

KNOWING YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT

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There are three national credit bureaus that are approved by law to accumulate, publish and sell private information about consumer credit matters. In addition, there are numerous types and versions of consumer reporting agencies that make use of and resell all of that private information. In order to insure that the rights of consumers are protected within this process, the federal government enacted legislation known as *The Fair Credit Reporting Act* (FCRA) that governs the activities of the various credit bureaus and consumer reporting agencies.

Most consumers have little knowledge about this consumer legislation even though it was enacted for their own protection. In fact, most consumers see themselves as HELPLESS in the face of the Credit Bureaus and the credit industry as a whole. And many people think that the credit bureaus themselves are some form of government entity when in fact they are giant privately-owned companies that make billions of dollars in profits from the sale of private consumer information. If there were not a need for consumer protection, then it wouldn't exist.

In sum, FCRA encourages and protects the accuracy, fairness and privacy of information that has been assembled by the credit bureaus and is contained in their files. Following is a summary of your most important rights under FCRA.

- ✓ **You must be told if information in your file has been used against you.** Anyone who uses a credit report or some other type of consumer report to deny your application for credit, insurance or employment or to take some other adverse action against you must advise you and give the name, address, and phone number of the provider of that information.

- ✓ **You have the right to know the contents of your file.** You may request and obtain all the information about you in the files of a credit bureau or other consumer reporting agency as long as you provide proper identification which can include your Social Security Number. This is

called a “File Disclosure” and you are entitled to receive it FREE of charge if any of the following have occurred:

- A person has taken adverse action against you because of information in your credit report.
 - You are the victim of identify theft and place a fraud alert on your file.
 - Your file contains inaccurate information as a result of fraud.
 - You are on public assistance.
 - You are unemployed but expect to apply for employment within 60 days.
- ✓ **You have the right to receive one FREE credit report per year from each national Credit Bureau.** To order a credit report all you have to do is go to the following website: www.annualcreditreport.com.
- ✓ **You have the right to request your credit scores.** Credit Scores are numerical summaries of your credit rating and are published by each of the national Credit Bureaus. You will have to pay for your scores but the cost is not excessive.
- ✓ **You have the right to dispute any information in your credit reports that you feel is incomplete or inaccurate.** The reporting agencies are required to investigate and verify any information they are publishing that you challenge.
- ✓ **You have the right to require the removal of any incomplete, inaccurate or unverifiable information from your credit reports.** The removal of such information is specifically cited by the federal legislation and credit reporting agencies must remove it from your credit reports usually within 30 days from the date they receive your notice.

- ✓ **You have the right to require the removal of any outdated negative information.** Reporting agencies may not report negative information that is more than seven years old except for bankruptcies which are limited to a maximum of ten years.
- ✓ **Access to your credit records is limited.** Only people with a valid legal right may access your file which includes creditors, insurance companies, employers, landlords or other businesses with a legitimate need as specified by FCRA.
- ✓ **You have the right to give consent before an employer may review your credit file.** Generally, a reporting agency may not give out information about you to your employer, or a prospective employer, without your WRITTEN consent.
- ✓ **You have the right to opt-out of unsolicited “prescreened” offers from marketing companies that want to review your credit file.** You can opt-out from the national reporting agencies by calling (888) 567-8688.
- ✓ **You have the right to seek damages from reporting agencies, from information providers or from information users that violate FCRA.** Damages can be sought in state or federal court upon the advice and confirmation of an attorney.

Conclusions

In conclusion, consumers have strong federal legislation available on their side to protect them from the abuse of the credit reporting agencies. People who lack knowledge become victims. Know your rights and insist that they be honored. The credit bureaus do not have the freedom to damage your reputation with inaccurate, incomplete or out of date information. And they must respond to your challenges by re- verifying any information they are publishing that you object to in writing.

Please feel free to call us toll free if you have any questions or need further information: (800) 357-4223.