

METHOD OF VERIFICATION ADDENDUM

This addendum will point out several sections of code in the Fair Credit Reporting Act that show that not only are the credit bureaus suppose to provide consumers with method of verification used when properly asked for, but this addendum goes on to show that the original application is the method of verification that should be used to verify. If the credit bureaus do not have a copy of the original credit application, then how can they claim verification?

BEWARE: The legal language can be difficult to comprehend. We have provided the section number including the page the code is found on in the Fair Credit Reporting Act PDF download.

In addition, there are paraphrase sections that explain the code in layman's term.

§ 609. Disclosures to consumers [15 U.S.C. § 1681g] (a) Information on file; sources; report recipients. Every consumer reporting agency shall, upon request, and subject to 610(a)(1) [§ 1681h], clearly and accurately disclose to the consumer: (Page 36)

Paraphrase: This section of code shows that the information that verifies the information in your credit report is supposed to be in the files of the credit bureau not the creditor. This is the information that the credit bureaus are suppose to store in their database on every consumer.

§610(a)(1) [§ 1681h] identifies the conditions of disclosures to consumers. Basically, if the consumer asks the credit bureaus for disclosure of the documents they used to verify the information that is being reported on the consumer, the credit bureaus must comply as long as the consumer has shown proper identification (driver's license and a social security card) plus has a written request for such files.

The credit bureaus refuse to show the consumer anything because they don't have anything in their files to show. Instead they tell the consumer to

request these documents from the original creditor, which is NOT what the code states.

§609(c)(2) Summary of rights required to be included with agency disclosures. A consumer reporting agency shall provide to a consumer, with each written disclosure by the agency to the consumer under this section (Page 39)

Paraphrase: This says the same thing as above...they will disclose the information requested to the consumer.

§609(c)(2)(E), a statement that a consumer reporting agency is not required to remove accurate derogatory information from the file of a consumer, unless the information is outdated under section 605 or cannot be verified.

Paraphrase: There are 2 situations in which "accurate" derogatory information can be removed. 1.) If the Information is outdated in Section 605. 2.) If the information cannot be verified.

First Example: Bankruptcies stay on a consumer's bureau for 10 years after which this derogatory item expires and drops off the consumer's credit report. Other derogatory items have life spans of 7 years before dropping off.

Second Example: "Verification" is the focus we are using for the deletion process. The reason for the method of verification letter is to prove that the credit bureaus have not properly verified the disputed claim. In the next section of code, we will prove that verification is having possession of the original application.

§603(I)(2) Verification (A) that the consumer continues to meet the specific criteria used to select the consumer for the offer, by using information in a consumer report on the consumer, information in the consumer's application for the credit or insurance, or other information bearing on the credit worthiness or insurability of the consumer; or (B) of the information in the consumer's application for the credit or insurance, to determine that the consumer meets the specific criteria bearing on credit worthiness or insurability. (Page 5)

Paraphrase: This section of codes deals with credit and insurance, for the purpose of this document, we are concerned with the credit portion. Section (2)(A) and (2)(B) clearly says that it is the "information" in the credit application that it uses to determine whether the consumer meets the lending guidelines. This is how the credit reporting agencies are suppose to verify your disputes; by way of the original credit application.