



# HMS Credit Services™

A Division of Home Marketing Systems, Inc.

A Special Services Real Estate Company

Updated: 11/2010

Version 1.2

CREDIT  
REPORT

HMS  
CREDIT  
SERVICES

NEW MEMBER PACKET

[WWW.HMSCREDIT.COM](http://WWW.HMSCREDIT.COM) | [Inquiry@HMSCredit.com](mailto:Inquiry@HMSCredit.com)





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## Table of Contents

<b>Welcome to HMS Credit Services</b> .....	<b>1</b>
Important Information about Site Inspections.....	1
Preparing for a Site Inspection.....	2
<b>Letter of Intent</b> .....	<b>4</b>
<b>Applicant Authorization Application Form</b> .....	<b>5</b>
<b>New Member Registration</b> .....	<b>6</b>
<b>User Obligations</b> .....	<b>7</b>
<b>Frequently Asked Questions</b> .....	<b>8</b>
Annual Credit Report.com.....	8
Other Resellers.....	8
Risk of Non-Compliance.....	8
Site Inspections.....	8



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## Welcome to HMS Credit Services!

Thanks so much for your interest in HMS Credit Services. By now, you understand the importance of screening applicants for tenancy or employment. Here are some reasons HMS is the best supplier of consumer information:

- We *instantly* deliver reports over our website
- Buy *low-cost* reports in bulk or individually
- Enjoy our *unparalleled* customer service
- Manage risk and increase profit with our up-to-date, accurate reports
- HMS Companies, Inc., has been a property management company for over 25 years. We *know* what property owners and employers need to be successful!

Sign up for membership today! As soon as your application is received, we will provide you with login information to our website. Please note that before you can buy reports, you **need to pass a site inspection** in compliance with the Fair Credit Reporting Act (FCRA). Read on to learn more about the FCRA and site inspections.

## Important information about site inspections:

A recent amendment to the FCRA requires anyone who accesses consumer credit information to undergo a site inspection of the location from which they request and keep credit reports. As a result, all of our members will need to pass a site inspection before they can purchase FCRA-regulated consumer information.

The site inspection is a one-time, 15-minute process that can be scheduled at your convenience. There is a \$75 non-refundable, tax-deductible site inspection fee. HMS contracts FCRA-certified inspectors to perform site inspections. We guarantee to have you inspected within 48 hours of the time you request inspection.

We do everything possible to help our customers prepare for and successfully pass site inspection. Please review the following documents or contact HMS Credit Services staff at [inquiry@HMSCredit.com](mailto:inquiry@HMSCredit.com).

Once you pass site inspection, HMS provides you with login access to our website, whereupon you can request, purchase and receive reports electronically in just minutes. It typically takes **7-10 days** for new members to register, pass inspection, and begin purchasing reports.

Please forward any questions to [Inquiry@HMSCredit.com](mailto:Inquiry@HMSCredit.com) or call (269) 342-1488. For any technical problems, please contact the HMS Credit Services' webmaster, at [webmaster@HMSCredit.com](mailto:webmaster@HMSCredit.com).



## Preparing for a Site-Inspection

Before your site inspection, have the following documentation ready for your site inspector to attach to your application.

Anything on the list that has the  symbol should be prepared before the inspection and given to your inspector. The other items on the list will also be completed somewhere along the registration process and are outlined below so you are fully aware of the requirements for compliance.

### Membership Application

- Completed at HMSCredit.com during registration process.



### Separate Letter of Intent (example included below)

- Must be on the end user's own letterhead and signed by an officer, owner or authorized manager of the company.

### Service Agreement

- Completed at HMSCredit.com during registration process.



### Site Inspection

- Performed by our FCRA-certified contractors. Reasonable security must be in place so that sensitive information is not accessible by the casual observer. This can include a range of measures including: locked office door, locked filing cabinet, locked office drawers, etc.

### Business type/industry

- Provide business listing in a telephone directory such as Yellow Pages (web URL or hardcopy).

### Business Bank Account Verification

- Copy of a business's bank account statement.

### Credit Reference Verification

- Verified using listings secured from reputable directory.





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## Credit Report Verification

- Sole Proprietor or Partners personal credit report(s) and a secondary fraud risk evaluation tool.



## End User Web-Site Verification

- Must review and print applicant's web site where applicable.



## Business License

- Copy secured or printed verification from the website of the authorized issuer of the license.

***Two of the following items are also required for businesses opened for 1 year or less:***



Copy of utility or phone bill in the business name for service at the principle place of business.



Copy of lease, or proof of property ownership by business, of the principle place of business.



Copy of business bank statement addressed to the applicant at its principle place of business.



Proof of commercial insurance.



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## Letter of Intent

# Logo/Letterhead

Name or Business Name  
Street Address  
City, State, Zip Code

Date:

HMS Credit Services, Inc.  
935 John St.  
Kalamazoo, MI 49001

Re: Letter of Intent

I am in the business of leasing or managing rental real estate. I intend to use Consumer Reports to check tenant qualifications for rental properties owned and/or managed by my business entity or myself and for collection of rents and for no other purpose.

I anticipate that I will use \_\_\_\_\_ Consumer Reports per month.

I anticipate my access will be primarily: \_\_\_\_\_ (Select One): Local / Regional / National

Sincerely,

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Business

\_\_\_\_\_  
Date



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→ THIS IS THE **ONLY** APPLICANT AUTHORIZATION FORM ACCEPTED BY HMS CREDIT SERVICES.

**HMS CREDIT SERVICES**

935 John St. Kalamazoo, MI 49001  
(269)342-1488 / (269)381- 2812 – Fax: (269)385-2089

**NAME OF END USER** \_\_\_\_\_

END USER MUST KEEP ALL ACCEPTED AND REJECTED APPLICATIONS IN A  
SECURED LOCATION FOR SEVEN (5) YEARS AS REQUIRED BY THE FCRA AND FTC.

**INSTRUCTIONS AND REQUIREMENTS FOR SUBMITTING AN APPLICATION:**

• APPLICATIONS MUST BE COMPLETE IN THEIR ENTIRTY AND CANNOT BE PROCESSED IF ANY OF THE INFORMATION LISTED BELOW IS LEFT BLANK.

Name: _____	Birth Date: ____ / ____ / ____
Street Address: _____	
City: _____	State: _____ Zip Code: _____
Social Security Number: _____ - _____ - _____	Phone Number: (____) _____ - _____

IN ACCORDANCE WITH THE **FEDERAL FAIR CREDIT REPORTING ACT**, (PUBLIC LAW 91-508), AS AMENDED BY THE **CONSUMER CREDIT REFORM ACT OF 1996** (TITLE II, SUBTITLE D, CHAPTER 1 OF PUBLIC LAW 104-208), PERMITS THE PROCUREMENT OF CONSUMER REPORT FOR EMPLOYMENT PURPOSES OR FOR QUALIFYING YOU FOR HOUSING. THE ACT PROVIDES THAT A CLEAR AND CONSPICUOUS DISCLOSURE SHALL BE MADE IN WRITING TO THE APPLICANT BEFORE THE REPORT IS PROCURED, THAT A CONSUMER REPORT MAY BE OBTAINED FOR THE PURPOSES OF QUALIFYING YOU FOR HOUSING OR EMPLOYMENT AND THE APPLICANT SHALL AUTHORIZE THE PROCUREMENT OF THE REPORT IN WRITING. THE INFORMATION FROM THE REPORT WILL NOT BE USED IN VIOLATION OF ANY APPLICABLE FEDERAL OR STATE EQUAL EMPLOYMENT OR FAIR HOUSING LAW OR REGULATION. I ACKNOWLEDGE THE RECEIPT OF THE ABOVE DISCLOSURE AND PRE-ADVERSE ACTION NOTICE AND AUTHORIZE THE HMS CREDIT IN COOPERATION WITH MIRCOBILT AND TRANSUNION TO OBTAIN A CONSUMER REPORT ON ME FOR EMPLOYMENT PURPOSES OR FOR THE PURPOSE OF QUALIFYING ME FOR HOUSING. THE **FEDERAL EQUAL CREDIT OPPORTUNITY ACT** PROHIBITS CREDITORS FROM DISCRIMINATING AGAINST CREDIT APPLICANTS ON THE BASIS OF RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, MARITAL STATUS, AGE; BECAUSE ALL OR PART OF THE APPLICANT'S INCOME DERIVES FROM ANY PUBLIC ASSISTANCE PROGRAM; OR BECAUSE THE APPLICANT HAS IN GOOD FAITH EXERCISED ANY RIGHT UNDER THE **CONSUMER CREDIT PROTECTION ACT**.

**LIMITATION OF LIABILITY:**

UNDER NO CIRCUMSTANCES AT ANTIME SHALL HMS COMPANIES INC. BE LIABLE FOR ANY DECISIONS OR DAMAGES THAT MAYBE OR HAVE BEEN SUFFERED BY ANY USER OR CLIENT INCLUDING, BUT NOT LIMITED TO ANY INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, ANY LOST PROFITS OR DAMAGES FOR BUSINESS INTERRUPTION, LOSS OF INFORMATION, PROGRAMS OR OTHER DATA: THAT RESULT FROM ACCESS TO, USE OF, OR INABILITY TO USE ANY PRODUCT OF SERVICE OF HMS COMPANIES INC. OR DUE TO ANY BREACH OF SECURITY ASSOCIATED WITH THE TRANSMISSION OF INFORMATION THROUGH EMPLOYERSCHOICEONLINE.COM OR THE INTERNET, EVEN IF HMS COMPANIES INC. WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**Signature:** \_\_\_\_\_ **Printed Name:** \_\_\_\_\_ **Date:** \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**END USERS AND APPLICANTS:**

**AS REQUIRED BY THE FAIR CREDIT REPORTING ACT, END USERS SCREENING APPLICANTS MUST PROVIDE THE THEM A COPY OF AN ADVERSE ACTION NOTICE, WHICH OUTLINES THEIR RIGHTS TO A COPY OF THEIR CREDIT REPORT FREE OF CHARGE IN THE CASE OF DENIAL. PLEASE PROVIDE ANY APPLICANT WITH A COPY OF THE ADVERSE ACTION NOTICE BELOW.**

□ CUT HERE → -----

**Adverse Action Notice:** In the case that your application is denied in compliance with *Section 615* of the **Fair Credit Reporting Act**, you have the right to request a free copy of the consumer report within sixty days and the right to dispute the accuracy or completeness of any information in the consumer report. To obtain a free copy of the consumer report please contact any of the credit reporting agencies listed below. Criminal and Civil records are obtained by local county records or National criminal database based in whole or in part on information provided by the consumer credit reporting agency. You are entitled to have your questions answered, dispute any information on your credit report, and receive a free copy of your credit report within sixty days on adverse action. You may dispute the matter directly with the credit reporting agency by writing or calling the agency. This notice can be given verbally or written, over the phone or in person. The below referenced agencies did not make the adverse decision and is (are) not able to explain why the decision was made.

Experian – [www.experian.com](http://www.experian.com)  
NCAC, P.O. Box 9556, Allen, TX 75013  
1 -888-211-0728

Equifax – [www.equifax.com](http://www.equifax.com)  
P.O. Box 740256, Atlanta, GA 30374  
1-888-202-4025

TransUnion – [www.transunion.com](http://www.transunion.com)  
P.O. Box 2000, Chester, PA 19022-2000  
1-800-888-4213



## Member Registration:

**Step 1:** Visit our website, [WWW.HMSCREDIT.COM](http://WWW.HMSCREDIT.COM)

**Step 2:** Click on the “Register” button

[Login](#) | [Register](#)

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A Division of HMS Companies, Inc.  
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[Home](#)   [Job Opportunities](#)   [About Us](#)   [Contact Us](#)

**Login**

Login:

Password:

[Register](#) | [Forgot Password?](#)

**HMS Credit Services™**

**Who we are**

HMS Credit Services is a Kalamazoo-based reseller of consumer information, including credit reports and nationwide criminal background reports. Use our services to manage risk and make an informed decision before hiring a precarious employee or leasing to a deadbeat tenant. Our parent company, HMS Companies Inc., has managed properties for over 25 years, so we are keenly aware of the information property managers and employers need to be successful. We can bundle several reports

**Step 3:** Select your registration type: *Property Manager* or *Employer*

**Property Manager**

A **Property Manager** is a person or entity meeting ANY of the following criteria:

- Managing for self AND others
- Working out of a non-public venue OR maintaining a public venue
- Managing one or more units

**Employer**

An **Employer** is a private, non-profit and/or government agency that have one or more of the following permissible purposes for requesting a report.

**Step 4:** Fill out the entire membership application and click “Continue”

**Step 5:** Sit back and relax – We will contact you shortly to set up a site inspection.



## Obligations of Users of Consumer Reports

The FCRA specifies users of consumer reports have obligations under certain circumstances. The following is a summary of some of these situations and your responsibility as an end user. Please consult HMS Credit and we will be happy to provide assistance with any of these issues.

- A. AS REQUIRED BY THE FAIR CREDIT REPORTING ACT, USERS SCREENING APPLICANTS MUST PROVIDE THE THEM A COPY OF AN ADVERSE ACTION NOTICE, WHICH OUTLINES THEIR RIGHTS TO A COPY OF THEIR CREDIT REPORT FREE OF CHARGE IN THE CASE OF DENIAL. PLEASE PROVIDE ANY DENIED APPLICANT WITH A COPY OF THE ADVERSE ACTION NOTICE ABOVE.**
  
- B. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files.** For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer's alert.
  
- C. Users Have Obligations When Notified of an Address Discrepancy.** For all notices of address discrepancy received, the user is obligated to develop and implement reasonable policies and procedures to enable them to form a reasonable belief that the consumer report relates to the consumer about whom it has requested the report.
  
- D. Users Have Obligations When Disposing of Records.** The FTC requires disposal practices that are reasonable and appropriate to prevent the unauthorized access to – or use of – information in a consumer report. For example, reasonable measures for disposing of consumer report information could include establishing and complying with policies to: burn, pulverize, or shred papers containing consumer report information so that the information cannot be read or reconstructed; destroy or erase electronic files or media containing consumer report information so that the information cannot be read or reconstructed; or conduct due diligence and hire a document destruction contractor to dispose of material specifically identified as consumer report information.

# F.A.Q.

## CAN I USE ANNUALCREDITREPORT.COM?

- This site is the only source for free credit reports for U.S. citizens. However, it is very easy for an individual to forge themselves a more favorable credit report if they are asked to provide it themselves.
- The only people who are authorized to use this site are the individuals pulling their credit report for personal use.
- Pulling someone's credit report from this website or misleading a consumer into handing their free credit report over to someone else without full knowledge that they will not be able to retrieve their credit report for free for another 12-months is a violation of the FCRA.

## CAN I USE ANOTHER SITE TO PULL MY REPORTS?

- Yes, but the regulations we have are federally mandated and will apply to any other organization like ours.
- Any company that sells reports before conducting a site inspection is in violation of the FCRA. We do not recommend doing business with them.
- Someone who is not operating within the guidelines of the FCRA is putting themselves and your business in danger.

## WHAT'S THE RISK OF NONCOMPLIANCE WITH THE FCRA?

- You can be sued for actual damages, court costs and reasonable attorney's fees and punitive damages are also available for willful violations. FTC may sue for civil penalties of not more than \$2,500 per violation.
- Persons who knowingly providing consumer information to unauthorized persons (section 620 of FCRA (15 U.S.C. 1681r)) are subject to fines up to \$5000 and 2 years imprisonment.

## WHY DO THE CREDIT BUREAUS REQUIRE ONSITE PHYSICAL INSPECTION?

The FCRA (Fair Credit Reporting Act), which is regulated by the FTC (Federal Trade Commission), was passed in part to curb the growing threat of identity theft. It regulates the use of personal information by private businesses. It requires all credit reporting agencies (CRA) and its resellers to establish and maintain reasonable procedures to protect consumer data (Fair Credit Reporting Act (FCRA) and the Gramm-Leach-Bliley Act). An onsite physical inspection of prospective users of consumer information is a mandatory component of the CRA's compliance requirements.

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### Resources:

Fair Credit Reporting Act: <http://www.ftc.gov/os/statutes/031224fcra.pdf>

## THINK IT CAN'T HAPPEN TO YOU?

### Examples of FCRA Violation Lawsuits

**Chiang vs. Verizon Wireless (Ex. Violation against Business)** <http://www.judicialview.com/Court-Cases/Civil-Procedure/Customer-Claims-FDCPA-FCRA-Violations-by-Verizon//10/9457>

**Scott vs. Real Estate Finance (Ex. Violation against Landlord/Property Owner)**  
<http://caselaw.lp.findlaw.com/scripts/getcase.pl?navby=search&case=/data2/circs/2nd/987935.html>

**Kelchner vs. Sycamore Manor Health Ctr. (Ex. Violation against Employer)**  
<http://www.troutmansanders.com/emplawfall08-6/>