2257 INSPECTIONS

WHAT TO DO IN THE EVENT OF AN INSPECTION

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GUIDE TO 2257 INSPECTIONS

This presentation has been created to give you a quick overview of what to anticipate and what to do in the event that your business is subjected to an inspection under Section 2257.

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2257 INSPECTION PROCEDURE INTRODUCTION – THE INSPECTORS ARRIVE

· Your Receptionist should:

- Ask the agents to be seated
- Call the records custodian
- Notify your attorney IMMEDIATELY

Records Custodian

- Review this document
- Don't show it to the Agents
- Make it clear that you are making sure that the inspectors follow the list your attorney gave you
 - Don't make it seem like you are second guessing them, you are just doing what your lawyer told you to do.

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2257 INSPECTION PROCEDURE WHO CAN INSPECT?

Any officer of the Department of Justice

- Any FBI Agent
- Any attorney with the Dep't of Justice
- Any other individual with "comparable credentials"

Other authorities

- Anyone designated by the Dep't of Justice as an "inspector"
- This individual will have some document that will be signed by an official at the Dep't of Justice
- The type and form of the document is not yet determined

2257 INSPECTION PROCEDURE WHAT IS AUTHORIZED IN AN INSPECTION?

- Inspectors may:
 - Enter without delay
 - No advance notice may be given it will always be a surprise inspection.
 - Inspect during "normal business hours"
 - This means from 9-5 M-F, or:
 - Any other time that you are actually conducting business.
- The inspectors should not "unreasonably" disrupt the operations of your business.

- If it does, make note, politely tell them, but do not interfere.

2257 INSPECTION PROCEDURE UPON COMMENCEMENT THE INSPECTOR SHALL:

- · Present his or her credentials to you
- Explain the nature and purpose of the inspection
 - The limited nature of the records inspection
 - The records required to be kept
 - The scope of the specific inspection
 - The records that he or she wishes to inspect
- These are REQUIRED by law.
- If the inspector fails to do any of the above:
 - Politely ask the inspector to do the above
 - Whether they do or not, do not interfere, but keep detailed notes of the failure to do so, witnesses, time, date, etc.

2257 INSPECTION PROCEDURE WHAT CAN THE INSPECTOR DO?

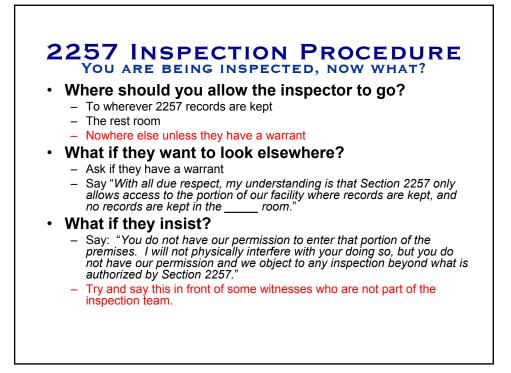
- Inspect your 2257 Records
 - But this is not "carte blanche" to inspect the entire facility

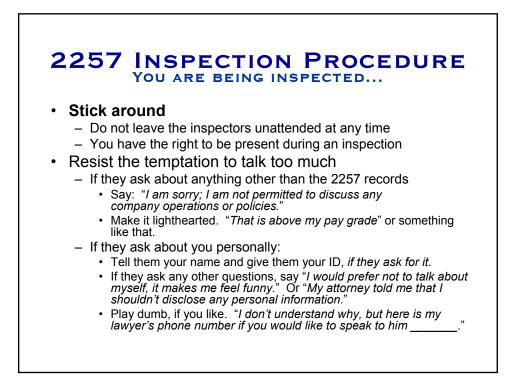
· Make copies of the records

- At no expense to you
- Any record that is subject to the inspection

Seize evidence

- If they see any evidence of any felony, they may seize that
- And it will be used against you
- KEEP YOUR RECORDS CLEAN, AWAY FROM EVERYTHING ELSE IN YOUR OFFICE, AND NOT INTERMINGLED WITH ANY OTHER RECORDS.
- This includes your model releases although they may have 2257 information on them, do NOT keep them with your 2257 records.





2257 INSPECTION PROCEDURE You are being inspected...

Records – What if they want additional records?

- What if they want model releases, payroll records, etc?
- First: These should NEVER be kept with 2257 records.
- Second: Say "Because those records are not part of the records required by Section 2257, I do not have those records available."
- Note that they asked for them, who asked for them, and at what time.
- Try and keep your notes private.

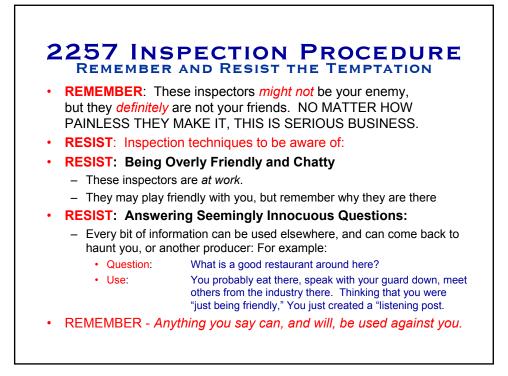
2257 INSPECTION PROCEDURE YOU ARE BEING INSPECTED...

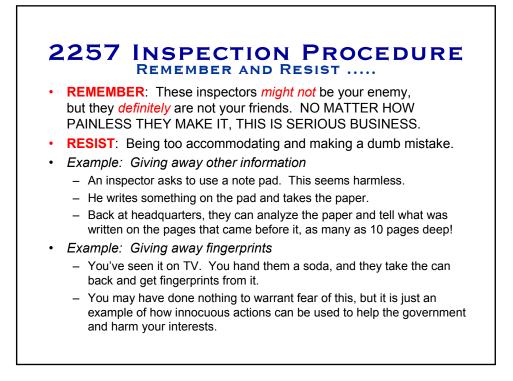
- Photographs
 - They will take a picture of the 2257 area
 - They will take a picture of your facility
 - This is allowed
 - Don't pose for a picture It may seem silly but:

 - He is really saying: "Lets get a picture of you to place in our files just in case we need it to use against you."

• Copies

- They will make copies
- They will bring their own copier
- They will decline to use yours
- They have no need/right to copy anything but 2257 records







- What if they want to look elsewhere?
- · Where should you allow the inspector to go?
 - To wherever 2257 records are kept
 - The rest room
 - Nowhere else unless they have a warrant
 - REMEMBER If they have a right to search an area, they will do it without asking. If they ask, they don't have a right – but if you allow it you waive potentially valuable defenses.
 - RESIST Don't do anything foolish, but make sure you make it clear that they do not have your consent

2257 INSPECTION PROCEDURE THE INSPECTION IS OVER - GOOD

- The inspection ends favorably:
 - The inspectors may tell you that you "passed."
 - Thank them.
- Compile your notes into a detailed account of everything that happened and email or fax it to your attorneys immediately.

2257 INSPECTION PROCEDURE THE INSPECTION IS OVER - BAD

- The inspection ends unfavorably:
 - There is a violation, and they arrest you
 - There is no violation, but they arrest you for something else they found
- Remain calm
- Do not resist the arrest
- Shut up. Don't say another word except "My name is _____ and I wish to have an attorney present during questioning."
- Do not consent to searches of any other areas, your car, NOTHING.
- If they say "can we look in here?" Say "No, I do not consent to any searches of any kind." Then repeat the request for your lawyer.
- Stay calm, collected, composed.
- Do not get angry. It will not help.

2257 INSPECTION PROCEDURE THE INSPECTION IS OVER - BAD

- Make sure that someone knows your lawyer's phone number
- Make sure that this person is dependable
- Preferably, that person should be nearby or on-site
- That person should be instructed to call your lawyer
- That person should also compile detailed notes of everything they can remember from the encounter



- This may all seem intimidating, but:
 - If you have followed proper record keeping and indexing procedures, you should be fine. If you are unclear about these procedures, you need to talk to an attorney as soon as possible.
 - To date, inspectors do not seem overly gung-ho about this task, and they have been reasonable so far.
- Also:
 - Make sure that you are represented by experts in this area of law
 - Get their advice *before* you have an inspection to minimize the chance that an inspection will end badly.

