

Analysis of Proposed Consent Orders to Aid Public Comment
In the Matter of ACRAnet, Inc., File No. 092 3088
In the Matter of SettlementOne Credit Corporation, and Sackett National Holdings, Inc.,
File No. 082 3208
In the Matter of Fajilan and Associates, Inc. d/b/a Statewide Credit Services, and Robert
Fajilan, File No. 092 3089

The Federal Trade Commission has accepted, subject to final approval, three agreements containing consent orders from ACRAnet, Inc. (“ACRAnet”); SettlementOne, Inc. (“SettlementOne”), and its parent corporation Sackett National Holdings, Inc.; and Fajilan and Associates, Inc. d/b/a Statewide Credit Services (“Statewide”) and its principal Robert Fajilan (collectively “respondents”).

The proposed consent orders have been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreements and the comments received, and will decide whether it should withdraw from the agreements and take appropriate action or make final the agreements’ proposed orders.

According to the Commission’s proposed complaints, respondents contract with the three nationwide consumer reporting agencies, Experian, Equifax, and TransUnion to obtain consumer reports that they assemble and merge into a single “tr

¹ The proposed order against Statewide includes an individual respondent, Robert

and require service providers by contract to implement and maintain appropriate safeguards.

- Evaluate and adjust the information security program in light of the results of the testing and monitoring, any material changes to the company's operations or business arrangements, or any other circumstances that they know or have reason to know may have a material impact on the effectiveness of their information security program.

Part II of the proposed orders prohibits respondents from violating any provision of the GLB Safeguards Rule.

Part III of the proposed orders requires that respondents, in connection with the compilation, creation, sale or dissemination of any consumer report shall: (1) furnish such consumer report only to those persons it has reason to believe have a permissible purpose as described in Section 604(a)(3) of the FCRA, or under such other circumstances as set forth in Section 604 of the FCRA; and (2) maintain reasonable procedures to limit the furnishing of such consumer reports to those with a permissible purpose and ensure that no consumer report is furnished to any person when there are reasonable grounds to believe that the consumer report will not be used for a permissible purpose.

Part IV of the proposed orders requires that respondents obtain within 180 day

² The proposed order against SettlementOne and Sackett National Holdings does not require Sackett National Holdings to obtain an assessment for any subsidiary, division, affiliate, successor or assign if the personal information such entities collect, maintain, or store from or about consumers is limited to a first and last name; a home or other physical address, including street name and name of city or town; an email address; a telephone number; or publicly available information regarding property ownership and appraised home value.

the FTC of changes in corporate status. In the Statewide order, Part VII requires the individual respondent to notify the FTC of changes in contact information, business or employment status, and Part VIII requires the corporate respondent to notify the FTC of changes in corporate status. Part VIII of the ACRA net and SettlementOne orders and Part XI of the Statewide order mandates that respondents submit an initial compliance report to the FTC, and make available to the FTC subsequent reports. The last provision of the orders is a provision “sunsetting” the orders after twenty (20) years, with certain exceptions.

The purpose of the analysis is to aid public comment on the proposed orders. It is not intended to constitute an official interpretation of the proposed orders or to modify their terms in any way.