

**SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS  
OF THE  
HOUSE COMMITTEE ON  
FINANCIAL SERVICES**

**HEARING ON  
“WHAT BORROWERS NEED TO KNOW  
ABOUT CREDIT SCORING MODELS AND CREDIT SCORES”**

**July 29, 2008**

**Testimony of:**

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## **INTRODUCTION**

Mr. Chairman and members of the Subcommittee, I am Richard Goerss, Chief Privacy Officer and Regulatory Counsel for Equifax Inc. I want to thank you for this opportunity to testify regarding what borrowers need to know about credit scoring models and credit scoring. My testimony primarily is focused on our Equifax Information Services subsidiary, which is our Fair Credit Reporting Act (FCRA)<sup>1</sup>-regulated credit reporting business, which for purposes of convenience, I will refer to simply as Equifax. In addition, given the focus of the hearing, my testimony focuses on scores and scoring models used by our lender customers, as opposed to scores used by others, such as insurers.

This statement briefly describes Equifax Inc.; describes what a credit score is; discusses benefits credit scoring provides to both consumers and lenders; discusses Equifax's scoring models and scores; and explains how consumers can obtain their credit score directly from Equifax.

## **ABOUT EQUIFAX**

Founded in 1899, Equifax Inc. is the oldest, the largest, and the only U.S. publicly traded of the national companies that provide consumer information for credit and other risk assessment decisions. As one of the three "national" credit reporting agencies, Equifax's activities are highly regulated under the FCRA and other related federal and state statutes. Equifax is a

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<sup>1</sup> 15 U.S.C. Sec. 1681 *et. seq.*

responsible steward of sensitive consumer information and, as such, is committed to consumer privacy. We actively work with governments, consumers, and businesses to forge effective solutions to complex information and privacy issues. Equifax believes that the marketplace can offer solutions that enlighten, enable and empower consumers.

### **WHAT IS A CREDIT SCORE?**

A credit score, broadly speaking, is an analytical methodology used to objectively assist in the prediction of consumer credit behavior. Credit scores allow lenders to project future account behavior more precisely, allocate their resources more efficiently, and minimize risk throughout the life cycle of an account. Credit scores may be used in connection with a variety of purposes, such as opening new accounts, determining down payment or deposit amounts, establishing and reviewing credit limits, and prioritizing collection efforts. Lenders can obtain scores based on credit scoring models developed by third parties, such as Equifax or Fair Isaac, or they can develop their own scoring models and obtain credit reports from Equifax (or other consumer reporting agencies) to which those scoring models are applied.

Credit scores are tools that lenders can use to assist in evaluating a consumer transaction or an account. Any decisions – such as whether to lend to a borrower or what terms to offer the borrower – are made by the lender, not those creating the scoring model or supplying credit information for use in the generation of the credit score. Lenders determine the role credit scores have in their credit risk decisions. For example, in the case of a mortgage loan, credit scores are not the sole factor in their decision as other factors, such as the value of the property, loan to

value ratios, the size of the down payment, and the consumer's debt to income ratio commonly would be considered in a lender's decision. Three lenders obtaining the same credit score on the same day could choose to offer the consumer different loan products or rates depending upon their underwriting decisions.

### **BENEFITS OF CREDIT SCORING TO CONSUMERS AND LENDERS**

Credit scoring systems provide benefits for both consumers and lenders. According to last year's report to the Congress by the Federal Reserve Board, "the introduction of credit-scoring systems has increased the share of applications that are approved for credit, reduced the costs of underwriting and soliciting new credit, and increased the speed of decision making." Examples of other benefits of credit scoring, also identified in the Federal Reserve Report, include:<sup>2</sup>

- Credit scoring has promoted competition between lenders by making it possible for creditors to readily solicit business from their competitors.
- Credit scoring increases the consistency and objectivity of credit evaluation and therefore may reduce the possibility that credit decisions will be influenced by personal characteristics or other factors prohibited by law.
- Credit scoring increases the efficiency of consumer credit markets by helping creditors establish pricing that is more consistent with the risks and costs involved.
- Credit scoring has broadened creditor access to capital markets, thereby reducing the cost of funding loans and strengthening public and private scrutiny of lending activities.

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<sup>2</sup> Board of Governors of the Federal Reserve System, "Report to the Congress on Credit Scoring and its Effects on the Availability and Affordability of Credit: Submitted to the Congress pursuant to Section 215 of the Fair and Accurate Credit Transactions Act of 2003" (Aug. 2007). pp. O-4 – O-5.

## **CREDIT SCORES OFFERED BY EQUIFAX**

Equifax markets third-party credit scores, including the FICO® score (sometimes also referred to as the Beacon score when sold by Equifax) and the VantageScore.<sup>3</sup> Equifax also has developed scoring models of its own. Also, as noted above, some customers choose to develop their own scoring models and then purchase consumer credit reports from Equifax to use with their own models in connection with the lender's credit determinations. As we understand that Fair Isaac, developer of the FICO score, has been invited to testify at today's hearing about its scoring models, we will focus our testimony on a description of our own scoring models.

Equifax develops hundreds of credit models for use by its customers. Equifax credit scores predict the likelihood of a particular behavior, such as payment, delinquency, or bankruptcy, within a set time period. Of course, Equifax credit scores are not a guarantee that a defined behavior will occur and do not use factors, such as gender, race, color, national origin, marital status, religion, or address. Nor do we use age as a factor.

Equifax credit scores are mathematically-derived and correlated to actual historical performance. Scores also are consistent, objective, and free from bias. Scores are an alternative to judgmental decision making, which typically is based on the experience of the decision makers, may be influenced by professional intuition, and can be biased or influenced by emotional states or consideration. Regulation B,<sup>4</sup> which implements the Equal Credit

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<sup>3</sup> VantageScore is an alternative to the FICO score created by Equifax, Experian, and TransUnion.

<sup>4</sup> 12 C.F.R. Part 202.

Opportunity Act,<sup>5</sup> addresses creditor use of credit scoring models and the development and validation practices that distinguish what the Regulation refers to as an “empirically sound, demonstrably and statistically sound” credit scoring system from judgmental assessments of applicants.

Equifax scoring models typically assign higher scores to consumers who exhibit a likelihood of high or satisfactory credit performance and lower scores to consumers who exhibit a likelihood of low or unsatisfactory performance. Our scores potentially are based on hundreds of discrete factual items of information, commonly referred to as “factors.” The factors can be broadly grouped into categories such as payment history, amounts owed, length of credit history, new credit account activity, and the types of credit used (installment, revolving, etc.). The weighting of particular factors varies from model to model depending upon how that factor impacts the type of behavior or outcome that the scoring model is seeking to predict. For example, the Equifax FICO (Beacon) score weighs the broad categories of factors described above as follows:

- Payment history (approximately 35%)
- Amounts owed/utilized (approximately 30%)
- Length of credit history (approximately 15%)
- New credit (approximately 10%)
- Type of credit (approximately 10%)

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<sup>5</sup> 15 U.S.C. Sec. 1691 *et. seq.*

Equifax offers both custom and generic credit scoring models. A “generic” credit score is derived from a scoring model that has been designed on the basis of information from a sampling of the general population. A “custom” credit score is a score that is based on scoring model that has been developed on the basis of a sampling of a more specific population, such as a specific lender’s customers.

Equifax scores are based on information in a consumer’s Equifax file, which is subject to the full range of standards, rights, and protections, afforded by the FCRA. Information used in scoring Equifax scoring models may include tradeline information regarding a consumer’s credit accounts (such as the type of account, the date the account was opened, the credit limit or loan amount, the outstanding balance, and the consumer’s payment history); inquiry information regarding certain inquiries (discussed further below); and public record or collection information such as certain judgments, tax liens, and collection account information. Credit reports also include identifying information about consumers, but this information is not used as factors in a credit scoring model.

Equifax does not score files in cases where the consumer’s file either has no tradelines, no tradeline that has been open for more than six months, or no tradeline that has been updated within the last six months. Disputed items in a consumer’s file are not used in Equifax scores. In addition, authorized-user tradelines generally are excluded from Equifax scoring models.

Equifax scoring models may utilize inquiries arising from consumer-initiated transaction – such as applications for auto loans, credit cards, mortgages, home equity lines, or retail credit

cards – in the calculation of credit scores, however, these inquiries are not heavily weighted. Inquiries arising from non-consumer initiated transactions, such as account review, pre-approved offers of credit, and consumer disclosure requests are not used by Equifax scoring models.

Information that may be predictive of creditworthiness, other than those customarily found in the traditional credit report, often are commonly referred to as “alternative data.” Alternative data sources might include, for example, utility payment history information, telecommunications history information, rental payment history information, or checking and savings account information. The use of such information, once collected, in credit scoring models would require continuing study, looking both at its content and the ability of alternative data providers to meet their FCRA furnisher obligations. Equifax already captures some types of alternative data and is committed to developing additional sources of alternative data so as to assist in scoring thin-filed and “un-banked” consumers.

## **HOW CONSUMERS CAN OBTAIN CREDIT SCORES FROM EQUIFAX**

Consumers can obtain the FICO/Beacon score, which is the credit scoring model most commonly distributed by Equifax, based on information in the consumer’s Equifax credit file from Equifax Information Services in a variety of ways. In each case, the price paid by consumers for the score disclosure is \$7.95:<sup>6</sup>

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<sup>6</sup> Consumers also may obtain their credit scores through other sources. For example, consumers are entitled under the FCRA, as amended by FACTA, to receive their credit score in connection with certain mortgage transactions. See FCRA Sec. 609(g) (15 U.S.C. Sec. 1681g(g)).



- Consumers can request a FICO credit score alone (without a copy of their credit file, credit monitoring, or ongoing scoring products) by sending a written request with proof of identity or by calling us, toll free, at 1-877-SCORE-11 (1-877-726-7311) or 1-800-685-1111. Consumers calling these toll-free numbers also have the option to order their FICO score together with a copy of their Equifax credit file, and the option to order a copy of their Equifax credit file without a score.

In addition to the consumer's FICO score, the consumer also is provided with the key scoring factors that affected the consumer's credit score, the FTC's summary of consumer rights under the Fair Credit Reporting Act, and other information. An example of such a disclosure is provided with our testimony as Attachment A.

- Consumers who obtain their free FACTA annual file disclosure from Equifax through [annualcreditreport.com](http://annualcreditreport.com) can also purchase their FICO credit score along with their free annual file disclosure, if they wish to do so.
- Consumers entitled to free credit file disclosures under FCRA or state law for various reasons (other than the FACTA free annual file disclosures, which are handled through the centralized source at [annualcreditreport.com](http://annualcreditreport.com), discussed above) can request free credit file disclosure at [www.equifax.com/fcra](http://www.equifax.com/fcra). These consumers are also offered the opportunity to purchase their FICO credit score.

In addition, our Equifax Personal Solutions subsidiary, which offers services and products directly to consumers, also makes credit scores available to consumers as a component of credit file monitoring products or credit scoring and credit scoring monitoring products such as Credit Watch™, Score Power®, and ScoreWatch™. These products, which vary in cost, are available to consumers through Equifax.com.

We also make educational information available to consumers through our website, [www.Equifax.com](http://www.Equifax.com). Examples of these materials accompany our testimony as Attachment B.

## **CONCLUSION**

Thank you again for the opportunity to testify on this important issue. Credit scoring has important benefits for both consumers and lenders. Equifax looks forward to continuing to work with the Subcommittee on scoring issues and educating consumers as to what they need to know, as borrowers, about credit scoring models and credit scores.

## **RICHARD G. GOERSS**

### **CHIEF PRIVACY OFFICER AND REGULATORY COUNSEL**

Richard G. Goerss is Chief Privacy Officer and Regulatory Counsel. He was appointed to these positions in April 2005 after having served as Vice President and Corporate Regulatory Counsel for various Equifax companies since March 2001. He had responsibility for regulatory and compliance issues on a global basis.

Previously, prior to March 2001, Mr. Goerss had served as Vice President - Group Counsel, North American Information Services for Equifax. He was responsible for a broad range of legal services to Equifax domestic credit services operations. Before that, Mr. Goerss served as Vice President - Assistant Group Counsel from 1993 until 1996 and as Vice President of Equifax Credit Information Services from 1991 until 1993. He has held various leadership positions since joining Equifax in 1977.

Mr. Goerss earned both a Bachelor of Arts degree with honors and a Master of Arts degree in teaching in 1972 from Emory University. In 1977, he received a Juris Doctor degree with honors from the University of Georgia.

**ATTACHMENT A**

P O Box 740256  
Atlanta, GA 30374

July 24, 2008

000006562-1  
Cshelltest Cshell Ctest  
211 Perimeter Center Pkwy NE  
Atlanta, GA 30346-1308

Dear Cshelltest Cshell Ctest:

Thank you for requesting your credit score. Credit scores are generated by applying a risk scoring model to information in an individual's credit file.

**Your FICO® credit score of 650**

**was created on July 24, 2008 and was based on the contents of your Equifax credit file on that date.**

The credit scoring model most commonly distributed by Equifax is FICO®. A FICO® credit score is generated from a formula developed by Fair, Issac and Company, Inc.

**NOTE:** The range of possible FICO® credit scores is 300 to 850. Generally, the higher the score the more favorably it is viewed by a lender.

**The key factors that affected your credit score are:**

Reason Code	Explanation
38	Serious delinquency or derogatory indicators/remarks, and public record or collection information is being reported on your credit file
18	There is evidence of multiple accounts with missing payments or having derogatory indicators/remarks reported
13	The time since your most recent past due payment is too recent or unknown
16	There is a lack of recent revolving/charge account information on your credit file

The above information and credit scoring model may be different than the credit score used by a lender. Lenders and other credit grantors may use their own custom scoring model or one developed by another company.

The confirmation number for this Score Report is: **8206000039**. If you need to speak with a customer service representative concerning the information on this Score Report, please call (800) 435-7730 and have the Score Report confirmation number available.

You may wish to view the contents of your Equifax credit file. To receive your credit file via the Postal Service, please order it from our automated system at **1-800-685-1111**. For instant on-line access to your credit file log on to [www.equifax.com](http://www.equifax.com).

You may contact Fair Isaac online at: [www.fairisaac.com](http://www.fairisaac.com) or by mail at: Fair Isaac Corporation, 901 Marquette Avenue, Suite 3200, Minneapolis, MN 55402 USA.

**The FBI Has Named Identity Theft As The Fastest Growing Crime In America.**

Protect yourself with Equifax Credit Watch™, a service that monitors your credit file every business day and notifies you within 24 hours of any activity. To order, go to: [www.creditwatch.equifax.com](http://www.creditwatch.equifax.com)

*Para información en español, visite [www.ftc.gov/credit](http://www.ftc.gov/credit) o escribe a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.*

### ***A Summary of Your Rights Under the Fair Credit Reporting Act***

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to [www.ftc.gov/credit](http://www.ftc.gov/credit) or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment or to take another adverse action against you must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your "file disclosure"). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
  - 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 in 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.

In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for an explanation of dispute procedures.
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.

- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.ftc.gov/credit](http://www.ftc.gov/credit).
- **You may limit "prescreened" offers of credit and insurance you get based on information in your credit report.** Unsolicited "prescreened" offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit [www.ftc.gov/credit](http://www.ftc.gov/credit).

**States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:**

TYPE OF BUSINESS:	CONTACT INFORMATION:
Consumer reporting agencies, creditors and others not listed below	Federal Trade Commission: Consumer Response Center - FCRA Washington, DC 20580 1-877-382-4357
National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)	Office of Thrift Supervision Consumer Complaints Washington, DC 20552 800-842-6929
Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-518-6360
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Consumer Response Center, 2345 Grand Avenue, Suite 100 Kansas City, Missouri 64108-2638 1-877-275-3342
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation, Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator - GIPSA Washington, DC 20250 202-720-7051

Para información en español, visite [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) o escribe a la FTC, Consumer Response Center, Room 130-B, 600 Pennsylvania Avenue, N.W. Washington, D.C., 20580.

### Remedying the Effects of Identity Theft

You are receiving this information because you have notified a consumer reporting company that you believe that you are a victim of identity theft. Identity theft occurs when someone uses your name, Social Security number, date of birth, or other identifying information, without authority, to commit fraud. For example, someone may have committed identity theft by using your personal information to open a credit card account or get a loan in your name. For more information, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or write to: FTC, Consumer Response Center, Room 130-B, 600 Pennsylvania Avenue, N.W. Washington, D.C., 20580.

The Fair Credit Reporting Act (FCRA) gives you specific rights when you are, or believe that you are, the victim of identity theft. Here is a brief summary of the rights designed to help you recover from identity theft.

1. **You have the right to ask that nationwide consumer reporting companies place "fraud alerts" in your file** to let potential creditors and others know that you may be a victim of identity theft. A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide consumer reporting agencies. As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file.

\* Equifax: 1-800-525-6285 [www.equifax.com](http://www.equifax.com)  
\* Experian: 1-888-397-3742 [www.experian.com](http://www.experian.com)  
\* TransUnion: 1-800-680-7289 [www.transunion.com](http://www.transunion.com)

An initial fraud alert stays in your file for at least 90 days. An extended alert stays in your file for seven years. To place either of these alerts, a consumer reporting agency will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an extended alert, you will have to provide an *identity theft report*. An *identity theft report* includes a copy of a report you have filed with a federal, state, or local law enforcement agency, and additional information a consumer reporting agency may require you to submit. For more detailed information about the *identity theft report*, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft).

2. **You have the right to free copies of the information in your file (your "file disclosure").** An initial fraud alert entitles you to a copy of all the information in your file at each of the three nationwide agencies, and an extended alert entitles you to two free file disclosures in a 12-month period following the placing of the alert. These additional disclosures may help you detect signs of fraud, for example, whether fraudulent accounts have been opened in your name or whether someone has reported a change in your address. Once a year, you also have the right to a free copy of the information in your file at any consumer reporting agency, if you believe it has inaccurate information due to fraud, such as identity theft. You also have the ability to obtain additional free file disclosures under other provisions of the FCRA. See [www.ftc.gov/credit](http://www.ftc.gov/credit).
3. **You have the right to obtain documents relating to fraudulent transactions made or accounts opened using your personal information.** A creditor or other business must give you copies of applications and other business records relating to transactions and accounts that resulted from the theft of your identity, if you ask for them in writing. A business may ask you for proof of your identity, a police report, and an affidavit before giving you the documents. It also may specify an address for you to send your request. Under certain circumstances, a business can refuse to provide you with these documents. See [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft).



4. **You have the right to obtain information from a debt collector.** If you ask, a debt collector must provide you with certain information about the debt you believe was incurred in your name by an identity thief - like the name of the creditor and the amount of the debt.
5. **If you believe information in your file results from identity theft, you have the right to ask that a consumer reporting agency block that information from your file.** An identity thief may run up bills in your name and not pay them. Information about the unpaid bills may appear on your consumer report. Should you decide to ask a consumer reporting agency to block the reporting of this information, you must identify the information to block, and provide the consumer reporting agency with proof of your identity and a copy of your *identity theft report*. The consumer reporting agency can refuse or cancel your request for a block if, for example, you don't provide the necessary documentation, or where the block results from an error or a material misrepresentation of fact made by you. If the agency declines or rescinds the block, it must notify you. Once a debt resulting from identity theft has been blocked, a person or business with notice of the block may not sell, transfer, or place the debt for collection.
6. **You also may prevent businesses from reporting information about you to consumer reporting agencies if you believe the information is a result of identity theft.** To do so, you must send your request to the address specified by the business that reports the information to the consumer reporting agency. The business will expect you to identify what information you do not want reported and to provide an *identity theft report*.

To learn more about identity theft and how to deal with its consequences, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft), or write to the FTC. You may have additional rights under state law. For more information, contact your local consumer protection agency or your state attorney general.

In addition to the new rights and procedures to help consumers deal with the effects of identity theft, the FCRA has many other important consumer protections. They are described in more detail at [www.ftc.gov/credit](http://www.ftc.gov/credit).

To request a free copy of your credit file after adding an initial or extended fraud alert please contact our automated ordering system at 1-800-685-1111. If you believe that the your credit file may contain inaccurate information due to fraud, such as identity theft, please submit your request in writing to:

Equifax Information Services LLC  
P.O. Box 740250  
Atlanta, GA 30374-0250



**ATTACHMENT B**



## FCRA

### Your Credit Rights

## Key Rights Contained in the Fair Credit Reporting Act (FCRA)

The Fair Credit Reporting Act (FCRA) is a federal law that regulates how credit reporting agencies use your information. Enacted in 1970 and substantially amended in the late 1990s and again in 2003, the FCRA restricts who has access to your sensitive credit information and how that information can be used.

### Summary of Key Rights

The FCRA is a complex piece of legislation and contains numerous provisions not discussed on this page. Below are several important features of how the FCRA that are designed to help consumers (for the complete text, visit the [Federal Trade Commission](#)). The FCRA protects you by ensuring that credit reporting agencies:

**Disclose your credit report to you upon request.** Credit reporting agencies must give you the information in your file if you ask for it and provide the agency with proper identification. See "To Receive Your Credit Report" below for more information.

**Limit access to your information.** A credit reporting company may not provide your credit report to any party that lacks a permissible purpose, such as the evaluation of an application for a loan, credit, service, or employment. Permissible purposes also include several business and legal uses. For details, see the [FCRA](#).

**Get your consent before providing your information to an employer.** An agency may not give your credit information to an employer or potential employer unless you first give that employer written permission to request your credit.

**Investigate disputed information.** If you tell a credit reporting company that your file contains inaccurate information, the agency must promptly investigate the matter with the source that provided the information. If the investigation fails to resolve the dispute, you may add a statement explaining the matter to your credit file. For more information, see [Correcting Errors in Your Report](#).

**Correct or delete inaccurate information.** A credit reporting company must correct or, as the case may be, delete from your credit file the information that is found to be inaccurate or can no longer be verified from your credit file. The credit reporting company is not required to remove accurate data from your file unless it is outdated or cannot be verified.

**Delete outdated information.** In general, negative information that is more than 7 years old (10 years for bankruptcies) must be removed from your file.

**Remove your name from marketing lists upon request.** Creditors and insurers may share information in your credit file with marketers who send you unsolicited offers. To request that the three credit reporting agencies not share your information with marketers, call 888-567-8688.

**Disclose your credit score to you upon request.** For a fee, you may get your credit score. In some mortgage transactions, you will get credit score information without charge. See "To Obtain Your Credit Score" below for more information.

**Add identity theft and active duty alerts.** Identity theft victims may place fraud alerts and active duty military personnel serving away from their regular duty station may place "active duty" alerts to help prevent identity theft.

**Remedying the Effects of Identity Theft.** If you are, or believe that you are, the victim of identity theft, you have specific rights under the FCRA. These rights will help you deal with the effects of identity theft. [Click here](#) to view a brief summary of the rights designed to help you recover from identity theft.

**Place a Security Freeze on your Credit File.** If you reside in select states you have the right to place a security freeze on your Equifax credit file. To determine the availability of a security freeze for your state and to determine the fees for placing and temporarily lifting a security freeze, please see the [State Freeze Requirements and Fees](#). A security freeze will prevent us from reporting your Equifax credit file to third parties, such as credit grantors and other companies and agencies, except those exempted by law or those for whom you contacted us and requested that we temporarily lift the security freeze.

A security freeze will require you to plan ahead for all your credit applications as you will need to contact us to request that we temporarily lift your freeze to allow us to report your Equifax credit file to the credit grantor you identify. Under the laws of most states, it may take up to three business days to process your request to temporarily lift the security freeze. It may take longer if you have lost the security freeze confirmation number which we provided to you when you first requested the security freeze be placed on your Equifax credit file. You may not be able to request a temporary lift of a security freeze during non-business hours or on weekends. A security freeze may hinder your ability to immediately obtain credit to make major purchases. Again, if you are credit active and apply for credit on a regular basis and have a security freeze on your Equifax credit file you need to be especially mindful of the need to plan ahead and contact us in advance to request a temporary lift of the security freeze on your Equifax credit file.

Only you can request a security freeze be placed on your Equifax credit file and only you can request the security freeze be removed or temporarily lifted. A security freeze will remain on your Equifax credit file until you request the security freeze be permanently removed or you request a temporary lift of the security freeze for a specific credit grantor/credit file user, or date range.

If you choose to request a security freeze on your Equifax credit file you must write to us. Your written request must be sent via certified mail and include the following information:

1. Name
2. Address
3. Date of Birth
4. Social Security Number
5. Proof of current address such as a current utility bill
6. Payment of applicable fees to request a security freeze of your credit file ( State Freeze Requirements and Fees to determine fees for your state). We accept personal checks, American Express, Mastercard, VISA, and Discover Cards for payment of fees. If you are paying by credit card, please include the following information:
  - a. Name of the person as it appears on the credit card
  - b. Type of credit card (American Express, Mastercard, VISA, or Discover Card)
  - c. Complete account number
  - d. Expiration date (month and year)
  - e. For American Express - 4 digit Card Identification Number (on front of card above the account number)
  - f. For Mastercard, VISA, or Discover Card - 3 digit Card Number (on back of card at the end of the account )Please do not send cash through the mail.
- g. If you are an identity theft victim and are requesting a security freeze you must also include a copy of a police report, Identity Theft report, or other government law enforcement agency report, such as a DMV report.

Please send your security freeze request information via certified mail to the address below.

*Equifax Security Freeze  
P.O. Box 105788  
Atlanta, Georgia 30348*

Once we receive your security freeze request information and place a security freeze on your Equifax credit file we will send you via US mail a confirmation letter that contains a 10 digit security freeze confirmation number. You will need to provide us your security freeze confirmation number to request temporary lifts of your security freeze or permanent removal of your security freeze. Please store this confirmation letter in a safe place to prevent delays when requesting a temporary lift or removal of your security freeze.

## To Receive Your Credit Report

This chart outlines fees by state for requesting one or more copies of your credit file within one calendar year (unless otherwise stated).

State	Free	Fees
California		\$ 8.00
Colorado	1 per calendar year	\$ 8.00
Connecticut		\$ 5.00 for the first report , \$ 7.50 for each additional report within 12 months
Georgia	2 per calendar	\$ 10.00
Maine	1 within 12 months	\$ 5.00
Maryland	1 within 12 months	\$ 5.00
Massachusetts	1 per calendar year	\$ 8.00
Minnesota		\$ 3.00 for the first report, \$ 10.00 for each additional report within 12 months
Montana		\$ 8.50
New Jersey	1 within 12 months	\$ 8.00
US Virgin Islands		\$ 1.00
Vermont	1 within 12 months	\$ 7.50
All other states		\$ 10.00
*Unemployed	1 within 12 months	
*Welfare	1 within 12 months	

You are entitled to one free report during any 12-month period no matter where you live, if you:

Are unemployed and intend to apply for employment in the next 60 days

- Are on public welfare assistance
- Believe your file contains inaccurate information due to fraud
- You are also entitled to a free report if you have received notice of an adverse decision (such as denial of credit, insurance, or employment) within the past 60 days

To receive your free Equifax credit report:

- Visit [www.equifax.com/fcra](http://www.equifax.com/fcra) (This is the quickest and easiest way to gain instant access to your credit report)

- Call 800-685-1111 -OR-
- Write to:  
Equifax Information Services  
P.O. Box 740241  
Atlanta, GA 30374

When requesting a credit report by mail, be sure to include your full name, current address, Social Security Number, and most recent former address for file-matching purposes. Also include a personal check made payable to Equifax Information Services LLC, based on the state rates above.

For immediate access to your online Equifax Credit Report & trade [Click here](#). A \$10.00 service fee applies.

Under the FACT Act amendments to the Fair Credit Reporting Act you are entitled to one free credit report disclosure in a 12 month period. To request this free annual disclosure you must contact the Central Source. To contact the Central Source on-line, please [click here](#) to [www.annualcreditreport.com](http://www.annualcreditreport.com). You can also contact the Central Source to request this free annual disclosure by calling toll free (877) FACTACT or by using the mail request form available at the central source website by clicking the following link [www.annualcreditreport.com](http://www.annualcreditreport.com)

### **To Obtain Your Credit Score**

By law, you are entitled to obtain your credit score. There is a fee of \$7.95 to obtain your credit score from Equifax Information Services. To request your credit score, please contact:

*Equifax Information Services LLC  
PO Box 105252  
Atlanta, GA 30348  
or call 1-877-SCORE-11*

If you are in the process of obtaining a mortgage, you may be entitled to free credit score information. Contact the person making or arranging your loan for further information.



## Understanding Credit Scores

[Print this page](#)

Looking for the ability to improve your attractiveness to lenders by improving your credit score? There's good reason to do so – a higher score can provide you a greater array of financial options and more favorable credit offers. Even if you already have a good score, there's always room for improving your creditworthiness by understanding your credit score. Keep in mind, however, that your credit score is based on your history of borrowing and repaying money, so there's no way to instantly change it. But here are some effective strategies that can help to strengthen your creditworthiness over time.

### Top 10 Strategies That May Help You

10. Learn what your current FICO® credit score is and what appears on your credit report. [Score Power®](#) gives you immediate access to your Equifax Credit Report and includes your current FICO® credit score.

9. Don't open new credit cards that you don't need just to increase your available credit. This approach could backfire and actually lower your score.

8. Try to keep your total account balances as low as possible. High outstanding debt may negatively affect your score, as you have a greater chance of missing payments.

7. Correct any incorrect information that might appear on your credit report. Visit [Disputing Information on Your Report](#) for more information.

6. If your credit is severely damaged, or you have a very short credit history, there are still ways to improve your creditworthiness over time. Consider opening new accounts responsibly and paying them off on time.

5. If you fall behind on paying a bill because of illness, unemployment, or family issues, write a short explanation to the credit reporting agencies. They will add it to your credit report. Also, call your creditor to explain the circumstances and, if possible, work out a payment schedule you can meet.

4. If you need help managing your credit, contact a reliable nonprofit agency, such as:  
Consumer Credit Counseling Service (CCCS)  
800-388-2227  
[www.cccsintl.org](http://www.cccsintl.org)

3. To minimize the number of inquiries on your credit report, don't apply for multiple credit cards over a short period of time, or for a card you're not likely to get. Apply for new credit accounts only as needed.

2. Make all of your payments on time. If forced to miss a payment, be sure to pay the missed payment the following month along with the current payment. Accounts more than 90 days past due will be indicated on your credit report. If you have missed payments, get current and stay current. As a general rule, the longer you pay your bills on time, the better your score.

And the number one way...?

1. Continue to check your credit report regularly, charting your progress along the way. Get your FICO® score and your Equifax Credit Report today with [Score Power®](#)!



## Frequently Asked Questions for Free and Discounted Disclosures

### General Questions

#### Why can't I access my credit file online?

If you are unable to pass authentication at Equifax's Free and Discounted Disclosures site, your credit file will not be delivered online. If you are unable to pass authentication, you can request your credit file be mailed to the address you supplied during registration through the Equifax Free and Discounted Disclosures site or by contacting us at 1-800-685-1111.

#### What information is included in my Equifax credit file?

Your Equifax credit file includes identifying information, trade line information, inquiry information, public record and collection information.

- Identifying information includes information that is used to identify you such as your name, address, social security number, date of birth and employment information. This information is not used in scoring. Updates to this information come from information you supply to lenders.
- Trade lines are your credit accounts. Lenders report on each account you have established with them. They report the type of account (bankcard, auto loan, mortgage, etc), the date you opened the account, your credit limit or loan amount, the account balance and your payment history.
- Inquiry information contains information about companies that have requested and/or viewed your credit information and remain up to two years.
- Public Record and/or Collection Information - Your credit file may contain public record information such as judgments, tax liens, and bankruptcies. Your credit file may also contain collection account information from professional services e.g. doctors, hospitals, cable companies etc. that have been turned over to an outside collection agency. Not all credit files contain public record and/or collection information.

#### How do I request a "fraud alert" be placed on my file?

You have the right to ask that nationwide consumer credit reporting companies place "fraud alerts" in your file to let potential creditors and others know that you may be, or have been a victim of identity theft. A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide consumer credit reporting companies. As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file.

- Equifax: 1-800-525-6285; [www.equifax.com](http://www.equifax.com)
- Experian: 1-888-397-3742; [www.experian.com/fraud](http://www.experian.com/fraud)
- TransUnion: 1-800-680-7289; [www.transunion.com](http://www.transunion.com)

An **initial fraud alert** stays in your file for at least 90 days. An **extended alert** stays in your file for seven years. To place either of these alerts, a consumer credit reporting company will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an extended alert, you will have to provide an identity theft report. An identity theft report includes a copy of a report you have filed with a federal, state, or local law enforcement agency. For more detailed information about the identity theft report, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft).

#### How do I dispute inaccuracies on my Equifax credit file?

As stated in the FCRA, you have the right to dispute information that you feel is being reported incorrectly on your Equifax credit file. You are able to initiate an online investigation immediately or you can contact our dispute center at the toll-free number listed at the top of your Equifax credit file. You must have a current copy of your Equifax credit file and your 10-digit confirmation number to complete this process online, which is found at the top of your Equifax credit file.

To initiate an online investigation, visit [www.equifax.com/investigate](http://www.equifax.com/investigate)

This link will lead you to a page that is not screen-readable at this time.

Your investigation requests are covered by the FCRA.

Additionally, you can dispute inaccuracies via US mail by writing to:

Equifax Information Services LLC  
 P.O. Box 740256  
 Atlanta, GA 30374

**What is a credit file disclosure?**

A credit file disclosure provides you with all of the information in your credit file maintained by a consumer reporting company, such as Equifax that could be provided by the consumer reporting company about you to a third party, such as a lender. A credit file disclosure also includes a record of everyone who has received a consumer file about you from the consumer reporting company within a certain period of time ("inquiries"). The credit file disclosure includes certain information that is not included in a consumer file about you to a third party, such as the inquiries of companies for pre-approved offers of credit or insurance and account reviews, and any medical account information which is suppressed for third party users of consumer files. You are entitled to receive a disclosure copy of your credit file from a consumer reporting company under Federal law and the laws of various states.

**What is a credit score?**

A credit score is a complex mathematical model that evaluates many types of information in a credit file. A credit score is used by a lender to help determine whether a person qualifies for a particular credit card, loan, or service. Most credit scores estimate the risk a company incurs by lending a person money or providing them with a service — such as, the likelihood that the person will make payments on time in the next two to three years. Generally, the higher the score, the less risk the person represents.

**How can I get my Equifax credit score?**

You can purchase an Equifax credit score when you request your Equifax credit file through the Free and Discounted Disclosures for a fee of \$7.95.

You can also order your score by phone by calling 1-800-685-1111.

**What about companies that claim they can improve my credit file for a fee?**

The Federal Trade Commission (FTC) cautions consumers to be wary of companies that make claims regarding credit repair. These companies, commonly called credit clinics, don't do anything for consumers that consumers cannot do for themselves at little or no cost. Beware of any organization that offers to create a new identity and credit file for you. The FTC and state attorneys general have filed actions against those who pursue these fraudulent practices. Here are some warning signs that the FTC and others say consumers should look out for to determine if they might be dealing with a credit clinic:

- An organization that guarantees to remove late payments, bankruptcies, or similar information from a credit file
  - An organization that charges a lot of money to repair credit
  - A company that asks the consumer to write to the credit reporting company and repeatedly seek verification of the same credit account information in the file, month after month, even though the information has been determined to be correct
  - An organization that is reluctant to give out their address or one that pushes you to make a decision immediately
- For a helpful brochure about credit clinics, you can write to the Federal Trade Commission and request a brochure titled "Credit Repair: Self Help May Be Best."

Federal Trade Commission  
 Sixth and Pennsylvania Avenues, N.W.  
 Washington, D.C. 20004

**Am I entitled to a free credit file under state and federal laws?**

The chart below outlines fees by state for requesting one or more copies of your credit file within one calendar year (unless otherwise stated).

State	Free	Fees
California		\$8.00
Colorado	1 per calendar year	\$8.00
Connecticut		\$ 5.00 for the first file, \$ 7.50 for each additional file within 12 months
Georgia	2 per calendar year	\$10.50

Maine	1 within 12 months	\$5.00
Maryland	1 within 12 months	\$5.00
Massachusetts	1 per calendar year	\$ 8.00
Minnesota		\$ 3.00 for the first file, \$ 10.50 for each additional file within 12 months
Montana		\$8.50
New Jersey	1 within 12 months	\$8.00
US Virgin Islands	1 within 12 months	\$7.50
Vermont	1 within 12 months	\$7.50
All other states		\$10.50

### Under the Federal Fair Credit Reporting Act:

\*If you have been denied credit, insurance, change in credit limit, or other credit-based benefit within the last 60 days, you are entitled by law to one free copy of your credit file per calendar year. If you have recently placed an initial 90 day fraud alert on the file, you are entitled to one free credit file. If you have recently placed an extended seven-year alert, you are entitled to two free credit files within 12 months.

\*\*You are entitled to one free credit file during any 12-month period regardless of your state of residence if:

- Unemployed and intend to apply for employment in the next 60 days.
- Receiving public welfare assistance.
- You believe you may be a victim of fraud.

Under the FACT Act amendments to the Fair Credit Reporting Act you are entitled to one free credit file disclosure in a 12 month period. To request this free annual disclosure you may contact the Central Source on-line at [www.annualcreditreport.com](http://www.annualcreditreport.com). You can also contact the Central Source to request this free annual disclosure by calling toll free (877) FACTACT or by using the mail request form available at the central source website at [www.annualcreditreport.com](http://www.annualcreditreport.com).

### How do I add a Security Freeze to my file?

Answers to all of your questions regarding placing a state legislated security freeze on your credit file can be found via our Equifax website. Please visit our website at [www.equifax.com](http://www.equifax.com)

This link will lead you to a page that is not screen-readable at this time.

### How do I contact the Federal Trade Commission (FTC)?

Federal Trade Commission  
 Consumer Response Center  
 Room 130  
 600 Pennsylvania Avenue, N.W.  
 Washington, D.C. 20580  
[www.ftc.gov](http://www.ftc.gov)

### How do I request a credit file by mail for a child under 13 years of age?

Equifax does not knowingly maintain credit files on minor children. If you suspect that your minor child's information has been used fraudulently, you should contact the credit reporting agencies directly and report the illegal use of your child's information to law enforcement. Please supply each credit reporting agency with your child's complete name, address, date of birth and a copy of the minor child's birth certificate and social security card. Additionally, please provide a copy of your driver's license or other government-issued proof of your identity, which includes your current address, and a current utility bill containing your current address so the credit reporting agencies may promptly respond to your request. The addresses for the credit reporting agencies are listed below:

Equifax  
 P.O. Box 740256

Atlanta, Georgia 30374

Experian  
P.O. Box 9532  
Allen, Texas 75013

TransUnion  
P.O. Box 6790  
Fullerton, CA 92834

## Security Questions

### How secure is my information?

Equifax recognizes the importance of secure online transactions, and takes steps to safeguard the privacy of information you provide online. The site's security protocols and measures are designed to protect the personally identifiable information you provide from unauthorized access or alteration. These measures include physical, electronic, procedural safeguards, and encryption designed to guard your personal information.

To help ensure the privacy and protection of your personal information, it is recommended that you do not access the Equifax Free and Discounted Disclosures site through links from unfamiliar websites. We recommend that you access Equifax's Free and Discounted Disclosures site directly at [www.equifax.com/fcra](http://www.equifax.com/fcra).

### Is it safe to provide my Social Security number to Equifax's Free and Discounted Disclosures site?

The site's security protocols and measures are designed to protect the personally identifiable information you provide from unauthorized access or alteration. As an added security measure, you can choose to have your credit file display no more than the last four digits of your Social Security number. You must enter your Social Security number to receive a credit file through Equifax's Free and Discounted Disclosures site.

See answer to "How secure is my information?" above for more information.

### How does the online authentication process work?

To assure that your Equifax credit file is disclosed only to you, Equifax will authenticate your identity utilizing the personal identification information you provide on this site, including, but not limited to, your Social Security number, and then require that you answer certain questions. For your protection, if your identity cannot be authenticated for online delivery of your credit file, you will receive further instructions on how to request your Equifax credit file for delivery by the U.S. Postal Service.

### What is a cookie?

A cookie is a piece of text information that a web server may transfer to the hard drive of your computer through your web browser when you visit a web site. Cookies are commonly used on web sites to improve your experience and to enable systems to recognize your browser. Some cookies last only through a single visit (session cookie); other may have an expiration date; still others may remain on your computer until you delete them (persistent cookie). Only the information that you provide, or the choices you make while visiting a web site can be stored in a cookie. For example, the web site cannot determine your e-mail address unless you choose to type it.

### How are cookies used on this website?

Equifax uses session and persistent cookie technology for several purposes. For example, cookies:

- Allow you to order more than once during a visit without your having to re-enter your information each time you place an order for a Personal Solutions product;
- Allow us to gather aggregated statistical data about the use of our website for research purposes;
- Help us improve your navigation of our web site(s);
- Enable us to store your preferences for certain kinds of information and marketing offers;
- Help us to provide features such as personalized greetings;
- If you're a Member of Personal Solutions, allow us to store your user name and encrypted customer identification number so that we recognize you when you return to our web site;
- Help us combat identity theft and fraud with more reliable identity verification and authentication data.

Our cookies only collect information during your online activity at our web sites to which this privacy policy applies, and not during any of your other Internet activity. Cookies set by us or our agents are not interpreted or shared with any other third party. We may combine cookie data with personally identifiable information or business organization identifiable information you provide to us (e.g., your e-mail address) so that you may receive marketing offers likely to be of interest to you. Of course, you may opt out of receiving these offers at any time by following the instructions in

the marketing offer. We may sometimes use outside technology companies to set cookies on our web site and collect cookie information for us. We use the cookie information collected by these companies in the same manner as stated above in this section. Those companies may not use these cookies for their own internal purposes or share the information collected with any party other than Equifax.

**How can I accept cookies?**

You can decide if and how your computer will accept a cookie by establishing your preferences in your web browser. Please understand that, if you choose to reject cookies, you may not be able to use certain of our online services or web site features. Internet Explorer is set up to allow the creation of cookies; however, you can specify that you be prompted before a web site puts a cookie on your hard disk, so you can choose to allow or disallow the cookie; or you can prevent Internet Explorer from accepting any cookies. You can specify different settings for different security zones. For example, you might want to allow web sites to create cookies if they are in your Trusted sites or Local intranet zone, prompt you before creating cookies if they are in your Internet zone and never allow cookies if they are in your restricted sites zone. Cookies and pop-ups must be enabled to access your credit file through Equifax's Free and Discounted Disclosures site.

**How can I learn more about guarding against internet fraud and protecting my personal information?**

OnGuardOnline.gov provides practical tips from the federal government and the technology industry to help you be on guard against phishing and Internet fraud, secure your computer, and protect your personal information.

# Welcome to Equifax

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## Step 1 of 3: Personal Information Check

1. Step 1: In Process
2. Step 2: To Be Done
3. Step 3: To Be Done

### View a New or Recently Requested Credit File

If you've been denied credit, insurance, change in credit limit, or other benefits within the last 60 calendar days, or you've recently placed a fraud alert on your credit file, you may use this site to request and view a free copy of your file as allowed under FCRA, state or federal legislation. (The use of this site requires that you allow popups and have cookies enabled)

### Personal Information

#### \*Required Field

- \* First Name:
- \* Last Name:
- Initial:
- Suffix:
- \* Date of Birth:
- \* Social Security Number (encrypted for your protection)
- \* Would you like the first 5 digits of your Social Security Number masked in your credit file disclosure?:  Yes  No
- \* Current Address:
- \* City:
- \* State:
- \* ZIP:
- \* E-Mail Address:  \* Please re-enter e-mail address:

### Reason for Credit File Request

[Click here](#) to view information regarding your state's guidelines for receiving free or reduced-fee access to a copy of your credit file.

- Free Fraud Alert Credit File (not denied)
- Free State Credit File (not denied)
- Denied Credit, Insurance, Change in Credit Limit or Other Benefit
- Unemployed Free Credit File (not denied)
- Receiving Public Welfare Assistance Free Credit File (not denied)
- Reduced-Fee State Credit File (not denied)
- Believe You May Be a Victim of Fraud Free Credit File (not denied)

You may also request a copy of your credit score.

- Include Credit Score for \$7.95**
- Include Score Watch monitoring with two in depth FICO® score reports just \$7.95 per month**

### Privacy and Security Notices

We understand your desire to know how your information will be used. See our [Privacy](#) and [Security](#) Notices for complete description on how we collect, use and maintain your submitted information.

#### Terms of Use

EQUIFAX FREE AND DISCOUNTED DISCLOSURE REQUEST WEB SITE TERMS OF USE	
SERVICE AGREEMENT TERMS OF USE - YOU MUST READ, UNDERSTAND, AND AGREE TO THE FOLLOWING TERMS OF USE AS WELL AS THE GENERAL TERMS OF USE	

- I Accept the service agreement terms of use.**
- I Decline**

We use SSL encryption to secure the confidentiality of your personal records. You can learn more about how we protect your information online in "[Security](#)" Notice.

Copyright Equifax 2008 | [Privacy Policy](#) | [Terms of Use](#) | [Security Policy](#) | [Disclosure Information](#) | [FAQs](#) | [FCRA](#)



## **Why Is My Score Not In My Report?**

Your credit score is generated by information on your credit report, but is not part of the credit report itself. Your Equifax credit report is a compilation of information about you and your credit history that has been reported to Equifax by others, mostly by those who granted you credit. Your credit score, on the other hand, is a number calculated using the information in your credit report. The score projects the amount of risk you pose to a lender.

- Two common scoring models are the Vantage Score and the FICO® score.
- Large creditors may use a customized scoring model. For example, car dealers may use a scoring model that focuses on car payment history.
- When lenders request your credit report, they often choose to receive a credit score at the same time, and will select which scoring model they want to use.

When you receive your yearly, free FACT Act credit report disclosure from Equifax you have the option of purchasing disclosure of your FICO® credit score OR

Get Score Power®, which provides your FICO® score along with a detailed analysis and explanation. (Encouraged)

## *Information Accessed from Equifax Web Site on July 23, 2008*

### **Information from Equifax web site.**

How is a credit score determined?

A credit score is based on information contained in your credit file. The FICO® score is calculated using the following credit file items:

- **Payment history:** Approximately 35% of the FICO score is based on this category.
- **Amounts owed:** Approximately 30% of the FICO score is based on this category.
- **Length of credit history:** Approximately 15% of the FICO score is based on this category.
- **New credit:** Approximately 10% of the FICO score is based on this category.
- **Type of credit used:** Approximately 10% of the FICO score is based on this category.

Please keep in mind that there are many different scoring models that can be used to calculate a credit score, and each scoring model may give more or less weight to the various items of information in your credit file.

What factors impact my credit score?

**Doing the following typically has a positive impact on your credit score:**

- Paying your bills on time. Delinquent payments and collections can have a significantly negative impact on your score.
- If you have missed payments in the past, getting current and staying current on your payments.
- Paying off debt rather than move it around.
- Re-establishing your credit worthiness if you have had problems. Opening new accounts responsibly and paying them off on time may help in the long run.
- Applying for and opening new credit accounts only as needed.
- Keeping credit cards and managing them responsibly. In general, having credit cards and installment loans (and making timely payments) may help in the long run. Someone with no credit cards, for example, may be seen as a higher risk than someone who has demonstrated a history of managing credit cards responsibly.
- If you are having trouble making ends meet, contacting your creditors or seeing a legitimate, reputable credit counselor.
- Keeping balances low on credit cards and other lines of revolving credit.
- Doing your rate shopping for a loan or credit line within a short period of time. FICO® scores distinguish between a search for a single loan and a search for many new credit lines in part by the length of time over which inquiries occur.

## *Information Accessed from Equifax Web Site on July 23, 2008*

**The following factors typically do not have a positive impact (or may even have a negative impact) on your credit score:**

- Opening a number of new credit cards that you do not need, just to increase your available credit. This approach could backfire and actually have a negative impact on your score.
- Opening a lot of new accounts in a short period of time, especially if you have been managing credit for a short time. New accounts will lower your average account age. If you do not have a lot of other information in your credit file, this could have a larger effect on your score. Also, rapid account build-up can look risky if you are a new credit user.

What is a "good" credit score?

FICO® scores can range from 300 to 850, but the majority of scores usually fall within the 600s and 700s:

- 20% are above 780
- 20% are in the range of 745 - 780
- 20% are in the range of 690 - 745
- 20% are in the range of 620 - 690
- 20% are below 619

Since there is no universal score cutoff used by all lenders, it is hard to say what a good score is outside the context of a particular lending decision. For example, one lender may determine that a score of 750 may qualify you for a platinum credit card, whereas a score of 675 may indicate that you are a better match for a standard card.

Why is my Equifax score different from my Experian and TransUnion credit scores?

There are several reasons for variations in your credit score among the different credit reporting agencies and even among different credit grantors:


- First, your credit score from each credit reporting agency is based on the information in your credit file at the credit reporting agency, and the credit history information each credit reporting agency has about you can differ. This can result in your score at the other credit reporting agencies being different from your Equifax score.
- Second, there is a slightly different FICO credit scoring model at each of the three nationwide credit reporting agencies due to the differences in credit history information they each have about you. Remember: your FICO score at a given credit reporting agency is only based on the credit data that credit reporting agency has about you.
- Third, although the FICO® credit scoring model is the score used most often by lenders, each of the credit reporting agencies, including Equifax, has their own scoring models. These other models may evaluate your credit file differently from the FICO® model and, in some cases a higher score may mean more risk, not less risk as with FICO® scores.

Personal Solutions Products

**Get your credit report**

"How do I get my FREE Equifax credit report?"

We work hard to keep the information in your credit file up to date, and you have the right to know what it says.




[Explore How >>](#)

**Dispute information in your credit file**

"This doesn't seem right, so what do I do?"

You can contact us to dispute information in your credit file online, over the phone or by mail.



[Explore How >>](#)

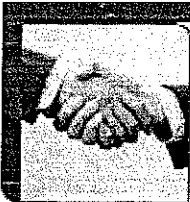
**Protect your credit**

"I'm concerned about identity theft, what do I do?"

You can set a fraud alert, freeze, or monitor your credit.

[Explore How >>](#)

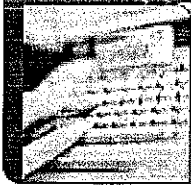
## Commercial Information Solutions



### Need information on other businesses?

Equifax Commercial Information Solutions brings new accuracy and trust to business intelligence. Going far beyond seeing credit history, financial payment history, business demographics and organizational insight. Access to better information on business viability, potential prospects and more.

## Consumer Information Solutions



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[Online Dispute](#)

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### **Are you a retailer or B2C company?**

Equifax Consumer Information Solutions is a leading provider of consumer information and insight. We don't just check, acquire new customers, retain them, and gain greater share of their wallet.

## Workforce Solutions



### **Need to manage employment and income verification?**

For HR and financial professionals that need help with payroll and tax issues, as well as any business that needs insight we are the market leader; working with three fourths of the Fortune 500.

## Understanding Credit Scores

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Looking for the ability to improve your attractiveness to lenders by improving your credit score? There's good reason to do so -- a higher score can provide you a greater array of financial options and more favorable credit offers. Even if you already have a good score, there's always room for improving your creditworthiness by understanding your credit score. Keep in mind, however, that your credit score is based on your history of borrowing and repaying money, so there's no way to instantly change it. But here are some effective strategies that can help to strengthen your creditworthiness over time.

### Top 10 Strategies That May Help You

10. Learn what your current FICO® credit score is and what appears on your credit report. [Score Power®](#) gives you immediate access to your Equifax Credit Report and includes your current FICO® credit score.

9. Don't open new credit cards that you don't need just to increase your available credit. This approach could backfire and actually lower your score.

8. Try to keep your total account balances as low as possible. High outstanding debt may negatively affect your score, as you have a greater chance of missing payments.

7. Correct any incorrect information that might appear on your credit report. Visit [Disputing Information on Your Report](#) for more information.

6. If your credit is severely damaged, or you have a very short credit history, there are still ways to improve your creditworthiness over time. Consider opening new accounts responsibly and paying them off on time.

5. If you fall behind on paying a bill because of illness, unemployment, or family issues, write a short explanation to the credit reporting agencies. They will add it to your credit report. Also, call your creditor to explain the circumstances and, if possible, work out a payment schedule you can meet.

4. If you need help managing your credit, contact a reliable nonprofit agency, such as:  
Consumer Credit Counseling Service (CCCS)  
800-388-2227  
[www.cccsintl.org](http://www.cccsintl.org)

3. To minimize the number of inquiries on your credit report, don't apply for multiple credit cards over a short period of time, or for a card you're not likely to get. Apply for new credit accounts only as needed.

2. Make all of your payments on time. If forced to miss a payment, be sure to pay the missed payment the following month along with the current payment. Accounts more than 90 days past due will be indicated on your credit report. If you have missed payments, get current and stay current. As a general rule, the longer you pay your bills on time, the better your score.

### And the number one way...?

1. Continue to check your credit report regularly, charting your progress along the way. Get your FICO® score and your Equifax Credit Report today with [Score Power®](#)!