

## TRANSACTIONS GRANTED EARLY TERMINATION BETWEEN: 100394 AND 101494—Continued

Name of acquiring person, name of acquired person, name of acquired entity	PMN No.	Date terminated
Corning Incorporated, J. Richard Fennell, Bioran Medical Laboratory .....	94-2174	10/05/94
Harvest States Cooperatives, H.J. Heinz Company, Portion Pac, Inc .....	94-2204	10/05/94
Neil M. Chur, Beverly Enterprises, Inc., Beverly Enterprises-Texas, Inc./Beverly California Corp .....	94-2209	10/05/94
Klaus J. Jacobs, Brock Candy Company, Brock Candy Company .....	94-2220	10/05/94
Amoco Corporation, John M. Fox, MarkWest Energy Partners, Ltd .....	94-2226	10/05/94
Beverly Enterprises, Inc., Eckerd Corporation, Insta-Care Holdings, Inc .....	94-2229	10/05/94
Arrow Electronics, Inc, Anthem Electronics, Inc., Anthem Electronics, Inc .....	94-2235	10/05/94
Philip F. Anschutz, Trammell Crow Equity Partners, The Tabor Group Ltd./Tabor Acquisition #1, Inc .....	94-2244	10/05/94
Dawson Holdings, PLC, The Faxon Company, Inc., The Faxon Company, Inc .....	94-2246	10/07/94
Mobil Corporation, Mr. Irwin B. Singer, The Atlas Oil Company .....	94-2159	10/12/94
The Clayton & Dubilier Private Equity Fund IV L.P., The Travelers Inc., American Capital Management & Research, Inc .....	94-2182	10/12/94
Liberty Brokerage Investment Corp., Liberty Brokerage Investment Corp., Patriot Securities, L.P .....	94-2196	10/12/94
ANTEC Corporation, Keptel, Inc., Keptel, Inc .....	94-2214	10/12/94
Airgas, Inc., Post Welding Supply Company, Post Welding Supply Company .....	94-2239	10/12/94
Jerry Zucker, W.R. Grace & Co., W.R. Grace & Co.-Conn .....	94-2240	10/12/94
David J. McGrath, Jr., c/o TAD Resources Int'l., Inc., Thomas L. Kirk, Kirk-Mayer, Inc. (KMI) .....	94-2248	10/12/94
Charles Schusterman, Oryx Energy Company, Sun Operating Limited Partnership .....	94-2249	10/12/94
David H. Jacobs Trust (The), Jacobs Properties, Inc., Jacobs Properties, Inc .....	94-2253	10/12/94
Jacobs Realty Limited Partnership, Jacobs Properties, Inc., Jacobs Properties, Inc .....	94-2254	10/12/94
Jacobs Realty Limited Partnership, Richard E. Jacobs, Mall A Limited Partnership .....	94-2255	10/12/94
CGW Southeast Partners I, L.P., The BOC Group plc, Ohmeda, Inc .....	94-2258	10/12/94
Lincolnshire Equity Fund, L.P., TRW Inc., TRW Inc .....	94-2259	10/12/94
Clear Channel Communications, Inc., Mario F. Iacobelli, Heritage Broadcasting Company of New York .....	94-2267	10/12/94
Creative Technology Ltd., Digicom Systems, Inc., Digicom Systems, Inc .....	94-2270	10/12/94
The NWNL Companies, Inc., USLICO Corporation, USLICO Corporation .....	94-2281	10/12/94
AmeriQuest Technologies, Inc., Jonathan O. Lee, Ross White Enterprises, Inc .....	94-2282	10/12/94
Ford Motor Company, Amoco Corporation, Amoco Oil Company .....	94-2284	10/12/94
Citicorp, Ground Round Restaurants, Inc., Ground Round Restaurants, Inc .....	94-2285	10/12/94
Foundation Health Corporation, Thomas-Davis Medical Centers, P.C., Thomas-Davis Medical Centers, P.C .....	94-2184	10/13/94
K-III Communications Corporation, Irvin J. Borowsky, North American Publishing Company .....	94-2286	10/13/94
The Methodist Hospital, St. Luke's Episcopal Hospital, St. Luke's Episcopal Hospital .....	94-2289	10/13/94
St. Luke's Episcopal Hospital, The Methodist Hospital, The Methodist Hospital .....	94-2290	10/13/94
IBP, Inc., Lakeside Farm Industries Ltd., Lakeside Farm Industries Ltd .....	94-2210	10/14/94
Loral Corporation, K & F Industries, Inc., K & F Industries, Inc .....	94-2236	10/14/94
General Electric Company, NEWCO, NEWCO .....	94-2269	10/14/94
American Premier Underwriters, Inc., Principal Mutual Life Insurance Company, Principal Casualty Insurance Company .....	94-2273	10/14/94
Japan Nuclear Fuel Company, Ltd., NEWCO, NEWCO .....	94-2279	10/14/94
Central Life Assurance Company, American Mutual Life Insurance Company, American Mutual Life Insurance Company .....	94-2288	10/14/94

**FOR FURTHER INFORMATION CONTACT:**

Sandra M. Peay or Renee A. Horton, Contact Representatives, Federal Trade Commission, Premerger Notification Office, Bureau of Competition, Room 303, Washington, DC 20580, (202) 326-3100.

By Direction of the Commission.

**Donald S. Clark,**

Secretary.

[FR Doc. 95-4278 Filed 2-21-95; 8:45 am]

**BILLING CODE 6750-01-M**

[File No. 902 3149]

**Equifax Credit Information Services, Inc.; Proposed Consent Agreement With Analysis To Aid Public Comment**

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed consent agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting

unfair acts and practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would require, among other things, a Georgia-based corporation to follow reasonable procedures to assure maximum possible accuracy when preparing consumer reports as required by the Fair Credit Reporting Act and to also maintain reasonable procedures to limit the furnishing of consumer reports to the purposes listed under Section 604 of the Fair Credit Reporting Act.

**DATES:** Comments must be received on or before April 24, 1995.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th Street and Pennsylvania Avenue NW., Washington, D.C. 20580.

**FOR FURTHER INFORMATION CONTACT:**

Christopher W. Keller or Donald d'Entremont, FTC/S-4429, Washington,

D.C. 20580. (202) 326-3159 or 326-2736.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

## Agreement Containing Consent Order To Cease and Desist

The Federal Trade Commission having initiated an investigation of certain acts and practices of Equifax Credit Information Services, Inc., a corporation, hereinafter sometimes referred to as Equifax, and it now appearing that Equifax is willing to enter into an agreement containing an order to cease and desist from the use of the acts and practices being investigated,

It is hereby agreed by and between Equifax Credit Information Services, Inc., by its duly authorized officers, and its attorney, and counsel for the Federal Trade Commission that:

1. Equifax Credit Information Services, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Georgia, with its office and principal place of business located at 1600 Peachtree Street, N.W., Atlanta, Georgia 30309.

2. Equifax is a consumer reporting agency as defined in Section 603(f) of the Fair Credit Reporting Act.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Equifax, and the proceeding is in the public interest.

4. Equifax admits all the jurisdictional facts set forth in the draft complaint.

5. Equifax waives:

(a) Any further procedural steps;

(b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law;

(c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered into pursuant to this agreement; and

(d) Any claim under the Equal Access to Justice Act, 5 U.S.C. § 50 *et seq.*

6. This agreement and the order contemplated hereby is for settlement purposes only and neither its execution by the parties hereto, acceptance by the Commission nor entry of the agreed-to order shall constitute any admission by Equifax that any law has been violated. Equifax specifically denies that it has violated the Fair Credit Reporting Act in any respect whatsoever.

7. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either

withdraw its acceptance of this agreement and so notify Equifax, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

8. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules, the Commission may, without further notice to Equifax, (1) issue its complaint corresponding in form and substance with the draft of complaint and its decision containing the following order to cease and desist in disposition of the proceeding and (2) make information public with respect thereto. When so entered, the order to cease and desist shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the U.S. Postal Service of the complaint and decision containing the agreed-to order to Equifax's address as stated in this agreement shall constitute service. Equifax waives any right it may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or the agreement may be used to vary or contradict the terms of the order.

9. Equifax has read the proposed complaint and order contemplated hereby. It understands that once the order has been issued, it will be required to file one or more compliance reports showing that it has fully complied with the order. Equifax further understands that it may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

### Order

For the purpose of this order, the following definitions apply:

“Commission” means the Federal Trade Commission.

“Equifax” means Equifax Credit Information Services, Inc., its successors and assigns, and its officers, agents, and employees acting in such capacity on its behalf, directly or through any corporation, subsidiary, division or other device.

“FCRA” means the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*, as the same from time to time may be amended or modified by statute or by

regulations having the effect of statutory provisions.

The terms “Person,” “Consumer,” “Consumer Report,” “Consumer Reporting Agency,” “File,” and “Employment Purposes” are defined as set forth in Sections 603 (b), (c), (d), (f), (g), and (h), respectively, of the FCRA, 15 U.S.C. §§ 1681a(b), 1681a(c), 1681a(d), 1681a(f), 1681a(g), and 1681a(h).

“Permissible Purpose” means any of the purposes listed in Section 604 of the FCRA, 15 U.S.C. § 1681b, for which a Consumer Reporting Agency may lawfully furnish a Consumer Report.

“Subscriber” means any Person who, pursuant to an agreement with Equifax, furnishes Credit Information to Equifax or who requests or obtains a Consumer Report from Equifax, excluding Consumers, public record sources, and independent contractors who provide public record information.

“Prescreening” means the process whereby Equifax, utilizing Credit Information, compiles or edits for a Subscriber a list of Consumers who meet specific criteria and provides this list to the Subscriber or a third party (such as a mailing service) on behalf of the Subscriber for use in soliciting those Consumers for an offer of credit.

“Credit Information” means information described by Section 603(d) of the FCRA, which Equifax maintains with respect to any Consumer, that Equifax obtains from Subscribers, public records or any other sources and from which Equifax creates Consumer Reports.

“Mixed File” means a Consumer Report in which some or all of the information pertains to Consumers other than the Consumer who is the subject of that Consumer Report.

“Consumer DTEC Report” means a type of Consumer Report, by whatever name, containing only Consumer identifying information such as name, telephone number, mother's maiden name, address, zip code, year of birth, age, any generational designation, Social Security number or substantially similar identifiers, or any combination thereof, together with information showing employment or employment status.

“Mixed-use Subscriber of Consumer DTEC Reports” means the following Subscribers who obtain Consumer DTEC Reports: attorneys, law firms, detective agencies, private investigators, and protective services firms.

“Joint User” means a user of a Consumer Report jointly involved with a Subscriber in a decision for which there is a Permissible Purpose to obtain the Consumer Report and for which the Consumer Report was initially obtained.

"Approval Date" means the date on which the Associate Director for Enforcement of the Bureau of Consumer Protection of the Commission notifies respondent that the methodologies required by Paragraph II.1. of this Order have received final approval.

## I

It is ordered that Equifax, in connection with the collection, preparation, assembly, maintenance and furnishing of Consumer Reports and Files, forthwith cease and desist from failing to:

1. Maintain reasonable procedures designed to limit the furnishing of Consumer Reports to Subscribers that have Permissible Purposes to receive them under Section 604 of the FCRA, as required by Section 607(a) of the FCRA. Such procedures shall include but are not limited to:

a. Continuing to require in Equifax's contracts that those who obtain Consumer Reports from Equifax in the form of lists developed through Prescreening make a firm offer of credit to each Consumer on the lists and take reasonable steps to enforce those contracts; and

b. Reasonable procedures to avoid (i) including in a Consumer Report information identifiable as pertaining to a Consumer other than the Consumer for whom a Permissible Purpose exists as to such report; and (ii) displaying Files identifiable as pertaining to more than one Consumer in response to a Subscriber request on one Consumer.

2. Maintain reasonable procedures designed to limit the furnishing of Consumer DTEC Reports to Subscribers under the circumstances described by Section 604 of the FCRA, as required by Section 607(a) of the FCRA. Such procedures shall include, with respect to prospective Subscribers of Consumer DTEC Reports, before furnishing any Consumer DTEC Report to such Subscribers, and with respect to current Consumer DTEC Subscribers, within six months after the effective date of this order:

a. Adoption of procedures requiring all Consumer DTEC Subscribers to provide written certification that Subscribers will not share or provide Consumer DTEC Reports to anyone else, other than the subject of the report or to a Joint User;

b. Continuation of procedures requiring all Consumer DTEC Subscribers to provide written identification of themselves; written certification of the Permissible Purpose(s) for which the Consumer DTEC Reports are sought; and written certification that the Consumer DTEC

Reports will be used for no other purpose(s) than the purpose(s) certified;

c. With respect to each entity that becomes a Consumer DTEC Report Subscriber on or after the effective date of this order, visitation to its place of business to confirm the certifications made pursuant to Paragraphs I.2.a. and I.2.b. of this order;

d. Refusing to furnish Consumer DTEC Reports to Subscribers who fail or refuse to provide the certifications required in Paragraphs I.2.a. and I.2.b. of this order;

e. Requiring each Mixed-use Subscription of Consumer DTEC Reports to provide a separate certification as to the Permissible Purpose for each Consumer DTEC Report it requests before the Consumer DTEC Report is furnished to it; and

f. Terminating access to Consumer DTEC Reports by any Subscriber who Equifax knows or has reason to know has obtained, after the effective date of this order, a Consumer DTEC Report for any purpose other than a Permissible Purpose, unless that Subscriber obtained such Report through inadvertent error—i.e., a mechanical, electronic, or clerical error that the Subscriber demonstrates was unintentional and occurred notwithstanding the maintenance of procedures reasonably designed to avoid such errors.

3. Maintain reasonable procedures as required by Section 607(a) of the FCRA to avoid including in any Equifax Consumer Report, other than a Consumer Report described in Section 605(b) of the FCRA, any information, notice or other statement that indicates directly or indirectly the existence of items of adverse information, the reporting of which is prohibited by Section 605(a) of the FCRA.

4. Follow reasonable procedures to assure maximum possible accuracy of the information concerning the Consumer about whom the Consumer Report relates, as required by Section 607(b) of the FCRA. Such procedures shall include but are not limited to reasonable procedures:

a. To detect, before Credit Information is available for reporting by Equifax, logical errors in such Credit Information.

b. To prevent reporting to Subscribers that Credit Information pertains to a particular Consumer unless Equifax has identified such information by at least two of the following identifiers: (i) the Consumer's name, (ii) the Consumer's Social Security number, (iii) the Consumer's date of birth, (iv) the Consumer's account number with a Subscriber or a similar identifier unique

to the Consumer; provided however that,

(A) for public record information only, if such public record information does not contain at least two of the above identifiers, Equifax may identify such public record information by the Consumer's full name (including middle initial and suffix, if available) together with the Consumer's full address (including apartment number, if any); and

(B) in the future Equifax may alternatively identify Credit Information (including public record information) by a discrete identifier that is (i) unique to the Consumer, (ii) not utilized by Equifax at the time of execution of this agreement, and (iii) not susceptible of data entry error.

c. To assure that information in a Consumer's File that has been determined by Equifax to be inaccurate is not subsequently included in a Consumer Report furnished on that Consumer;

d. To prevent furnishing any Consumer Report containing information that Equifax knows or has reason to believe is incorrect, including information that the Consumer or the source or repository of the information has stated is not accurate (including that it does not pertain to the Consumer) unless Equifax has reason to believe that the statement is frivolous or irrelevant or, upon investigation, not valid;

e. To avoid the occurrence of Mixed Files, including but not limited to mixing of Files as the result of entry of data by Subscribers when seeking Consumer Reports; and

f. To avoid reporting in a Consumer Report public record information that pertains to Consumers other than the Consumer who is the subject of the Consumer Report, or which does not accurately reflect information concerning such subject as it appears on public records, including but not limited to following reasonable procedures to sample, verify or otherwise corroborate public record information furnished by Equifax.

5. Maintain reasonable procedures so that information disputed by a Consumer that is deleted or corrected upon reinvestigation by Equifax, does not subsequently appear in uncorrected form in Consumer Reports pertaining to that Consumer; provided, however, that if after Equifax has deleted such information from the File, Equifax reverifies such information, Equifax may reinsert such information in the File and report such information in subsequent Consumer Reports concerning that Consumer if, and only if, Equifax advises the Consumer in

writing that the information has been reinserted.

6. Make disclosure of the nature and substance of all information (except medical information) in its Files on the Consumer at the time of the request for disclosure, as required by Sections 609 and 610 of the FCRA, to any Consumer who has requested disclosure, has provided proper identification as required under Section 610 of the FCRA, and has paid or accepted any charges that may be imposed under Section 612 of the FCRA.

7. Reinvestigate and record the current status of items of information the completeness or accuracy of which is disputed by a Consumer, when the Consumer directly conveys the dispute to Equifax, and Equifax does not have reason to believe the dispute is frivolous or irrelevant. Such investigation shall include but not limited to:

a. Completing any reinvestigation, *i.e.*, verifying, deleting, or modifying all disputed items in the Consumer's File, with thirty (30) days of receipt of the Consumer's dispute; provided, however, that if Equifax in good faith cannot determine the nature of the Consumer's dispute, Equifax shall attempt to determine the nature of the dispute by contacting the Consumer by mail or telephone within five (5) business days of receiving the Consumer's dispute, and complete its reinvestigation within thirty (30) days of the Consumer's response if Equifax in good faith can then determine the nature of the Consumer's dispute;

b. Communicating to the source used to verify the disputed information, a summary of the nature and substance of the Consumer's dispute;

c. Accepting the Consumer's version of the disputed information and correcting or deleting the disputed information, when the Consumer submits to Equifax documentation obtained from the source of the information in dispute which confirms that the disputed information on the Consumer Report was inaccurate or incomplete, unless Equifax in good faith has reason to doubt the authenticity of the documentation, in which case Equifax need not accept the Consumer's version of the dispute if it reinvestigates the dispute by contacting the source of the information and verifies that the documentation is not authentic; and

d. Employing reasonable procedures designed specifically to resolve (i) Consumer disputes that Equifax has reason to believe arise from Mixed Files, and (ii) Consumer disputes that indicate the repeated inclusion in Consumer Reports of previously disputed inaccurate or incomplete items.

8. Reinvestigate Consumer disputes in accordance with Section 611 of the FCRA. In connection therewith, Equifax shall impose no requirements beyond those in Section 611 of the FCRA, including but not limited to requirements that the Consumer:

- a. Pay a fee for updating and recording the current status of disputed information;
- b. Provide copies of identifying documentation, including but not limited to driver's license, Social Security card, and utility bills; and
- c. Provide a written authorization before reinvestigating information the Consumer has disputed.

9. Continue, upon completion of the reinvestigation of information disputed by a Consumer, to write the Consumer and provide the following:

- a. The results of the reinvestigation conducted by Equifax; and
- b. A statement advising the Consumer of the Consumer's right to request that Equifax furnish notification that information has been deleted, or furnish a copy or codification or summary of any Consumer statement of explanation of the dispute that has been filed by the Consumer, to any Person specifically designated by the Consumer who has within the preceding two years received a Consumer Report for Employment Purposes, or within the preceding six months received a Consumer Report for any other purpose, which contained the deleted or disputed information.

## II

It is further ordered that Equifax shall, annually for the five (5) year period following the Approval Date, measure, monitor, and test the extent to which changes in its computer system, including its algorithms, reduce the incidence of Mixed Files.

1. In complying with this Section, Equifax shall submit, within one hundred eighty (180) days of the effective date of this Order, for approval to the Associate Director for Enforcement, Bureau of Consumer Protection, of the Federal Trade Commission ("ADE"):

a. A proposed methodology for establishing a baseline against which changes may be measured, monitored, and tested; and

b. A proposed methodology for accurately measuring, monitoring, testing, and reporting the effects of changes made against the baseline established under the preceding paragraph.

2. For five (5) years following the Approval Date, Equifax shall submit annually to the ADE, in writing, the results of its comparison using the

methodologies approved by the ADE as specified in Paragraph II.1. above, and to the extent not otherwise provided, shall include with such reports the results of a statistically significant analysis to determine the incidence of Mixed Files.

## III

It is further ordered that Equifax shall, annually for five (5) years following the effective date of this order, submit the following information to the ADE within sixty (60) days of the anniversary of the effective date of this order and with respect to the preceding twelve (12) month period:

1. The total number of File disclosures to Consumers by Equifax;
2. The number of occasions on which Consumers have informed Equifax that they dispute information in files maintained by Equifax;

3. The number of such disputes where the disputed information was verified as accurate;

4. The number of such disputes in which information disputed was deleted from, or modified in, the disputing Consumer's File, after reinvestigation response; and

5. The number of such disputes in which information disputed was deleted from the disputing Consumer's File because no response to Equifax's verification inquiry was received within thirty days.

## IV

It is further ordered that, except for Section III above, Equifax shall, until the expiration of five (5) years following the effective date of this order, maintain and upon request make available to the ADE for inspection and copying, all documents demonstrating compliance with this order. Such documents shall include, but are not limited to, representative copies of each form of agreement or contract governing Subscriber access to or use of Credit Information, each periodic audit or similar report concerning the testing or monitoring of its systems for preparation, maintenance, and furnishing of Consumer Reports and files, instructions given to employees regarding compliance with the provisions of this order, and any notices provided to Subscribers in connection with the terms of this order.

## V

It is further ordered that Equifax shall deliver a copy of this order to all of its present and future management officials having administrative or policy responsibilities with respect to the subject matter of this order.

**VI**

It is further ordered that Equifax shall notify the ADE at least thirty (30) days prior to any proposed change in Equifax that might affect compliance obligations arising out of this order such as dissolution, assignment, sale resulting in the emergence of a successor corporation, or the creation or dissolution of subsidiaries.

**VII**

It is further ordered that Equifax shall, within one hundred eighty (180) days of service of this order, deliver to the ADE a report, in writing, setting forth the manner and form in which it has complied with this order as of that date. The Commission shall keep such report and its contents, or any report, document, or other information provided under Sections II, III, or IV above, or any notification provided under Section VI above, strictly confidential, in accordance with the Commission's Rules of Practice.

**VIII**

It is further ordered that if the FCRA is amended (or other similar federal legislation enacted) or the Commission issues any interpretation of the FCRA, relating to any obligation imposed on Equifax herein, which creates any new requirement for compliance with the FCRA that directly conflicts with any obligation imposed on Equifax by this order, Equifax may conform the manner in which it conducts its business as a Consumer Reporting Agency or its use of Credit Information to the requirements of such statutory provision or interpretation; provided, however, that Equifax shall notify the ADE promptly if it intends to change its conduct as provided for in this Section, and provided further that nothing in this provision shall limit the right of the FTC to challenge any determination of direct conflict of Equifax hereunder and to seek enforcement of Equifax's obligations under this order to the extent such determination is erroneous. For purposes of this order, and by way of example only, a "direct conflict" between this order and a new statutory amendment or interpretation shall include a requirement in any such amendment or interpretation that a Consumer Reporting Agency complete a task or obligation addressed in this order in a greater period of time than is specified in the order.

**IX**

This order does not address the issue of disclosure under Section 609 of Credit Information (whether or not separately maintained in any File),

including but not limited to Credit Information utilized for fraud alert or similar application verification services, which categorizes the identifiers on the Consumer or categorizes any other data on the Consumer and is susceptible of being furnished to a Subscriber, and the order does not in any way limit the right of the Commission to take any appropriate action after entry of this order relating to this issue, nor does it limit in any way Equifax's defenses to any such action.

**Analysis of Proposed Consent Order to Aid Public Comment**

The Federal Trade Commission has accepted, subject to final approval, an agreement containing a consent order from Equifax Credit Information Services, Inc., a corporation ("the respondent"). This agreement, among other requirements, requires the respondent to cease and desist from failing to follow reasonable procedures to assure maximum possible accuracy when preparing consumer reports and cease and desist from failing to maintain reasonable procedures to limit the furnishing of consumer reports to subscribers that have permissible purposes to receive them, such as purposes encompassing credit transactions involving the consumer, employment and the underwriting of insurance.

The proposed consent order has been placed on the public record for sixty (60) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action, or make final the proposed order contained in the agreement.

According to the complaint, the respondent failed to take reasonable steps to reduce the incidence of inaccuracies and obsolete items of information in the consumer reports it furnished and failed to maintain and follow reasonable procedures to assure maximum possible accuracy of the information contained in its consumer reports.

The complaint also alleges that respondent failed to limit the furnishing of consumer reports to only those who possessed a permissible purpose to receive consumer reports. The complaint further alleges that the respondent failed adequately to give disclosures of the nature and substance of all information (except medical information) when consumers properly

requested disclosure of the information in their own files. The complaint additionally alleges that the respondent failed to properly reinvestigate disputed items of information in consumer reports.

The complaint alleges that by its failures to comply with the Fair Credit Reporting Act and pursuant to Section 621(a) of the Fair Credit Reporting Act, respondent has engaged in unfair and deceptive acts or practices in or affecting commerce in violation of Section 5(a)(1) of the Federal Trade Commission Act.

The consent order contains provisions designed to ensure that the respondent does not engage in similar allegedly illegal acts and practices in the future. Specifically, Part I of the Order requires the respondent to maintain reasonable procedures to assure that information placed in a consumer's file belongs to the consumer in question and is also accurate, complete and up-to-date without obsolete information. Further, the Order requires respondent to reinvestigate disputed items of information in a consumer's file in a timely and reasonable manner, generally within 30 days.

The consent order also contains provisions requiring respondent to maintain reasonable procedures to limit the furnishing of consumer reports (and specifically consumer reports in the form of identification reports containing employment information) to only those with permissible purposes to receive consumer reports. Further, the consent order provides that respondent disclose the nature and substance of all information (except medical information) in its files on a consumer in response to a proper request for disclosure from the consumer who is the subject of the file.

Part II of the Order requires the respondent to submit to the Commission for approval a methodology by which changes to the respondent's computer system will be measured. The incidence of consumer reports containing information of other consumers, not the subject of the report, will be measured against a baseline established by the methodology to determine the efficacy of the computer changes. These measurements will be submitted for five (5) years to the Commission in the form of annual reports.

Part III of the Order requires the respondent to annually for five (5) years submit to the Commission information concerning the numbers of disclosures provided and disputes received by the respondent.

Part IV of the Order requires the respondent for a period of five years to

maintain and make available all documents demonstrating its compliance with the Order.

Part V of the Order requires the respondent to deliver a copy of the Order to all of its present and future management officials having administrative responsibilities with respect to the subject matter of the Order.

Part VI of the Order requires the respondent to notify the Commission at least thirty (30) days prior to any proposed change in its corporate structure that may affect its compliance with the Order.

Part VII of the Order requires the respondent to file a written report with the Commission within one hundred eighty (180) days after service of the Order detailing the manner and form in which it has complied with the Order.

Part VIII of the Order allows respondent to conform the manner in which it conducts its business to any FCRA amendment (or other similar federal legislation enacted) or official Commission interpretation which relates to any obligation imposed on the respondent by the Order and which directly conflicts with an obligation imposed by the Order.

Part IX of the Order specifically reserves for future consideration the issue of disclosure of fraud alert or similar verification services to consumers who properly request disclosure under the FCRA.

The purpose of this analysis is to facilitate public comment on the proposed Order, and it is not intended to constitute an official interpretation of the agreement and proposed Order or to modify in any way their terms.

By direction of the Commission.

**Donald S. Clark,**  
Secretary.

[FR Doc. 95-4279 Filed 2-21-95; 8:45 am]

BILLING CODE 6750-01-M

**[File No. 941 0132]**

#### **Tele-Communication, Inc.; Proposed Consent Agreement With Analysis To Aid Public Comment**

**AGENCY:** Federal Trade Commission.  
**ACTION:** Proposed Consent Agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would permit, among other things, Tele-Communication, Inc. (TCI) to complete its acquisition of TeleCable, on the

condition that it divest either its own Columbus cable TV assets, or those of TeleCable, within twelve months. If the divestitures were not completed on time, the consent agreement would permit the Commission to appoint a trustee to complete the transaction. In addition, TCI, for ten years, would be required to obtain Commission approval before acquiring any cable TV system in the Columbus, GA., area.

**DATES:** Comments must be received on or before April 24, 1995.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:**  
Ronald Rowe, FTC/S-2105,  
Washington, DC 20580, (202) 326-2610.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's rules of Practice (16 CFR 4.9(b)(6)(ii)).

#### **Agreement Containing Consent Order**

The Federal Trade Commission ("Commission"), having initiated an investigation of the proposed acquisition of the common stock of TeleCable Corporation by Tele-Communications, Inc. and the proposed merger of TeleCable Corporation into TCI Communications, Inc., an entity within Tele-Communications, Inc., and it now appearing that Tele-Communications, Inc., hereinafter sometimes referred to as "proposed respondent," is willing to enter into an agreement containing an order to divest certain assets, and to cease and desist from making certain acquisitions, and providing for other relief:

It is hereby agreed by and between proposed respondent, by its duly authorized officer and attorney, and counsel for the Commission that:

1. Proposed respondent Tele-Communications, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its principal

office and place of business at 5619 DTC Parkway, Englewood, Colorado 80111.

2. Proposed respondent admits all the jurisdictional facts set forth in the draft of complaint.

3. Proposed respondent waives:

- a. any further procedural steps;
- b. the requirement that the

Commission's decision contain a statement of findings of fact and conclusions of law;

c. all rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement; and

d. any claim under the Equal Access to Justice Act.

4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondent, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondent that the law has been violated as alleged in the draft of complaint, or that the facts as alleged in the draft complaint, other than jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules, the Commission may, without further notice to the proposed respondent, (1) issue its complaint corresponding in form and substance with the draft of complaint and its decision containing the following order to divest and to cease and desist in disposition of the proceeding and (2) make information public with respect thereto. When so entered, the order to divest and to cease and desist shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the U.S. Postal Service of the complaint and decision containing the agreed-to order to proposed respondent's address as