PRECISEHIRE INC. SERVICE AGREEMENT FOR BACKGROUND SCREENING SERVICES

By registering for a user account, you agree to the following terms of service.

1. SERVICES PROVIDED:

PreciseHire Inc. agrees to furnish background information (“consumer report”) on job applicants/employees or prospective tenants, as requested by the Subscriber. PreciseHire Inc. will use its best efforts to deliver the consumer reports requested in an expeditious manner, however, PreciseHire Inc. shall have no obligation or liability to Subscriber for any delay or failure to deliver consumer reports caused by the parties providing data or information to PreciseHire Inc., or by any other third-party. PreciseHire Inc. is a federally regulated Consumer Reporting Agency as defined by the Fair Credit Reporting Act for the purpose of providing pre-employment screening information in accordance with all applicable guidelines and confidentiality as stipulated within applicable statutes.

2. DISCLAIMER OF WARRANTY/LIMITATION OF LIABILITY:

The consumer report prepared by PreciseHire Inc. is derived from databases and records that have been created and maintained by various government agencies, private companies, and other contributors that are not under the control of PreciseHire Inc. Responsibility for the accuracy of the information contained in the consumer report and these databases and records rests solely in the contributor. The Subscriber waives any and all claim or claims against PreciseHire Inc. arising out of or related to the accuracy of the consumer report, including all contributing information sources.

For any company that will use our services for Employment Verifications: Subscriber will indemnify and hold harmless Equifax, Vendor , Supplier or Talx and its affiliated persons and entities from and against any direct and actual loss, cost, liability and expense (including reasonable attorney fees) resulting from subscriber’s breach of this Agreement.

3. PAYMENT REQUIREMENTS/COLLECTION:

Subscriber agrees to pay PreciseHire Inc. all applicable charges for the various services rendered to Subscriber. Pricing will be firm for one-year, unless other stipulated in writing, except for any government or third-party surcharges/fee increases that are passed on to PreciseHire Inc. Subscriber agrees to pay all applicable charges within thirty (30) days after receiving a PreciseHire Inc. invoice. All monetary obligations to PreciseHire Inc. for services rendered which are past due fifteen (15) days or more may, at the election of PreciseHire Inc., bear interest at the rate of fifteen percent 15% per annum. If your invoice becomes past due, you agree that your card will be automatically charged for any unpaid balance. Invalid cards will result in account suspension. In the event that external collections or legal action is necessary to obtain the payment of any monetary obligations to PreciseHire Inc., the Subscriber shall be liable to PreciseHire Inc. for all related collection costs and reasonable attorneys’ fees incurred by PreciseHire Inc.

4. COMPLIANCE WITH THE FAIR CREDIT REPORTING ACT:

The Fair Credit Reporting Act (FCRA) governs the activities of consumer reporting agencies, as well as the users of the information procured from these agencies. A consumer report contains information on the subject's character, reputation, and other personal data; therefore, use of such information is strictly regulated by the FCRA. Among other things, the FCRA prohibits those with a permissible purpose from obtaining consumer reports unless they disclose to the subject, in writing, that such a report may be acquired, and obtains the prior written authorization of the subject to obtain this background information. The FCRA also requires employers to take additional steps when they make an employment decision based in whole or part on the background information. These steps are intended to give the applicant the opportunity to dispute any information contained in the background or consumer report. PreciseHire Inc. urges all employers to review the restrictions and requirements of the FCRA. The Act's citation is Public Law 91-508,

Title 15, U.S.C. Sections 1681, et seq, and the text of this Act is available here: https://www.precisehire.com/documents/fcra-2.pdf. Please note, particularly, the Permissible Purposes of Reports, as well as requirements on Users of Consumer Reports and Obtaining Information Under False Pretenses. Unless requested by a client or by government regulation, PreciseHire Inc. reports will cover the previous seven (7) years.

Permissible Purposes: By signing this document, Subscriber certifies that it is requesting PreciseHire Inc. to provide screening services only for the purposes of considering an individual for employment, promotion, reassignment or retention as an employee, or for determining eligibility for tenancy, and for no other purposes.

Applicant’s Authorization Obtained: By signing this document, Subscriber certifies that prior to requesting

PreciseHire Inc. to provide screening services for any permissible purpose, it has provided the subject of the report with a clear and conspicuous written disclosure, in a document consisting solely of the disclosure, that a consumer report is being requested for employment or tenancy purposes, and it has obtained the written authorization from the subject to obtain a consumer report for employment or tenancy purposes. A standard disclosure and authorization form is available at this link: http://www.precisehire.com/documents/downloads/Disclosure_and_Authorization_Form.doc.

Pre-Adverse Action: By signing this document, Subscriber certifies that before taking adverse action (e.g., refusing to hire or any other act that may be considered adverse to the subject's interest), based in whole or part on information contained in the PreciseHire Inc. consumer report, it will first:

- A. Provide the subject with a copy of the consumer report.
- B. Provide the subject with a copy of the FCRA Summary of Rights, in the format approved by the CFPB (A copy of this form may be obtained from PreciseHire Inc.); and
- C. Provide the subject 5 business days to dispute any information contained in the consumer report.

Adverse Action: By signing this document, Subscriber certifies that after providing the applicant/employee with the Pre-Adverse Action information contained above, and after it has given the applicant/employee 5 business days to dispute the information, the Subscriber will send the applicant a follow-up notification that the Subscriber is taking adverse action (e.g., denying employment, etc) based on the information contained in the consumer report.

Confidentiality and Legal Use of Information: By signing this document, subscriber certifies that it acknowledges the sensitivity and confidentiality of the information contained in the consumer report and Subscriber agrees that information obtained from a consumer report will not be used in violation of any applicable state or federal equal employment opportunity laws.

Indemnification/Hold Harmless: By signing this document, Subscriber acknowledges that it has read and understands the requirements of the Fair Credit Reporting Act. Subscriber agrees that it will comply with all such requirements and Subscriber agrees that it shall defend, indemnify and hold PreciseHire Inc., its directors, officers, employees, agents, successors and assigns, harmless from any and all claims, liability, costs or damages whatsoever arising out of or related to Subscriber's failure to comply with the requirements of the FCRA, or other federal, state or local laws and regulations that govern the use of consumer reports. Subscriber further agrees that it shall defend, indemnify and hold PreciseHire Inc., its directors, officers, employees, agents, successors and assigns, harmless from any and all claims, liability or damages whatsoever arising out of or related to the accuracy or use of the services or data provided under this Agreement.

5. Arbitration and Class Action Waiver

PLEASE READ THIS SECTION CAREFULLY — IT AFFECTS YOUR LEGAL RIGHTS AND GOVERNS HOW YOU AND PRECISEHIRE INC. CAN BRING CLAIMS AGAINST EACH OTHER. THIS SECTION WILL, WITH LIMITED EXCEPTION, REQUIRE YOU AND PRECISEHIRE INC. TO SUBMIT CLAIMS AGAINST EACH OTHER TO BINDING AND FINAL ARBITRATION ON AN INDIVIDUAL BASIS, NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY CLASS, GROUP OR REPRESENTATIVE ACTION IN COURT.

5.1 Agreement to Arbitrate

In exchange for the benefits of the speedy, economical, and impartial dispute resolution procedure of arbitration, You and PreciseHire Inc. mutually agree to give up our right to resolve disagreements in a court of law by a judge or jury, and, as described below, agree to binding and final arbitration pursuant to the Federal Arbitration Act, 9 U.S.C. § 1, et seq.

You and PreciseHire Inc. agree that this arbitration agreement is governed by the Federal Arbitration Act, and shall survive even after these Terms or any Services terminate.

5.2 Claims Covered by Arbitration

Other than the exceptions in Section 5.4, You and PreciseHire Inc. agree that any disagreement, claim, or controversy arising out of or relating in any way to these Terms (including its enforcement, breach, performance, interpretation, validity, or termination), or Your access to and/or use of the Services, or the provision of content, services, and/or technology on or through the Services (hereinafter, "Claims"), shall be resolved by final and binding arbitration to the fullest extent allowed by law.

5.3 Delegation to Arbitrator

If there is a disagreement about the arbitrability of any Claim (including questions about the scope, applicability, interpretation, validity, and enforceability of this arbitration agreement), You and PreciseHire Inc. agree that this threshold disagreement shall be delegated to the arbitrator (not a court) and that the arbitrator shall have initial authority to resolve such threshold disagreements.

5.4 Claims Not Covered by Arbitration

This arbitration agreement shall not require arbitration of the following types of claims: (1) small claims actions demanding $10,000 or less brought on an individual basis and within a small claims court's jurisdiction; and (2) applications for provisional remedies, preliminary injunctions, and temporary restraining orders, including those relating to actual or threatened infringement, misappropriation, or violation of a party's copyrights, trademarks, trade secrets, patents, or other intellectual property rights.

5.5 Class Action Waiver

Except as otherwise required under applicable law, You and PreciseHire Inc. agree to bring and resolve any Claims only on an individual basis, and not as a named-plaintiff or class member in any class or representative proceeding. You and PreciseHire Inc. acknowledge and agree that we are each waiving the right to participate as a plaintiff or class member in any purported class action lawsuit, class-wide arbitration, or any other representative proceeding as to all Claims (hereinafter, "Class Action Waiver"). Further, the arbitrator may not consolidate more than one party's claims and may not preside over any class, consolidated, or representative proceeding, unless you and PreciseHire Inc. agree otherwise in writing.

Notwithstanding any other provision of this arbitration agreement or the American Arbitration Association ("AAA") Rules, specific disagreements about the scope, applicability, enforceability, revocability or validity of this Class Action Waiver may be resolved only by a civil court of competent jurisdiction and not by an arbitrator. If there is a final determination that the Class Action Waiver is unenforceable as to certain claims brought on a class or representative basis, then those claims shall be severed from any remaining claims and may proceed in court, but the Class Action Waiver shall be enforced in arbitration on an individual basis as to any remaining claims to the fullest extent possible.

5.6 Arbitration Rules, Procedures, and Costs

You and PreciseHire Inc. agree that the arbitration shall be administered by the AAA before a single arbitrator mutually agreed upon by the parties, and if the parties cannot agree within thirty (30) days after names of potential arbitrators have been proposed, then by a single arbitrator who is chosen by the AAA. The arbitrator will apply the terms of this arbitration agreement and the applicable AAA rules, which are available at www.adr.org or by calling 1–800–778– 7879. If You are an individual person, the arbitrator shall apply the AAA Consumer Arbitration Rules. If You are not an individual person, but are an entity or company, the arbitrator shall apply the AAA Commercial Arbitration Rules.

If You are an individual person and bring a claim solely for monetary relief of $10,000 or less: PreciseHire Inc. will agree to pay for any filing, administrative, or hearing fees charged by the AAA. If the arbitrator finds that the substance of Your claim or the relief sought is frivolous or brought for an improper purpose, however, then the allocation of fees will be governed by the AAA Consumer Arbitration Rules.

If You are an individual person and bring a claim for monetary relief exceeding $10,000: The AAA Consumer Arbitration Rules will govern payment of administrative or hearing fees charged by the AAA, including limiting Your filing fee to $200. In addition, fee waivers or other forms of cost relief at the arbitrator's discretion may be available. If the arbitrator finds that the substance of Your claim or the relief sought is frivolous or brought for an improper purpose, however, then the allocation of fees will be governed by the AAA Consumer Arbitration Rules.

If You are not an individual person: The AAA Commercial Arbitration Rules will govern payment of administrative or hearing fees charged by the AAA.

The arbitrator shall have the power to decide any motions, including dispositive or summary judgment motions, brought by any party to the arbitration. The arbitrator may grant any remedy, relief, or outcome that the parties could have received in court to resolve the party's individual claim, including awards of attorney's fees and costs, in accordance with the law or laws that apply to the Claim. The arbitrator shall provide in writing to the parties the basis for any award or decision. Judgment upon any award rendered in such arbitration will be binding and may be entered in any court with proper jurisdiction.

5.7 Severability

Except for the Class Action Waiver in Section 5.5, if any clause within this arbitration agreement is found to be illegal or unenforceable, that specific clause will be severed from this arbitration agreement, and the remainder of the arbitration agreement will be given full force and effect.

5.8 Pre-Arbitration Notification and Negotiation Process

Prior to initiating an arbitration, You and PreciseHire Inc. each agree to first attempt to negotiate an informal resolution of any Claims covered in Section 5.2. This pre-arbitration negotiation shall be initiated by providing written notice to the other party—including a brief written statement describing the name, address, and contact information of the notifying party, the facts giving rise to the Claim, and the relief requested. You must send such written notice to PreciseHire Inc. via email (info@precisehire.com) or U.S. Mail (PreciseHire Inc., 102 E Broadway St, P.O. Box 1101, Prosper, TX 75078); PreciseHire Inc. will send such written notice to the email address You have provided to PreciseHire Inc.

During this pre-arbitration negotiation, all offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, and attorneys are confidential, privileged and inadmissible for any purpose, including as evidence of liability, in arbitration or other proceeding involving the parties.

After a good faith effort to negotiate, if You or PreciseHire Inc. believe a Claim covered in Section 5.2 cannot be resolved informally, the party intending to pursue arbitration agrees to notify the other party via email prior to initiating the arbitration. In order to initiate arbitration, a claim must be filed with the AAA and the written Demand for Arbitration (available at www.adr.org)

must be provided to the other party, as specified in the AAA Rules.

6. ATTORNEYS FEES AND COSTS:
In the event a dispute arises with respect to this Agreement, the party prevailing in such dispute shall be entitled to recover all expenses, including, without limitation, reasonable attorneys' fees and expenses incurred in ascertaining such party's rights, and in preparing to enforce, or in enforcing such party's rights under this Agreement, whether or not it was necessary for such party to institute suit or submit the dispute to arbitration, except as noted in Section 5.6.

7. GOVERNING LAW:
This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

8. WAIVER:
The failure of either party to insist in any one or more cases upon the strict performance of any term, covenant or condition of this Agreement will not be construed as a waiver of a subsequent breach of the same or any other covenant, term or condition; nor shall any delay or omission by either party to seek a remedy for any breach of this Agreement be deemed a waiver by either party of its remedies or rights with respect to such a breach.

9. SUCCESSORS:
This Agreement shall inure to the benefit of and bind the heirs, personal representatives, successors, and assigns of the parties.

10. CANCELLATION:
Subscriber can cancel the account with PreciseHire Inc. by providing 30 days written notification in advance of cancellation date. However, Subscriber is obligated and must adhere to the FCRA and/or other federal, state and local laws or regulations governing the use of consumer reports, despite cancellation. PreciseHire Inc. recommends that all Disclosure and Release forms must be kept on file in a secure location for a period of at least five (5) years.

11. PROPRIETARY INFORMATION:
The entire PreciseHire Inc. background checks website, which is accessible via this Uniform Resource Locator (URL), https://dot.precisehire.com, is proprietary and collectively considered a Trade Secret. This includes all information, images, colors, features, functions and supporting software code.

The Subscriber company agrees that existing, future and former employees or contractors will not share their login credentials to the PreciseHire Inc. background checks site at URL https://dot.precisehire.com with any non- subscribers.

The Subscriber company agrees that existing, future and former employees will not attempt to capture or possess any video or images (digital, printed or reconstructed video or images) of the PreciseHire Inc. background checks website at URL https://dot.precisehire.com.

The Subscriber company agrees that existing, future and former employees will not show any video or images (digital, printed or reconstructed video or images) of the PreciseHire Inc. background checks website at URL https://dot.precisehire.com to any non-subscribers, at any time, for any reason.

A non-subscriber is any third-party who has not received express written authorization from PreciseHire Inc. to access the PreciseHire Inc. background checks website at URL https://dot.precisehire.com, including but not limited to, independent contractors, customers, lawyers, investigators, auditors, government employees, or other agents working for or affiliated with other pre-employment screening companies.

If this confidentiality provision is violated by any authorized user of the Subscriber company, the Subscriber company agrees to be financially liable to PreciseHire Inc. for any actual and projected losses plus attorney fees resulting from the violation. This penalty shall be enforceable for as long as the Subscriber company's users have access to the PreciseHire Inc. background screening system at URL https://dot.precisehire.com.

By completing a user account and using the PreciseHire Inc. background checks system at URL https://dot.precisehire.com, the Subscriber has read and agrees to be legally bound to the terms and conditions of this agreement.

You also authorize us to verify any criminal records obtained from a database search (aka unverified criminal records) by ordering the criminal record on file from the originating court, at full price, including court costs, because no controls exist to ensure the accuracy of criminal database records.

12. SUPPLEMENTAL INFORMATION:
Please see below for important information about our services, compliance, best practices, possible third-party fees and how we address possible errors. Please save this information so you can refer to it from time to time and share it with any colleagues who have a need to know.

Important Information About Legal Compliance

We are not lawyers. We consult lawyers concerning legal compliance for employment background checks and to help clients minimize their legal exposure, we strongly urge them to do the same.

You may have your own legal counsel that you trust, but we strongly recommend Ogletree Deakins because they have a dedicated practice group comprised of lawyers with expertise in background screening legal compliance and they also have nationwide reach.

In fact, your own legal counsel may wish to consult the background check experts at Ogletree Deakins, to clarify or confirm something before they advise you.

In addition to consulting experienced legal counsel before designing and implementing an employment background checks program, please follow this link and be sure your program - at a minimum - follows the rules described here.

Using Consumer Reports: What Employers Need to Know

That said, we do require our customer service team members to obtain their FCRA Certification from the National Association of Professional Background Screeners. The program is for individuals in compliance or legal roles as well as anyone who regularly deals with compliance issues within their organizations. The content and exam focus on complex Fair Credit Reporting Act (FCRA) compliance issues.

This is a 12-hour educational program, administered by an employment law attorney, followed by an exam. To earn the certificate, applicants must receive an 80% or better on the exam and must retest every two years.

Concerning the disclosure & authorization form, our version of this form was prepared by legal counsel and we share our version of this form with our clients as a professional courtesy. We do so with the caveat that we are not lawyers and that some legal experts may differ in their opinions about the legality of certain words and phrases contained in this form.

For this reason, we do not warrant that the form will be deemed 100% legally compliant by a court or jurisdictional authority and we encourage you to consult an experienced employment law attorney before using our form or any version of it.

Important Information About The SSN Trace & Address History Search

What is a Social Security Number Trace & Address History Search?

The SSN Trace & Address History Search is a search based on the social security number submitted by the applicant. The search itself returns all the credit header information associated with that SSN. This does not mean a credit check is being run. As consumers and employers are sometimes confused, this bears repeating: credit header information is not the equivalent of a credit report and does not involve credit scores. The information returned on a social trace product are all the names, including aliases and variations, all the dates of birth, and all residential addresses on file that are associated with that SSN.

Once the SSN trace is returned, the background screening firm combs through the report to extract names, aliases, and jurisdictions to conduct the various criminal records searches. This exercise can actually be more of an art than a science for the following reasons:

Because consumer information is entered and compiled countless times over from various consumer databases, inaccuracies such as typos, transposed digits and misspellings are not uncommon. Additionally, the following scenarios must be considered in reviewing the contents of a social trace.

- Names of other individuals such as parents, spouses, family members may appear on the SSN trace if they have ever co-signed for the applicant or if the two individuals' names appear together on an application for credit.
- The names and DOBs of both father and son may appear on the same social trace for men who are second, third, etc. generation and bear the same name (e.g. George Williams II & George Williams III or Michael James Jr. and Michael James Sr.)

Sometimes, an SSN Trace will not return any results due to:

- The applicant's limited credit history, often a result of their young age and absence of credit history
- The applicant's limited credit history if she/he was only recently assigned a social security number
- Data entry error by the client
- Reporting error by the applicant
- Fraud by the applicant
- Hyphenated last names
- Legal first name not used (i.e., "Cathy" vs. "Catherine" or "Bob" vs "Robert")
- Recently married individuals

What an SSN Trace Does Not Do

Users of background reports should understand that the SSN Trace does not verify or confirm the validity of a social security number issued from the Social Security Administration.

Nor is the SSN Trace a comprehensive identity verification tool. If an employer submits to its background check provider an applicant's SSN that in turn produces identifying information that does not match that of the applicant or that does not produce any results at all, the employer needs to pursue further verification with the applicant directly.

Ultimately, it is the employer's responsibility to verify the applicant's/employee's identity through the I-9 or other process. The social security trace is not a tool used for this purpose.

With this in mind, if you are using the option we provide with our county criminal searches, where we show the counties the person lived in from most recent to oldest, keep in mind that if there are several alias names associated with this person on the SSN Trace, the system will populate these names by the counties they lived in, in alphabetical order of the alias names. This means the "One County" option may NOT be the most recent county the applicant lived in. To ensure you cover all counties the applicant lived in, it is important to select the most inclusive option, covering all counties the person may have lived in.

Important Information About Criminal Database Searches

The Nationwide Criminal Database Search, also called a "National Sweep" or "Nationwide Review" or "NationScreen," or "Criminal SuperSearch" is a multi-jurisdictional compilation of criminal records from participating states and counties across the US.

Though "National" in scope, the data is compiled from multiple public record data sources and is NOT an entire compilation of all criminal records from all states.

Some state and county courts upload criminal records to databases infrequently and some never upload criminal records to databases. There are no laws requiring courts to upload criminal records to any databases.

The Nationwide Criminal Database product DOES NOT substitute for an in-person courthouse search of criminal records (County Criminal Search).

Additionally, when records are being entered into criminal databases by people at the courthouse, sometimes the information is entered incorrectly, which can produce a "false positive" based on an incorrect name match or incorrect date of birth match.

Also, criminal record information on database searches is often abbreviated or incomplete, making it impossible to fully decipher. If this is the case, the only way to decipher the information is to order the county criminal search for that county, which will reveal complete information on the crime and the disposition.

For these reasons, information derived from the Nationwide Criminal Database Search, is not FCRA-compliant.

This means that if you rely on the results of a Nationwide Criminal Database Search alone, without first independently verifying the criminal record's accuracy (before contacting the applicant or taking adverse action against them), your company will increase its exposure to government enforcement agency sanctions and/or litigation.

BEFORE contacting the applicant or taking adverse action against them - we urge the end-user to verify the accuracy of the criminal record information by manually ordering the criminal record on file from the originating court. The original court record will be the most current, accurate source of criminal history information.

Other criminal database search products that are Non-FCRA Compliant and require independent verification before contacting an applicant or taking adverse action include:

- Statewide Criminal Database Search
- Nationwide Federal Criminal Search
- 50-State Sex Offender Registries Search

If a criminal database search will be used alone, or combined with other searches, we require the client to provide the applicant / candidate's email address and we automatically email the applicant / candidate a copy of their completed background check report, along with the name and address of the person to whom such information is being reported. We do this to be compliant with FCRA § 613. Public record information for employment purposes [15 U.S.C.§ 1681k].

The criminal records contained in privately owned databases are filed by name and date of birth, not Social security Number. If your applicant provides you with a false date of birth to conceal a criminal record violation, or if the person ordering the background check accidentally enters the date of birth incorrectly or if the database record lists the applicant’s date of birth erroneously, then the only way to discover if the applicant has a criminal record when using a database search is if your screening provider’s system is equipped to search for “close date of birth matches” and then delivers these records to you. If you receive a “close date of birth match” record, the only way to verify if the record actually belongs to your applicant, before making a hiring decision, is to order the criminal record on file with the originating court. The default setting in our system is to deliver criminal database records with "close date of birth" matches as well as exact matches. If you prefer to receive exact matches only, please notify customer service.

The industry Best Practice for obtaining a person's criminal history follows:

1. Find out which counties the applicant has lived in using the SSN Trace & Address History Search.
2. Conduct an in-person courthouse search (performed by an experienced court researcher) for criminal records in the applicant's existing and past counties of residence.
3. Conduct criminal database searches (i.e., Nationwide Criminal Database Search, Statewide Criminal Database Search, 50-State Sex Offender Registries Search, Federal Crimes Search) to detect possible criminal activity in counties other than where the applicant has lived.
4. Independently verify any criminal record "hits" returned from a database search by manually ordering the criminal record on file from the reporting jurisdiction.

Please find below a couple articles describing the risks associated with using criminal database searches as a stand- alone tool in trying to discover a person's criminal history.

Society of Human Resources Management (SHRM) Article

ABC News Article

Important Information About Possible Fees & Surcharges

Sometimes, we have to pass on additional fees or surcharges to the customer.

Some courts charge a fee to obtain their records. We do our best to keep clients informed about which courts do this and the amounts they charge. Follow this link for more information.

All states charge a fee to access a driving record. Follow this link for more information.

Some employers require us to use a third-party service for education and employment verifications.

These services charge us a fee, which we must pass to our customer. See below for fee ranges, which can differ depending on the specific service being used and their fee structure.

Employment Verifications: $8.00 - $45.00

Education Verifications: $9.00 - $22.00

If you ever want to order credit reports, your company must first pass a credentialing process required by the credit bureaus and there is a one-time fee for this process: $116.00. This process entails submitting an information packet and passing a site inspection. Credit reports are available from our sister company, PreciseHire Inc. If you require credit reports, you will register an account with PreciseHire Inc. here: https://dot.precisehire.com/register/. Once you have registered, send an email to info@precisehire.com. Explain that you have registered an account, that you require access to credit reports and ask them to email you the credentialing information packet. Once you have returned the completed packet, PreciseHire Inc. will schedule a site inspection for you. The inspector will be looking for locking doors, locking filing cabinets, password protected computers and a paper shredder. Once you pass the inspection, you will be granted access to credit reports.

If you will be ordering Workers Comp reports, you can view the fee schedule by following this link: Workers Comp Fee Schedule.

Important Information About Military Veterans

It's advisable to ask your candidates is they ever served in the military and if they did serve, you should request that they supply you with a copy of their military separation document, which is called a Form DD-214. This is the same form for every branch of the military. This form will explain the nature of their separation. If they were discharged under honorable conditions (honorable discharge), your inquiry may stop here. If the reason for their separation was "other than honorable," "dishonorable," or "bad conduct," you should inform us so we can conduct further investigation into the reason for this type of discharge. Depending on the nature of the discharge and the channels we must go through to obtain the information, it can take a few days to several weeks to obtain the records, but doing so can substantially decrease your risk of liability.

Some things to keep in mind:

> You CAN ask someone whether they have served in the US military
> You CAN ask for the dates of their employment in the military
> You CAN ask if they are willing to self-identify as one of several protected classes of veteran
> You CAN ask about the type of discharge received but you should have a good business reason for doing so

State and Federal Equal Employment Opportunity (EEO) laws do not prohibit you from asking about the type of discharge. However, asking a veteran to reveal the nature (“characterization of service” in military parlance) of their discharge is considered private information, similar to asking someone “what kind of a disability do you have?”

So, in terms of hiring a veteran, in what instances would it be appropriate to ask about the characterization of service?

One example: if the position requires the employee to obtain a security clearance.

Another example: There are a number of companies making significant commitments to hire veterans. As this is essentially creating a “veteran preference” (similar to what government agencies offer), the employer can set the criteria for this preference within legal limitations. The employer has a justified business reason for offering this preference to a specific demographic (in this case, veterans) as this demographic has documented challenges with finding employment. So, the employer can set the criteria for this veteran preference as an honorable discharge or a favorable discharge.

What are the types of discharges? Here is a table to help you see the differences:

Types of Military Discharges		
Administrative		
Discharge Name	**Considered**	**Notes**
Honorable	Favorable	The gold standard is the **honorable discharge**, which the majority of veterans will receive. It means they have met or exceeded the standards for professional and personal conduct in the military.
General Under Honorable Conditions	Favorable	This discharge means the veteran did not meet all of the administrative criteria for exemplary service. The military has different standards of conduct that do not apply in the civilian world. For example, in the military a person can be let go because he/she: - Is overweight - Has had an extra-marital affair - Has fraternized (i.e., an officer and an enlisted member “hooking up”) - Can’t manage personal finances - And, prior to 2011’s full repeal of “Don’t Ask, Don’t Tell”, if they were determined to be gay or lesbian Any of the above situations (and others) would be/could have been considered not fully meeting the military’s standards of personal conduct, but would not prevent a civilian from obtaining employment.
Other than honorable (also known as OTH)	Typically unfavorable, but depends on your employment criteria	The veteran may have been dismissed for infractions such as fighting/physical altercations, DUI, drug use or possession (not a comprehensive list, but some of the most common reasons). A person with an OTH discharge will not be able to obtain a security clearance.
Uncharacterized	N/A	This is an entry level separation generally given when the person has spent less than 180 days in the military. Disability may or may not be a factor.
Punitive		
Discharge Name	**Considered**	**Notes**
Bad conduct (also known as BCD)	Unfavorable	For either of these, the discharge comes as a result of a court-martial and often after a period of confinement. The veteran would have been part of a case involving desertion, security violations, embezzlement, use of violence, murder, sexual assault, etc.A person with a BDC or dishonorable discharge will not be able to obtain a security clearance.
Dishonorable	Unfavorable	

If you are going to set criteria for a veteran preference, consider making it a “favorable” discharge (which encompasses both honorable and general under honorable conditions) rather than only honorable.

If you are thinking, “Well, I won’t ask the question directly, but I will, as part of background screening, verify the type of discharge”, know that you do have to obtain the veteran’s permission to verify the nature of the discharge. This is not something you would do indiscriminately, just as you would not conduct extensive financial background checks on someone who is not being considered for a job that has significant financial responsibilities. A veteran’s military service record is not considered public information, so you must have a valid reason to ask for it and you must have the veteran’s permission to obtain information from it.

If your company uses a 3rd party vendor to conduct its employee background screening, confirm that they offer military service record verification. Many screening companies will confirm whether someone has served in the military, but verifying the characterization of service is a different process, which involves asking to see a veteran’s DD-214 (“Certificate of Release or Discharge from Active Duty”). Presuming your vendor does offer this type of verification, what you want them to confirm is “does this applicant have an ‘honorable/favorable’ discharge” (depending on the criteria you set)? This should be a YES or NO answer.

If you conduct your background screening in house, your screeners need to know how to read a DD-214.

Important Information About Turnaround Time

Rapid turnaround is a key performance metric for all companies that use background checks. The sooner the report is complete, the sooner you can proceed with the on-boarding process.

We have worked hard over many years to speed up turnaround time with data integrations and by selecting the fastest and most reputable researchers in the market, but this is where our direct control ends.

Many other factors that are beyond our direct control can impact turnaround time, including responsiveness of the people accessing the information, such as court clerks, employers, education institutions and other third parties. Their responsiveness is dictated by their staff levels, hours of operation and workload, which we do not control.

As such, the best we can do is provide average turnaround times, based on millions of searches processed in our system over many previous years.

While our average turnaround times are considered among the fastest in our industry, there will be rare situations beyond our control where a search takes longer than average, and very rarely, where it takes much longer than anyone would consider to be reasonable.

In these rare, and very rare situations, the best we can do is to keep you informed about our progress in the admin notes area, explaining the status and the steps we are taking to expedite the search. Also, knowing that delays are possible, we attempt to mitigate this by being honest, setting realistic expectations, providing exceptional customer service and charging reasonable prices.

Important Information About Possible Errors

As mentioned previously, background checks are a necessary but imperfect process. There is a possibility that inaccurate or outdated information might get delivered to you on a pre-employment background check, or that a screening company might accidentally miss a record during the search process. This possibility is increased with international background checks as requests are processed through various parties and the legal systems/statutes/polices vary greatly overseas.

Every background screening company encounters errors from time to time and they usually result from the user's sole reliance on criminal database records, or from information gathering errors committed by an independent court researcher or human error by courthouse staff, or from data entry or product selection errors committed by the person ordering the background check.

The FCRA, which is the federal law governing the use of background checks for hiring decisions, recognizes that such errors are inevitable which is why screening companies are given 30 days to correct errors that are disputed.

The best you can hope for is to work with a screening company that:

1. Will be transparent with you about this possibility and the causes, and;
2. Follows industry Best Practices to minimize the potential for missed, inaccurate or outdated information being delivered and;
3. Has a reputation for rapidly correcting such errors in the rare instances that they happen.

If a screening company is up front about this possibility and commits to minimizing and quickly resolving these situations, then you will know you are dealing with a highly ethical company that will go the extra mile to deliver the most accurate information possible.

Important Information About Privacy

We will honor the terms of our Privacy Policy. Please read it here: https://www.precisehire.com/privacy.html.