure must include the summary of consumer rights required by the FCRA. You can fulfill these obligations by using the provided Consent Form at the time the applicant fills out an application or is interviewed, whichever works best with your human resource practices.

You, as a user of Investigative Consumer Reports, must also certify to the Consumer Reporting Agency (COMMERCIAL INVESTIGATIONS LLC) that the above-explained disclosures have been made and that you will make the disclosures explained below. This certification requirement has been made part of our Request Form and Clware (our secure Internet application) so that you can easily comply at the time you make a request.

Upon the written request of an applicant, which is made within a reasonable period of time after they complete the Consent Form, you must make a complete disclosure of the nature and scope of the investigation that your organization requested. You can fulfill this obligation by having the applicant fill out and forward the Disclosure Request to COMMERCIAL INVESTIGATIONS LLC. Remember that this applies only if the individual makes a written request for disclosure. Within five (5) days of receipt of the Disclosure Request we will clearly and accurately disclose the applicant's information we have on file, our sources of the information, and all report recipients for the two years preceding the request.

Adverse Actions. If you rely on a Background Investigations Report for an "adverse action" – denying a job applicant a position, not reassigning an employee, terminating an employee, or denying a promotion to an employee – be aware that before you take the adverse action you must give the individual a Pre-Adverse Action Disclosure. Along with the Pre-Adverse Action Disclosure you are required by the FCRA to include a copy of the individual's Background Investigations Report and summary of rights.

After you take the adverse action you must give the individual notice that the action has been taken in the form of an Adverse Action Notice. COMMERCIAL INVESTIGATIONS LLC

Background Investigations Adverse Action Notice complies with all the requirements of the FCRA.

Get the applicant's permission before requesting a background check. There are legal consequences for employers who fail to get an applicant's permission before requesting a consumer report or who fail to provide preadverse action disclosures and adverse action notices to unsuccessful job applicants. The FCRA allows individuals to sue employers for damages in federal court. A person who successfully sues is entitled to recover court costs and reasonable legal fees. The law also allows individuals to seek punitive damages for deliberate violations. In addition, the Federal Trade Commission, other federal agencies, and the states may sue employers for noncompliance and obtain civil penalties. With COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS you receive all the applicable forms, along with this guide explaining how to use them, and the personal assistance you require so that you can assure your compliance with the legal requirements of employment BACKGROUND INVESTIGATIONS.

CIWARE

COMMERCIAL INVESTIGATIONS LLC has a secure Internet based application, CIWARE, that allows our clients 24/7 access to submit requests, retrieve reports, and monitor the status of orders. If the user is familiar with web browsers and navigating the Internet, they will find that submitting a request with the CIWARE system is as easy as point, click and type.

CIWARE users can track applicants by report status, time / date sent and returned, and sort this information by the date the report was ordered or returned, the status of the report, applicant name or report number.

Client's reports are accessible via CIWARE for approximately two years. Telephone training is available at anytime for any COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS client and CIWARE user.

SYSTEM REQUIREMENTS

- Internet Explorer 6.0 or greater browser. Available as a free download from: <http://www.microsoft.com/Windows/IE/>
- Connection to the Internet. Because the data is 128-bit encrypted for high security, it is recommended that the client have a high speed Internet connection such as DSL.
- Resolution 800 x 600 (1024 x 768 recommended)
- Adobe Acrobat Reader, Version 3.0 or greater. Available as a free download from: <http://www.adobe.com/products/acrobat/readstep.html>

YOUR INQUIRY OPTIONS

A study revealed that 80% of all resumes are misleading. Thirty percent contain altered dates, 22% made false claims, 41% inflated salary claims, 33% inflated title and responsibilities, 25% listed a phony former employer, 34% contained untruthful termination reasons, and 27% falsified records. *(Source: Xukor Resume Statistics.)* Use our BACKGROUND INVESTIGATIONS inquiry options to verify your applicants' resumes and other hiring documentation.

COUNTY CRIMINAL COURT

Whose records should be searched?

In today's litigious society it is highly recommended that you check the county criminal records of any potential employee. At a minimum, a COUNTY CRIMINAL COURT inquiry is appropriate when an applicant's position involves safety, protection of property, or any risk of harm to customers or coworkers.

What information will this inquiry reveal?

A county criminal court inquiry will reveal felony or misdemeanor convictions, along with any pending criminal issues within at least the past seven years. Please note that the Federal Fair Credit Reporting Act, due to an amendment, now allows employers to access criminal convictions with no time limitation through a consumer reporting agency such as COMMERCIAL INVESTIGATIONS LLC. We are at the mercy of the court systems, many which have records accessible for about ten years, so this is the information we can retrieve and pass on to you.

Pursuant to the EEOC guidelines and New York State Human Rights Law, we do not provide arrest information, unless it is a pending issue. The New York State Human Rights Law indicates that: "it is an unlawful discriminatory practice to make any inquiry about, whether in any form of application or otherwise, or to act upon adversely to the individual involved, any arrest or criminal accusation of such individual not then pending against that individual which was followed by a termination of that criminal action or proceeding in favor of such individual."

If no criminal records are found concerning the individual, the BACKGROUND INVESTIGATIONS report will indicate that no criminal record was found for that individual. If a criminal record is found the BACKGROUND INVESTIGATIONS report will specify for each case the case number, file date, name on record, DOB (date of birth) on record, SSN (Social Security Number) on record, Other ID, case comments, and for each count the type, disposition date, disposition, sentence, and charge comments if available from the court. Additional details obtained from the court will also be passed on.

Where should you search?

The number of counties to be searched is up to you. However, consider the counties in which the individual lived, worked, and attended school within the at least the past seven years.

When would a COUNTY CRIMINAL COURT inquiry be appropriate?

A COUNTY CRIMINAL COURT inquiry would be appropriate before hiring a new employee or before reassigning or promoting an existing employee. We make turnaround time a priority so neither you, nor the applicant will have to wait long.

How should you use this information?

Criminal conviction information regarding an applicant can be extremely valuable in protecting your organization from potential harm. However, you must keep in mind that federal and state laws provide guidance on using criminal conviction information.

The Equal Employment Opportunity Commission (EEOC) provides that employers may not have a policy that excludes all applicants who have been convicted of a crime. However, if there is a conviction, the EEOC allows the employer to presume that the applicant did commit the alleged conduct and is not required to make further investigation. But, the employer still must consider:

1. The nature and gravity of the offense
2. The time that has passed since the conviction, and
3. The nature of the job held or sought.

In an effort to comply with the EEOC provisions, it is recommended that employers establish guidelines which reflect reasonable background standards for the job. Some organizations initiate the following procedures to help their managers comply with the EEOC provisions:

1. They provide clear and reasonable guidelines on what is an unsatisfactory criminal history for each specific position.
2. They provide for the referral of a hiring decision involving criminal information to a senior human resource staff member who has experience and knowledge to comply with the EEOC requirements.
3. They have a committee designated to make the hiring decision when adverse information is reported. The committee tracks decisions to ensure continued nondiscriminatory practices.

In New York there are legal protections for individuals convicted of crimes. But, in some cases employers will have an overriding concern; specifically, where the granting of employment would involve an unreasonable risk to property or to the safety or welfare of specific individuals or the general public.

For your understanding and protection, the following is a brief synopsis of the New York Correction Law regarding the employment of persons previously convicted of one or more criminal offenses:

Unfair discrimination against persons previously convicted of one or more criminal offenses prohibited. No application for employment shall be denied by reason of the applicant's having been previously convicted of one or more criminal offenses, or by reason of finding of lack of "good moral character" when such finding is based upon the fact that the applicant has previously been convicted of one or more criminal offenses, unless:

There is a direct relationship between one or more of the previous criminal offenses and the employment sought;

The granting of the employment would involve an unreasonable risk to property or to the safety or welfare of specific individuals or the general public.

In making a determination the employer shall consider the following factors:

- The specific duties and responsibilities necessarily related to the employment sought.
- The bearing, if any, the criminal offense or offenses for which the person was previously convicted will have on his fitness or ability to perform one or more such duties or responsibilities.
- The time which has elapsed since the occurrence of the criminal offense or offenses.
- The seriousness of the offense or offenses.
- Any information produced by the person, or produced on his behalf, in regard to his rehabilitation and good conduct.
- The legitimate interest of the employer in protecting property, and the safety and welfare of specific individuals or the general public.

An employer should also give consideration to a certificate of good conduct issued to the applicant, which certificate shall create a presumption of rehabilitation in regard to the offense or offenses specified therein.

Written statement upon denial of license or employment. At the request of any person previously convicted of one or more criminal offenses who has been denied employment, the prospective employer shall provide, within

thirty days of a request, a written statement setting forth the reasons for such denial.

Why should you request a COUNTY CRIMINAL COURT inquiry?

A COUNTY CRIMINAL COURT inquiry can protect your organization against claims of negligence and reduce the potential for internal theft and fraud. A criminal record is an excellent indicator of whether an applicant has a propensity for violence, theft, and drug or alcohol abuse. Claims of negligent hiring have been more successful in court when an employee had a prior history of criminal activity.

A COUNTY CRIMINAL COURT inquiry can reveal serious and disqualifying information seldom volunteered by an applicant. The existence of a felony or misdemeanor conviction should not automatically bar employment of an individual. However, a criminal history that is job related is a legitimate reason to disqualify an applicant.

You can request a COUNTY CRIMINAL COURT inquiry in any county in all 50 states and the District of Columbia. You may include the current county of residence and any past counties where the applicant lived, worked and attended school. All records are searched by hand at the county court for both felonies and misdemeanors. This has proven to be the most reliable method for COUNTY CRIMINAL COURT inquiries.

FEDERAL CRIMINAL COURT

Whose records should be searched?

At a minimum you should consider searching the records of any potential employee who has any access to your residents or patients. In today's litigious society it is highly recommended that you check the federal criminal records of any potential employee.

There is a difference between county and federal criminal checks and one does not supersede the other. They are both necessary.

What information will this search reveal?

A federal criminal record search will reveal any felony or misdemeanor convictions. Please note that federal law allows employers to access criminal convictions with no time limitation through a consumer reporting agency such as COMMERCIAL INVESTIGATIONS LLC. A lot of the court systems only go back about ten years, so this is the information we can retrieve and pass onto you.

Pursuant to New York State Human Rights Law, we do not provide arrest information, unless it is a pending issue. The law indicates that: "it is an unlawful discriminatory practice to make any inquiry about, whether in any form of application or otherwise, or to act upon adversely to the individual involved, any

arrest or criminal accusation of such individual not then pending against that individual which was followed by a termination of that criminal action or proceeding in favor of such individual.”

If no criminal records are found concerning the individual the Background Investigations Report will indicate that no criminal record was found for that individual. If a criminal record is found the Background Investigations Report will specify the following for each case the case number, file date, name on record, DOB (date of birth) on record, SSN (social security number) on record, Other ID, case comments, and for each count the type, disposition date, disposition, sentence, and charge comments.

A search is conducted in the U.S. Party Case Index to determine if the searched individual has been involved in criminal federal litigation within any of the participating courts. Any occurrences are then searched in the indicating court. Besides checking the index, we also check the U.S. District Court and U.S. Circuit Court of Appeal that correspond to the county requested.

Where should you search?

You should request a search in those U.S. District and Appeal Courts that correspond to counties in which the individual lived, worked, and attended school within the past ten years (seven years in New York).

When would a federal criminal check be appropriate?

A Federal Criminal Record Check would be appropriate before hiring a new employee or before reassigning or promoting an existing employee.

How should you use this information?

Criminal conviction information regarding an applicant can be extremely valuable in protecting your institution and its patients and/or residents from potential harm. However, you must keep in mind that in New York there are legal protections for individuals convicted of crimes. But, in most cases you will have an overriding concern; specifically, where the granting of employment would involve an unreasonable risk to property or to the safety or welfare of specific individuals or the general public. In such instances your concern for the safety and welfare of your residents/patients and staff is reason enough to decline employment to such individuals.

For your understanding and protection, the following is a brief synopsis of the New York Correction Law regarding the employment of persons previously convicted of one or more criminal offenses:

Unfair discrimination against persons previously convicted of one or more criminal offenses prohibited. No application for employment shall be denied by reason of the applicant's having been previously convicted of

one or more criminal offenses, or by reason of finding of lack of “good moral character” when such finding is based upon the fact that the applicant has previously been convicted of one or more criminal offenses, unless:

- There is a direct relationship between one or more of the previous criminal offenses and the employment sought;
- The granting of the employment would involve an unreasonable risk to property or to the safety or welfare of specific individuals or the general public.

In making a determination the employer shall consider the following factors:

- The specific duties and responsibilities necessarily related to the employment sought.
- The bearing, if any, the criminal offense or offenses for which the person was previously convicted will have on his fitness or ability to perform one or more such duties or responsibilities.
- The time which has elapsed since the occurrence of the criminal offense or offenses.
- The seriousness of the offense or offenses.
- Any information produced by the person, or produced on his behalf, in regard to his rehabilitation and good conduct.
- The legitimate interest of the employer in protecting property, and the safety and welfare of specific individuals or the general public.

An employer should also give consideration to a certificate of good conduct issued to the applicant, which certificate shall create a presumption of rehabilitation in regard to the offense or offenses specified therein.

Written statement upon denial of license or employment. At the request of any person previously convicted of one or more criminal offenses who has been denied employment, the prospective employer shall provide, within thirty days of a request, a written statement setting forth the reasons for such denial.

Why should you request a federal criminal records check?

A Federal Criminal Record Check can protect your facility against claims of negligence and reduce the potential for internal theft and fraud. A criminal record

is an excellent indicator of whether an applicant has a propensity for violence, theft, and drug or alcohol abuse. Claims of negligent hiring have been more successful in court when an employee had a prior history of criminal activity.

A Federal Criminal Record Check can reveal serious and disqualifying information seldom volunteered by an applicant. The existence of a felony or misdemeanor conviction should not automatically bar employment of an individual. However, a criminal history that is job related is a legitimate reason to disqualify an applicant.

You may elect to have a search conducted through the U.S. District Court system and the U.S. Circuit Courts of Appeal. Depending on where the applicant lived and worked, you can choose to have the search conducted within each of the applicable U.S. District and Appeal Courts. As part of the Federal Criminal Record Check, a search is conducted using the U.S. Party Case Index to determine if your applicant has been involved in federal litigation within any of the participating courts. Identified court cases involving your applicant are automatically researched within the indicating U.S. District Courts and corresponding U.S. Circuit Courts of Appeal.

SSN & ADDRESS INFORMATION

Whose records should be searched?

You should run a Social Security Number Verification on every applicant.

What information will this search reveal?

A Social Security Number Verification will reveal all names associated with the specific number and previous addresses. It may also reveal the date of birth of the individual assigned the specific Social Security Number.

Where should you search?

The database used by COMMERCIAL INVESTIGATIONS LLC is a nationwide database. Just supply us the Social Security Number and we will let you know the name and past addresses associated with it.

When would a Social Security Number Verification be appropriate?

A Social Security Number Verification would be appropriate before hiring a new employee or before reassigning or promoting an existing employee.

How should you use this information?

The information revealed by a Social Security Number Verification should be used to verify the identity and honesty of the applicant. Our staff will use the information retrieved to verify accuracy between the various searches. Our

Integrity Verification Process will help you get the most out of your background screen request. We compare all requested search results to identify any discrepancies and possible areas to expand your search.

The Social Security Number Verification is extremely valuable for identifying other possible areas for criminal searches. For example, an individual may not have indicated that they lived at a certain address on their application and/or consent form. The indication of this unknown address through a Social Security Number Verification will alert you to another location to have searched for possible criminal records. Thus, the Social Security Number Verification is a search that can make your background screen more complete and accurate.

Why should you request a social security number verification?

Rule out a false identity by verifying that the Social Security Number provided is legitimate and has been used properly. This verification process may also identify previous addresses, date of birth, and employment information. Get a complete Integrity Verification by including a Social Security Record Check as part of all your Background Investigations requests.

MOTOR VEHICLE

Whose records should be searched?

At a minimum, employers should consider doing a Motor Vehicle inquiry on any subject that would be assuming a position which would require them to drive a vehicle, whether a facility-owned vehicle, their own, or a rental vehicle during their working hours. The information available through a Motor Vehicle inquiry provides for a more complete integrity verification and understanding of the applicant, even if they will not assume a position that requires them to drive a vehicle. Thus, it is not unreasonable to consider doing a MOTOR VEHICLE inquiry on all applicants.

What information will this search reveal?

The MOTOR VEHICLE inquiry contains the last reported address, date of birth, Social Security Number (in some states), and driving violations. Some states also include gender, height, weight, eye color, and hair color.

Where should you search?

You should request a Driving Record Check in any and every state in which the applicant lived, worked, or attended school within the past ten years.

When would a Driving Record Check be appropriate?

A MOTOR VEHICLE inquiry would be appropriate before hiring a new employee or before reassigning or promoting an existing employee.

How should you use this information?

A MOTOR VEHICLE inquiry will reveal patterns of reckless actions and/or substance abuse. If an employee is irresponsible or negligent your organization can be held responsible for any accidents or incidents. Also, a suspended license or poor driving record of an employee can expose your organization to liability.

Why should you request a driving record check?

Driving violations are important if a prospective employee will be required to operate a motor vehicle as a part of their job duties. However, this information can also be beneficial to obtain for all potential employees because it reveals insurance risks and reckless behavior. The Driving Record Report also contains the last reported address, date of birth, Social Security Number (in some states), and violations.

PROFESSIONAL LICENSE

Whose records should be searched?

At a minimum, you should request License/Certification Verification on any applicant that you intend to hire to fill a position that requires that the individual be licensed and/or certified. You should also consider requesting License/Certification Verification on any applicant that indicates that they have a license and/or certificate. Even though license or certification may not be necessary for the initial job at hand, verification will bear upon the character of the applicant.

What information will this search reveal?

The License/Certification Verification includes (where applicable) the license/certification status, license/certification number, date of issue, expiration date, field of certification or specialization, Social Security Number, and any adverse information.

Where should you search?

COMMERCIAL INVESTIGATIONS LLC continuously monitors developments involving cross-referencing of licenses and certifications between states. Unless it is possible for inter-state cross-referencing, it may be necessary to obtain a license/certification verification from more than one state depending on an individual's place of residence and employment over a given period of time.

When would license/certification verification be appropriate?

When a position's job description requires that the individual filling the position be licensed or certified you should request License/Certification Verification.

How should you use this information?

The results of License/Certification Verification can be used in many ways. First, and most importantly, it will verify that you are filling your position with a qualified applicant. Second, it will give you insight into the character, specifically the integrity and honesty, of the applicant. An applicant that misrepresents information on application documents may misrepresent other types of information later.

Why should you request License/Certification Verification?

Employing individuals with non-existent, suspended licenses or certifications, or with a history of inappropriate actions, is not a good idea for obvious reasons. Since state registries are not always up to date, and many don't even have security or verification procedures of their own, it is always a good idea to combine a variety of background checks in order to establish a complete profile of the individual your organization is considering.

EDUCATION

Whose records should be searched?

At a minimum, you should request Education Verification on any applicant that you intend to hire for a particular position that requires certain academic credentials and experience. You should also consider verifying an applicant's credentials that appear on their resume or application, given the incidence of false or inflated statements.

What information will this search reveal?

The Education Verification Report validates educational claims and further corroborates names and aliases. It also may include dates of attendance, area of study, degree/diploma, GPA, honors, and relevant notes.

Where should you search?

You should request Education Verification for each post high school educational institution at which the applicant indicated they attended.

How should you use this information?

The results of Education Verification can be used in many ways. First, and most importantly it will verify that you are filling your position with a qualified applicant. Second, it will give you insight into the character, specifically the integrity and honesty, of the applicant. An applicant that misrepresents information on application documents may misrepresent other types of information later. Third, if you verify at the time of initial hire, even though the education level verified may not be necessary for the initial position, you are obtaining information that can be

helpful in determining an individual employee's potential and possible career path within your organization.

EMPLOYMENT

What information will this search reveal?

The verification process involves questions regarding employment dates; position held; wage rates; reason for leaving; evaluation (poor, fair, average, good, excellent) of the following as they apply to the individual's present/previous job – attendance, attitude, work performance, dependability, character; eligibility for rehire and why; along with any applicable comments. Because of the protection of the FCRA, employers will be more inclined to relate information to COMMERCIAL INVESTIGATIONS LLC than they would be if they were relating it directly to the potential employer. The FCRA provides immunity of defamation for prospective and past employers when information is supplied to a third party/consumer reporting agency. Although COMMERCIAL INVESTIGATIONS LLC will work hard to obtain as much information as possible relating to performance, attitude and other "character" related information, at a minimum, our staff will seek to obtain employment dates, position held, wage rates, reason for leaving, and eligibility for rehire.

How far back should your search go?

You should request an Employment Verification for each of the employers your applicant worked for within the past ten years and/or the past three employers, whichever encompasses the longest time frame.

How should you use this information?

Employment Verification information will give you further insight into your potential employee. First and foremost, you will know if they were honest in the information they supplied you on your application documents. Second, you will get some insight into the individual's past employment performance. Third, you will know the individual's rehire status with their previous employers – this can tell you a lot about the value of the individual to that organization.

Why should you request Employment Verification?

Verification of past employment is important in assessing an applicant's credibility, integrity, performance, and work habits. Unfortunately, application and resume fraud is a growing concern. The failure to verify employment can lead to claims of negligence. The verification process involves questions regarding working relationship with applicant, employment dates, position(s) held, wage rates, responsibilities, and reason for leaving. Inquires as to work performance, attendance, attitude, dependability, character, and eligibility for rehire are also made.

REFERENCEWhose records should be searched?

It is good practice to request a Personal/Business Reference Check with each individual noted as a reference. The noted individual's are usually more likely to convey even more information than past employers and thus give you more information about the applicant.

What information will this search reveal?

It is unlikely that a candidate is going to give a prospective employer the name of a bad reference. But what references say about the candidate and how they say it can be revealing. It's just a matter of asking the right questions. References will be interviewed regarding their relationship with the candidate, the candidate's professional and communication styles, team focus, approach to problem solving, struggles, goals, motivations, relationship with co-workers, and attitudes. Generally, we are looking for behavior patterns, general character, values and principles, and motivations. In essence, will the individual's values and principles fit with those of your organization?

CREDIT REPORTWhose records should be searched?

At a minimum, any applicant that will assume a position in which they will deal with the accounting functions or financial issues be exposed to cash, resident/patient funds, personal or business property should have a Credit Report done on them. This might include positions in finance, accounting, resident banking, inventory, clinical, home health care, senior management, and security. It is good practice to do a credit report on all potential employees especially because there is more valuable information than just financial information in a Credit Report.

What information will this search reveal?

The Credit Report contains Social Security Numbers, addresses, past employers, aliases, bankruptcies, tax liens, and bad credit rating. The summary part of the Credit Report includes total current debt and the number of active accounts, which details the number of accounts current or past due. Many employers are turning to credit reports as part of their drug and alcohol screening procedures. Individuals with a history of drug or alcohol abuse may also have a credit history with a pattern of problems.

Where should you search?

The database system used by COMMERCIAL INVESTIGATIONS LLC is a national system which means that you only need to request the report once and we will get you all available information on the individual – location doesn't matter.

How should you use this information?

The information supplied in a Credit Report will help you determine if the individual is in a situation that may lead them to inappropriate behavior in an attempt to get personal gain. Applicants who are under extreme financial pressure or who have a disproportionate debt to income ratio can be a risk in certain positions. The Credit Report gives you insight into whether the individual is able to handle their finances and thus can be trusted with yours or others in your institution's care. For applicants that may not be assuming a financial related position, the Credit Report lists aliases, past employers, and other information that can be used for Integrity Verification and as insight into an applicant's character. Especially if a past employer shows up on a credit report that was not indicated on the application documents.

Why should you request a Credit Report?

Know your applicant's or employee's spending patterns and fiscal reliability before handing over financial or accounting responsibility. A credit report can reveal an individual's level of financial stability and soundness. A Credit Report also contains other vital information such as social security numbers and addresses used, past employers, aliases, bankruptcies, tax liens, lawsuits, collections, and bad credit rating.

WHY SO MANY INQUIRY OPTIONS?

As an employer, your institution is exposed to many forms of liability with regard to your employees. You should protect yourself with as much information as possible when determining just who should be added to your staff. All of the Background Investigations search options give you unique information about your applicants. When used together, the options detailed in a Background Investigations Report can help you form a strong and accurate portrayal of the prospective employee and make your decision making process easier and hassle-free. We want you to be able to hire new employees with confidence.

TURNAROUND TIME

On average you can expect one to three days turnaround time for completion of your request.

THE CONSENT FORM

As required by the Fair Credit Reporting Act (FCRA), before you can request a Background Investigations report you must notify the individual to be screened, in writing, that a report may be used during the hiring process. Also required by the Act is

that you obtain the individual's written authorization before you submit your request for a Background Investigations Report from COMMERCIAL INVESTIGATIONS LLC.

THE REQUEST FORM

Before COMMERCIAL INVESTIGATIONS LLC can give you a Background Investigations Report, you must certify to us that you are in compliance with the FCRA and that you will not misuse any information in the report in violation of federal or state equal employment opportunity laws or regulations.

THE BACKGROUND INVESTIGATIONS REPORT

Upon completion of your requested searches, we will put all information obtained into an easy to read report which will be either faxed, mailed, or emailed to you depending on the your preference as indicated on the Request Form. The first page of the report will contain the specifics of the report itself, including the Request ID Number, date request received, date report initiated, date report completed, subject of report, investigator's name, report released to, and report notes.

The Request ID Number is a unique number assigned by COMMERCIAL INVESTIGATIONS LLC for each request we receive by you. Any questions regarding a specific request and its corresponding report should note the Request ID Number. This is our internal means for assuring confidentiality of the information and the individual's identity.

THE PREADVERSE ACTION DISCLOSURE

If you rely on a Background Investigations Report for an "adverse action" – denying a job applicant, reassigning an employee, terminating an employee, or denying a promotion to an employee – be aware that before you take the adverse action you must give the individual a Pre-Adverse Action Disclosure. Along with the Pre-Adverse Action Disclosure you are required to include a copy of the individual's Background Investigations Report which contains the summary of rights which you are also required by the FCRA to include as part of the Preadverse Action Disclosure.

THE ADVERSE ACTION NOTICE

If you rely on a Background Investigations Report for an "adverse action" – denying a job applicant, reassigning an employee, terminating an employee, or denying a promotion to an employee – be aware that after you take the adverse action you must give the individual notice that the action has been taken in the form of an Adverse Action Notice. The FCRA requires that this notice contain a number of pieces of information for the individual. COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS Adverse Action Notice complies with all the requirements of the FCRA.

THE DISCLOSURE REQUEST

The Disclosure Request form has been developed by us to help you comply with the FCRA requirement. The FCRA states that you must provide a complete disclosure of

the nature and scope of the background check that you requested from us, within a reasonable time, to the applicant if the applicant submitted a written request for such a disclosure. To help you comply with this requirement, we've made the process simple. Just have the individual fill out the Disclosure Request form and forward it to us. Within five (5) days of receipt of the Disclosure Request we will clearly and accurately disclose to the applicant, any and all information we have on file; including our sources of the information and all report recipients for the two years preceding the request. We will also make sure that the individual receives a summary of their rights as an attachment.

DISPUTED ACCURACY

In the event that the completeness or accuracy of any item or aspect of information contained in one of our reports is disputed by the individual who was the subject of the background screen, the individual in question should contact COMMERCIAL INVESTIGATIONS LLC directly. By notifying us directly, we will reinvestigate, free of charge, any issues under dispute. We will record the current status of the disputed information, or delete the item from our file and report (provided that we receive information justifying the deletion) before the end of the 30-day period beginning on the date we received the notice of the dispute. If, within the 30-day period, we receive further information from the individual that is relevant to our reinvestigation we can extend the 30-day period for 15 additional days.

Within five business days of receiving the notice of dispute, we will notify the source or provider of the information which is being disputed. The notice will include all relevant information we have regarding the dispute.

If, after our reinvestigation, an item of information is found to be inaccurate or incomplete or cannot be verified, we will delete that item of information or modify it appropriately.

Within five business days after completion of the reinvestigation, we will provide written notice to the applicant of the results of the reinvestigation by mail. Such notice will include:

1. a statement that the reinvestigation is complete;
2. a report that is based upon the individual's file as that file is revised as a result of the reinvestigation;
3. a notice that, if requested by the individual, a description of the procedure used to determine the accuracy and completeness of the information, including the business name and address of any furnisher of information contacted in connection with such information and the telephone number of such furnisher, if reasonably available, shall be provided to the individual (if requested, this will be provided within 15 days of the request for such description);
4. a notice that the individual has the right to add a statement to the consumer's file disputing the accuracy or completeness of the information; and

5. a notice that the individual has the right to request that we furnish notifications of deletion of disputed information to any person specifically designated by the individual who has within two years prior received a report from us which contained the deleted or disputed information.

VERACITY VERIFICATION

We will seek to detect any inconsistencies between each search result and between the information you and your applicant provide. The individual search results alone reveal necessary information for your hiring decision, but by looking at all results together a clearer picture of the applicant can be seen. Discrepancies between information may be areas of concern leading to a questionable character of the applicant. We review all information and provide comments on the front of your Background Investigations report. We also make recommendations for actions you can take to help resolve some of the discrepancies noted.

CONSULTATIONS

Help is available to ensure your organization's compliance with the Fair Credit Reporting Act and any other applicable federal or state laws. We will help you do things right. Periodically you will receive notices from us about legal obligations concerning COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS and you as an employer. At any time, you can contact us at COMMERCIAL INVESTIGATIONS LLC with any question you have. We'll assist you in every way possible so that you are comfortable using COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS.

DETERRENT STRATEGIES

Periodically you will receive ideas and strategies for deterring unwanted applicants from applying to your organization. Our Applicant Notice Poster is an excellent example of such a deterrent. Other strategies include putting language in printed employment advertisements that states that your organization conducts background checks for the safety and security of your employees and clients.

INTERNET ACCESS

Technical support assistance is available for users of Clware, our secure Internet Application. Clware can be accessed via the link on the navigation bar of our home page at www.commercialinvestigationllc.com.

BACKGROUND INVESTIGATIONS FEES

Because every health care provider is unique, the options with COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS are plentiful. You control the scope of each background check. You decide the options to engage.

COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS offers a wide variety of search options including discounts for multiple searches. There are no hidden costs.

We believe that you should know all costs (our processing fees as well as any additional court, search or online database access fees charged by the information sources) before you request a background screening.

Agreement fee structures and any “packaged” services with associated “grouped” fees, and volume discounts are individualized and based on anticipated annual volumes, disciplines (positions within your institution), and the scope of searches.

YOUR INVOICE

You will be billed monthly for your Background Investigations activities. Your invoice will note your processing fees and your data access fees or agreement packaged services and grouped fees, as well as any discounts you may be receiving. For confidentiality purposes, detailed information about a request will be coded and you will need to supply us with the indicated code if you need further explanations on your invoice. The invoices should be handled with care. Do not allow anyone who does not have the appropriate authority or security clearance access to the codes that are used to describe the information that appears on the invoices – the actual requested searches. You may want to designate a specific individual who is to receive invoice details. Just call us with such a request and we will set up our system accordingly.

FREQUENTLY ASKED QUESTIONS

Q. Where should I keep my Background Investigations reports?

A. We suggest that you keep your COMMERCIAL INVESTIGATIONS LLC Background Investigations Reports separate from the individual's personnel file. The information in a COMMERCIAL INVESTIGATIONS LLC Background Investigations report is extremely confidential and should not be obtainable by individuals that may otherwise be accessing the other information contained in a personnel file.

Q. What should I know about "investigative consumer reports"?

A. "Investigative consumer reports" are detailed reports that involve interviews with an individual's neighbors or acquaintances about lifestyle, character, and reputation. They may be used in connection with insurance and employment applications. Individuals subject to this type of screening are notified in writing when a company orders such a report. The notice will explain their right to request certain information about the report from the company you applied to. If an application is rejected, the applicant may obtain additional information from the Consumer Reporting Agency (COMMERCIAL INVESTIGATIONS LLC).

Q. How long can COMMERCIAL INVESTIGATIONS LLC report negative information?

A. Seven years. There are certain exceptions, however. Information about criminal convictions may be reported without any time limitation. Bankruptcy information may be reported for 10 years. Information reported in response to an application for a job with a salary of more than \$75,000 has no time limit. Information about a lawsuit or an unpaid judgment against an applicant can be reported for seven years or until the statute of limitations runs out, whichever is longer.

Q. An employer advertises a vacancy for a cafeteria cashier and receives 100 applications. The employer wants just credit reports on each applicant because the company plans to eliminate those with poor credit histories. What are the company's obligations?

A. You can get credit reports, which is one type of consumer report, if you notify each applicant in writing that a credit report may be requested and if you receive the applicant's written consent. Before you reject an applicant based on credit report information, you must make a pre-adverse action disclosure that includes a copy of the credit report and the summary of consumer rights under the FCRA. Once you've rejected an applicant, you must provide an adverse action notice if credit report information affected your decision.

Q. You are considering a long-term employee for a major promotion. You want to check their consumer report to ensure that, before they are placed in a high level, high visibility position, that there are no issues with respect to their background that may result in problems later. What are your obligations?

- A. You cannot obtain a consumer report unless the employee has been notified that a report may be obtained and have given their written permission. If the employee gave you written permission in the past, you need only make sure that the employee receives or has received a "separate document" notice that reports may be obtained during the course of their employment — no more notices or permission is required. If your employee has not received notice or given you permission, you must notify the employee and get their written permission before you obtain any reports.

In each case where information in the report influences your decision to deny promotion, you must provide the employee with a pre-adverse action disclosure. The employee also must receive an adverse action notice once you have selected another individual for the job.

- Q. A job applicant gives you the okay to obtain a consumer report. Although the credit history is poor and that's a negative indicator, the applicant's lack of relevant experience carries more weight in your decision not to hire. What's your responsibility?**

- A. In any case where information in a consumer report is a factor in your decision - even if the report information is not a major consideration - you must follow the procedures mandated by the FCRA. In this case, you would be required to provide the applicant a pre-adverse action disclosure before you reject his or her application. When you formally reject the applicant, you would be required to provide an adverse action notice.

- Q. The applicants for a sensitive financial position have authorized you to obtain credit reports. You reject one applicant, whose credit report shows a debt load that may be too high for the proposed salary, even though the report shows a good repayment history. You turn down another, whose credit report shows only one credit account, because you want someone who has shown more financial responsibility and a positive credit track-record. Are you obliged to provide any notices to these applicants?**

- A. Both applicants are entitled to a pre-adverse action disclosure and an adverse action notice. If any information in the credit report influences an adverse decision, the applicant is entitled to the notices - even when the information isn't negative.

HELP

You have many options when it comes to obtaining help with COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS. You can email us at COMMERCIAL INVESTIGATIONS LLC by using staff@commercialinvestigationllc.com, you can visit our web site at www.commercialinvestigationllc.com, you can call us at 518-271-7546, or you can fax us at 212-937-3858.

CONTACTS AT COMMERCIAL INVESTIGATIONS LLC

A number of individuals at COMMERCIAL INVESTIGATIONS LLC receive emails addressed to staff@commercialinvestigationsllc.com. Use this address for any questions or concerns you may have. You can also contact any COMMERCIAL INVESTIGATIONS LLC staff member at 518-271-7546.

THE RECORD RETENTION POLICY OF COMMERCIAL INVESTIGATIONS LLC

COMMERCIAL INVESTIGATIONS LLC retains all documentation related to COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS for seven years. We recommend that you do the same. This should encompass all applicable statutes of limitation and thus will provide the documentation necessary should litigation be brought.

**COMMERCIAL INVESTIGATIONS LLC IS LICENSED BY
THE NEW YORK STATE DEPARTMENT OF STATE.**

DISCLAIMER

This guide is intended to assist you in using COMMERCIAL INVESTIGATIONS LLC BACKGROUND INVESTIGATIONS in a compliant manner. It does not constitute legal advice and does not claim to cover all aspects of your responsibilities under state and federal laws pertaining to BACKGROUND INVESTIGATIONS and the use of reported information. If you have legal questions or concerns, you should seek the advice of a competent legal professional.

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