

What are the ECOA codes & what do they mean?

The ECOA (Equal Credit Opportunity Act) code indicates who is responsible for each account and the type of participation for that account, as follows:

- U UNDESIGNATED** Not designated by the creditor
- I INDIVIDUAL** Individual account
- J JOINT** Joint account
- A AUTHORIZED USER** Authorized to use someone else's account
- S SHARED** Joint account
- C CO-MAKER** Joint responsibility for the account
- B CO-SIGNER** Responsibility only in case of default on the account
- M MAKER** Individual account
- T TERMINATED** Closed account
- X DECEASED** Deceased individual

Why do loans a consumer co-signed for appear on his or her credit report?

A co-signer on a loan is responsible for the debt if the primary account holder does not pay on the account as agreed or defaults on the loan. The delinquencies may appear on the co-signer's credit report and the co-signer may be responsible for the repayment of the debt.

Why are some of the account numbers on the credit report different from those on the loan application?

Credit grantors may shorten, lengthen or truncate account numbers when reporting to the credit bureaus. For security reasons, creditors may also scramble account numbers.

How will "shopping for credit" affect a credit report?

Consumers shopping for a new auto or home loan may submit numerous applications to lenders within a short time frame, resulting in a number of credit bureau inquiries. To minimize the negative impact of these events, multiple inquiries made within 30 days from the mortgage and automotive industry have zero effect on the consumer's FICO® score. Additionally, inquiries of the same type made within any 14-day period are treated as a single inquiry.

Can a credit report be revised to reflect a tax lien or judgment as satisfied based on a paid receipt presented by the consumer?

No. The disposition (payments) must be recorded at the court where the judgment was filed before the record can be identified.

What should consumers do if there is an error on their credit report?

Since information reported to the credit bureaus is only as current and as accurate as the information reported by creditor(s), consumers who want to dispute information on a credit report should contact the creditor and the agency that developed the report. Errors on a credit report must be corrected by the credit bureau that generated the information. The bureaus can correct any inaccurate information that may appear in their permanent files.

The FCRA allows a credit reporting agency a "reasonable period of time," generally 30 days, to reinvestigate disputed items. If the credit has been pulled through First American CREDCO®, consumers can contact us using our toll free number 800.255.0792 to speak with a customer service representative.

credit
REPORTING

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Who can order a credit report?

A consumer may request his or her own credit report at any time. Access to a consumer's credit information is regulated by the Fair Credit Reporting Act (FCRA) and administered by the Federal Trade Commission. Companies may request a consumer credit report from a credit reporting agency when they have a "permissible purpose" that qualifies under the FCRA.

Examples of FCRA-permissible purposes include:

- granting of credit
- collection of debt
- underwriting of insurance
- employment
- issuing a license as required by some government agencies
- initiation by the consumer of a legitimate business transaction between a business and the consumer

Any person who knowingly and willfully obtains information on a consumer from a consumer reporting agency under false pretenses shall be fined under Title 18, United States Code, imprisoned for not more than two years, or both.

What information is needed to access a credit report?

To access credit data, the following information should be provided: consumer's complete name (including suffixes), social security number and all addresses covering the past two years of residency.

How long are bankruptcies and other delinquent or derogatory credit reportable?

The FCRA provides the following statute of limitations:

Bankruptcies: 10 years from the date of entry of the order for relief

Suits and Judgments: seven years from date of entry or expiration of applicable statute of limitations, whichever is longer

Tax Liens—Paid: seven years from date of payment

Tax Liens—Unpaid: no limitation

Collections: seven years

Charged to Profit and Loss: seven years

Criminal Record Limitations: no limitation on criminal conviction

Other Lates & Adverse Information: seven years

What is a credit score and how does it affect a consumer?

A credit score is a number that predicts for a lender how likely an individual is to repay a loan or make credit payments on time. When a lender requests a credit report and score from a credit reporting agency, the score is calculated by a "scorecard" or scoring model—a mathematical equation that evaluates many types of information from the credit data at that agency. By comparing this information to the patterns in thousands of past credit reports, scoring identifies a consumer's level of credit risk. For more information on credit scores, visit www.fairisaac.com.

Why does one family member's credit data show up on another family member's credit file?

Sometimes mixed credit can exist in credit bureau data. For example, a parent and adult child who share the same or similar names may develop mixed credit. This is compounded by sharing the same residence address or by having shared a prior residence address. Note: Using suffixes such as Jr., Sr., or III, as well as the birth date, may assist in eliminating mixed data.

Why does an account that has been paid still appear on a credit report with other than a zero balance?

Most credit grantors report to the credit bureaus on a monthly basis or bi-monthly basis. Time requirements of creditors to prepare and transmit data to the credit bureaus vary. The reported date of the credit account located on a credit report will indicate the last time the account was updated with the bureaus. This date may vary 30, 60, 90 or more days from the date a credit report was accessed.

How is it possible that an account is listed as "current" and "closed" at the same time?

Both "current" and "closed" can be listed on your account together since the word "current" represents

that the last account payment was paid as agreed and "closed" indicates your credit account was closed for further use or the account has been paid in full.

Is a lender permitted to access credit data on the consumer's spouse without the spouse's permission?

A lender may not generally obtain a credit report on an applicant's spouse unless the spouse is a co-applicant or will be liable; the applicant is relying on the spouse's income to qualify; the applicant resides in a community property state or the property on which the applicant is relying on for repayment is located in a community property state; or the applicant is acting as an agent for the non-applicant spouse.

How does a divorce affect a consumer's credit?

A divorce decree does not take the place of the original contract with the creditor. It does not release a consumer's legal responsibility on the account. If an account was awarded to the ex-spouse in the divorce decree, the consumer must contact each creditor directly to release his or her obligation.

