

## WHAT SHOULD I LOOK FOR IN MY REPORT?

You should look for the following possible problems:

### ARE THERE ANY ERRORS?

If you think there is an error, you should fill out a dispute form or write a letter explaining the problem. Attach copies of any supporting evidence, if you have it. Make sure to send the form or letter to the attention of the agencies that issued the reports containing the error.

The agency must then investigate your report and get back to you, usually within thirty days. (They can decline your request only if they decide that it is frivolous. They must notify you of this decision.)

The agency must notify you within five days of completing the investigation and must include a copy of your credit report if it has been revised. If the agency does fix the error, order another report in a few months to make sure the error stays fixed.

### IS THERE ANY OLD INFORMATION?

Look for:

- Credit information older than seven years
- Bankruptcy information older than 10 years.

This is considered "old" information and should no longer be in your report.

## WILL THIS SOLVE ALL OF MY CREDIT PROBLEM?

No. Sometimes people get into trouble with credit. The problems will usually show up on your report. The best thing to do in this situation is to start rebuilding your credit. And if you apply for new credit, shop carefully. Try to get the best terms possible.

### WHAT IF I FIX EVERYTHING AND I'M STILL TURNED DOWN FOR CREDIT?

It is possible that you are being illegally discriminated against. It is against the law for creditors to base decisions to extend or deny credit on sex, age, race, color, religion, national origin, marital status, receipt of public income or assistance or the exercising of your rights under consumer protection laws.

You should consult an attorney immediately if you think this has happened to you.

### WHERE CAN I GO FOR HELP?

Consult your local legal services office, volunteer lawyers project (often coordinated through the local bar association), or local department of consumer affairs.

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*NCLC is a resource for lawyers and advocates on consumer issues affecting low- and moderate income Americans. This brochure was supported, in part by a grant from the Open Society Institute.*



# The Truth About CREDIT REPORTS & CREDIT REPAIR COMPANIES

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## WHAT IS A CREDIT REPORT?

A credit report is a record of how you have borrowed and repaid debts. Creditors usually look at this report to decide whether or not to grant credit.

## WHAT KIND OF INFORMATION CAN BE INCLUDED IN MY REPORT?

Most commonly:

- o Identification and employment data
- o Payment history on your accounts
- o A listing of all creditors who have recently requested copies of your report
- o Public record information [such as bankruptcies, foreclosures, court judgments)

## WHO CAN SEE MY CREDIT REPORT?

Only certain people are allowed to look at your report, such as:

- Creditors, when you apply for credit or for a loan.
- Employers, but only under certain circumstances and only if you give them written authorization.
- Government agencies, including those trying to collect child support.

## IT IS A GOOD IDEA TO KEEP TRACK OF YOUR CREDIT HISTORY BY ORDERING YOUR REPORT

There are three major credit reporting agencies and many other small ones. You should order your report from at least the "Big Three." These companies are:

Equifax  
Experian (formally TRW)  
Trans Union

These agencies may charge you up to \$9.00 for the report. The report is free if you have been denied within the past 60 days. You can also get one free report in any 12-month period if you are unemployed and will be applying for a job within the next 60 days, if you are on welfare, or if you have reason to believe that your report contains inaccurate information due to fraud.

## HOW DO I ORDER MY REPORT

To order from the "Big Three" companies, you should send a written request which includes your full name, date of birth, social security number and residences for the past five years. Each company has a toll free number that you can call for more information:

EQUIFAX  
(800) 685-1111  
[www.eaifax.com](http://www.eaifax.com)

EXPERIAN  
(888) 397-3742  
[www.experian.com](http://www.experian.com)

TRANS UNION CORPORATION  
(800) 888-4213  
[www.transunion.com](http://www.transunion.com)

## SHOULD I USE A CREDIT REPAIR

## COMPANY FOR HELP?

Beware of credit repair companies. There are many things you can do on your own for free to "fix" your credit or to rebuild your credit.

## BEWARE OF THESE COMMON CLAIMS MADE BY CREDIT REPAIR COMPANIES:

*"We can erase bad credit"*

The truth is that no one can erase bad credit information from your report if it is accurate.

*"Only we can remove old or inaccurate information."*

The truth is that if there are legitimate errors on your report or old information, you can correct the report yourself for free.

*"Legitimate error"* means that the information is inaccurate, not just that it is information you don't like.

"Old information" means credit information older than 7 years, or bankruptcy information older than 10 years.

*"The bad information on your report is accurate but we'll erase it anyway"*

The truth is that if this means lying to the credit reporting agency, it is illegal.