



UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

Division of Privacy and Identity Protection

March 19, 2013

**Via E-mail and U.S. Mail**

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Re: LexisNexis Risk Solutions

Dear Mr. Belair and Ms. Devata:

As you know, the staff of the Federal Trade Commission's Division of Privacy and Identity Protection has conducted an inquiry into LexisNexis Screening Solutions' ("LexisNexis") compliance with the Fair Credit Reporting Act in connection with its Retail Theft contributory Database ("RTCD"). The RTCD allows participating retail merchants to contribute shoplifting or theft information about employees and then allows these merchants to search the database to screen job applicants. We understand that LexisNexis Screening Solutions, including the RTCD, was purchased by First Advantage, a Symphony Technology Group Company ("FADV") on February 28, 2013. Upon careful review of this matter, we have determined not to recommend enforcement action at this time.


However, staff had concerns about the disclosures that employers make to employees prior to contributing a theft incident to the RTCD. To contribute an incident, a participating merchant submits a statement by the accused employee admitting the theft ("admission statement."). Staff was concerned that employees who sign admission statements may not be aware that they could be denied future employment because potential retail employers may have access to the admission statements (or the information in the statement) through the RTCD. Following a number of productive discussions between staff and LexisNexis, LexisNexis

agreed to modify certain of the procedures it requires of retailers to help ensure consumers understand how the admission statement may be used. FADV will implement the modifications of the procedures described in this letter.

Although the employers who contribute to the RTCD are responsible for making the appropriate disclosures, as a result of our discussions, FADV has committed to: 1) contractually require participating retailers to provide a clear and conspicuous notice to individuals at the time an admission statement is signed informing them that the statement (or information therein) may be obtained by other employers and affect future employment; 2) incorporate such disclosure into its own model admission statement; 3) provide guidance to participating retailers about ways to inform employees of consequences of employee theft (e.g., employee handbook and bulletin board disclosures), and 4) provide guidance materials that participating retailers could use to assist loss prevention personnel in administering the RTCD program.

We believe LexisNexis' past cooperation and FADV's commitment to implement the steps outlined in this letter will help ensure that its retail clients inform consumers and employees how admission statements may be used in the future. We will continue to monitor activities in this area. The closing of this investigation is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely,



Maneesha Mithal  
Associate Director  
Division of Privacy and Identity Protection  
Federal Trade Commission