

## Review Your Credit Report

By Ronald Allen Flate, Attorney

When it the time comes for an important transaction for an individual, such as buying insurance taking out a mortgage, or applying for a job, having good credit can be critical. Second only to having good credit is being able to prove it in writing, in a consumer report compiled by one of the credit reporting agencies (CRAs) that have credit information on millions of Americans. If you have ever applied for a credit card, insurance, or a personal loan, one or more of the three major CRAs has a file on you.

By law a consumer has report from a CRA and that right check on the accuracy of the has added significance if a major Rectifying any errors ahead of consuming, can shorten the

A CRA must divulge report including, in most information. The consumer also requested the report during the request is related to employment. by the consumer's initiative, a consumer is notified that a consumer's application for credit. That notice, including the CRA's name, address and phone number is required by law.



the right to request a copy of a should be exercised annually to report's contents. Such oversight purchase is being considered. time, which itself can be time waiting period for loan approval. everything that is in a consumer instances, the source of the has the right to know who has preceding year, or two years if the Aside from reports prompted only report can be requested when a company has turned down the

If you detect errors in your report, the process of setting the record straight involves contacting both the CRA and the provider of the information in dispute. A consumer's rights concerning errors in a consumer report are as follows:

- If disputed information cannot be verified, the CRA must delete it.
- If there is inaccurate information, the CRA must correct it.
- If there is in incomplete information, such as a record that shows that a consumer made late payments but does not show that the consumer is current, the CRA must complete it.
- The CRA, having changed or removed information after a reinvestigation, may not put it back in the file unless the information provider verifies the information and the CRA gives advance notice to the consumer.
- The CRA must delete any account not belonging to the consumer.
- If requested b the consumer, the CRA must send notices of a corrected report to anyone who received it in the preceding six months, or two years if received for employment purposes.

If the credit story told by a consumer report is sad but true, the best ally for a consumer who has changed his ways is the passage of time. As a general rule, accurate negative information in a report can stay there for only seven years. There are some exceptions, for which the "shelf life" of negative information is extended. For example, bankruptcy information may be reported for ten years, and there is no time limit for information on criminal convictions. Similarly, there is no time limit for credit information stemming from an application for a job paying more than \$75,000 or an application for more than 150,000 of credit or life insurance. *[Editor's Note: To obtain a copy of your credit report, visit [www.aoausa.com](http://www.aoausa.com) and click on "Run Your Credit Check."*

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