



Reviewing your credit report

Reports on Credit — Issue 2

Whenever you apply for a new credit card, loan or extension of credit, the potential lender almost certainly will review your credit report before making a decision.

This issue of Reports on Credit answers these important questions:

- Why should you review your credit report?
- How can you obtain a free copy of your credit report?
- How can you purchase a copy of your credit report?
- How might errors appear on your credit report?
- How can you correct errors on your credit report?

Why should you review your credit report?

Your credit report is an important personal financial planning tool. It's an easy-to-read summary of your credit accounts and total indebtedness — both existing and potential. It can help you budget and plan for the future.

If you use credit, it's a good idea to review your credit report at least once a year. This is especially important when you're getting ready to buy an expensive item such as a car or a new home. Taking the time to check that your credit report is accurate and complete will ensure it doesn't delay your loan approval or cause you to be charged a higher interest rate.

How can you obtain a free copy of your credit report?

A credit report may be obtained at no charge:

- Once every 12 months, as required by the Fair and Accurate Credit Transactions Act (FACT Act). Visit www.annualcreditreport.com.
- If you certify in writing that you are unemployed and seeking employment or receive public welfare assistance.
- If you believe your credit file contains inaccuracies resulting from fraud.
- Whenever your application is denied based on information received from Experian, if you contact us within 60 days of the denial. You also may receive a free copy if adverse action was taken against you based on information in your credit report (e.g., your interest rate was raised or your credit limit was decreased). The company that declined your application or took adverse action will provide the name of the credit reporting company that provided your credit report and instructions for contacting the company to request a copy.

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How can you purchase a copy of your credit report?

There is a nominal fee for additional reports if you've already have received a free report under the FACT Act or don't meet the criteria for a free report described above. Some state laws provide free reports or reduced prices for their residents. Correct pricing for your state will be provided when you request your Experian credit report.

To purchase a copy of your credit report, visit our website at www.experian.com or call 1 888 EXPERIAN (1 888 397 3742) to use the automated telephone system.

Please have the following information when you call to order. The information is necessary for Experian to compile a complete and accurate copy of your credit report:

- Full name (including generation, such as Jr., Sr., III).
- Complete current and previous mailing addresses (for a two-year period). If you have moved within the past six months, you may be asked to send Experian two documents, such as copies of a utility bill, driver's license, insurance statement or bank statement, that show your name and current address to verify your identity. A mailing address will be provided.
- Social Security number.
- Date of birth.

How might errors appear on your credit report?

Experian® spends millions of dollars a year in its quest for 100 percent accuracy. But variations in your identification and account errors can appear for a variety of reasons:

- Sometimes a clerk makes a typographical error or misreads a handwritten credit application when entering the information to access a credit report. In both cases, this may cause an incorrect letter or number to appear in the consumer's identifying information on the credit file.
- Sometimes a consumer introduces variances into a credit report by obtaining credit under different names (Robert and Bob, Margaret and Peg, or J. Michael and James Michael), providing an inaccurate Social Security number when applying for credit, or omitting the "Senior" or "Junior" when father and son share the same name.
- Sometimes a consumer's payment experience is reported to Experian incorrectly. That can occur when a payment is applied to the wrong account.
- Sometimes a credit reporting company's computerized processes make mistakes when trying to create precision in an imprecise world, especially when not all of a consumer's identifying information is provided by the consumer or by the creditor. (Are Jack, John and Johnny — who live at the same address — the same person? Is the Mary Ellen Watson in San Diego in 2012 the same Mary Ellen Watson in Los Angeles in 2014? Is Richard Martin on Oak Street the same Richard Martin on Oak Avenue?)

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File One,SM Experian's consumer credit reporting system, is designed to prevent the majority of the credit reporting industry's most vexing problems: mixing credit information belonging to one consumer with another consumer's information and not including all the credit information about a consumer in that consumer's credit report.

How can you correct errors on your credit report?

Regardless of how errors are made, federal law allows consumers to dispute inaccuracies and correct their credit files, and Experian encourages consumers to do so.

It's important to understand that lenders report your identifying information using the information you provide in your applications. Variations may appear in your credit report if information is reported differently by your lenders. Such variations are included in your credit report so that you have a full record of the information reported to Experian. They do not affect your credit scores or your ability to get credit.

When you dispute information, Experian checks with your lender on your behalf. The lender then must verify that the information is correct as reported based on its records, update the information to accurately reflect its records or delete the account information.

You may want to contact the lender to discuss why your payment records do not agree if it verifies that the information in your credit report is correct.

No one can remove accurate information. Accurate information helps consumers obtain credit and helps lenders make low-risk loans to more people.

Once you have received your report from Experian, there is no fee to dispute information. Simply follow the instructions provided with your personal credit report. We'll verify the information with the source of the data. Within 30 days of receiving your comments, Experian will send you the results of our investigation.

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