**Questions and Answers to help you better understand the Credit Repair/Restoration/Rebuilding Process.**

**Q:  How long does the credit restoration process take?**

It all depends on how many negative inaccurate, obsolete, misleading or duplicate items are on your credit reports.  It also depends on the credit bureaus properly doing their job by heeding the federal law, Fair Credit Reporting Act.  You will usually see results from all 3 credit bureaus in as little as 35-45 days.  The credit bureaus can respond faster if they gather all of the information back from your creditors in a timely manner, which by law is no more than 30 days.

**Q:  What guarantee can you give me?**

We can guarantee that we can improve your credit and credit scores within the 4 months time.  But you must have done at least two rounds of disputes through each of the credit bureaus and not have any new items appear on your credit reports.  We cannot guarantee that a certain item will be deleted or corrected in a certain period of time.  That would be against the law.  We do know that with determination and persistence, this process does work.

**Q:  Can information be removed from my credit reports even if it belongs to me?**

Any information on a credit report can be removed, but it has to be removed due to a violation of some type (which you will find described in the Fair Credit Reporting Act) (FCRA). There are many laws written to protect you (the consumer), so anything that violates these laws will cause removal of any accounts including judgments, liens, collections, charge-offs, bankruptcies and late payments that are incorrect, misleading, obsolete or inaccurate.

**Q:  Is there all to the dispute process, just sending letters?  I can do that.**

No, there is more to the credit repair/restoration/rebuilding process than just sending letters or proper documents to the Credit Bureaus.  Yes, you could have prepared the necessary documents yourself, but if you do not do them properly, request your investigation properly or send the correct requested items, then you risk the chance of being ignored, receive a rejection letter in the mail or have something deleted when you really wanted it corrected, etc.  Also, when the results come back to you, it is very difficult to read them or understand what the credit bureaus did.  For example:  the credit bureaus can delete or correct an item but did not list it in the results section.  Our job is to decipher these results and to correct their mistakes, know what to do if they ignore you and how to continue.  With our years of experience and expertise, we can help the credit repair/restoration/rebuilding process to continue smoothly.  Also, most consumers just don’t know their credit rights and what they can do to improve their credit and raise their scores.  It is very similar to doing your own taxes.  If you don’t know how, then you hire a professional CPA.  You can also represent yourself in a court of law, but if you want a professional, then you hire an attorney.  Experience and knowledge counts for a lot in this line of work.  You want to get the best results possible and not spend a lot of money doing it!

**Q:  After starting on the credit restoration process, I received a letter from a bank (creditor or a collection agency) stating that they know that I am disputing information on my credit reports?  Should I fill it out and send it back to them?**

If you receive something from a bank, creditor or a collection agency, make sure that you read the entire letter and the BACK of the letter.  You don’t have to respond to it unless it is a collection letter\*.  Most letters are just AUTOMATIC FORM letters that they send out to see if you are a victim of Identity Theft.  If you are really a victim of Identity Theft, by all means, fill the form out and send it in to them.  Otherwise, it usually is not important.  Please do not throw it away, just file it in your educational folder.  \*(If the letter is a collection letter, then you do want to respond to it with a ‘Debt Validation Letter’.  Contact us for more information on this).

**Q:  What if I receive two of the credit report results back but not the third one?**

For the most part, you will receive results back from each of the three credit bureaus.  There has been an occasion that one of the credit bureaus will ignore your request to investigate your credit report.  This may be a stall tactic on their part.  Keep in mind they don’t make any money by investigating your items on your credit reports.  So there is no real benefit to them to do this, only a benefit to you!  If this does happen, and you have waited at least 60 days from the date that you mailed the original letters/documents to them, then please forward what you did receive from the other two credit bureaus and call our office to advise us of the situation.  We will note your file and take a stronger stance on the next action and will not let the credit bureaus get away with it!!!

**Q:  Why does one credit bureau delete an account, but the other credit bureaus did not delete the same account?**

Each of the credit bureaus is three separate companies.  They are not government offices, or have some superior authority.  So if one credit bureau deletes an account, it doesn’t mean the other two have to.  Each of the credit bureaus does not know what the other ones are doing.  They don’t have time or the benefit to compare notes.

**Q:  Is it really that important to wait 70 days or more between disputes?  Why?**

Yes, most definitely.  We try to wait at least 70 days (more is better) in between disputes.  This way we are hoping that the credit bureaus will take the previous request to investigate the items out of their computer system.  There really way of telling this for sure as they will not discuss their internal procedures.  This information comes from years of experience in getting great results for our clients.

**Q:  What is a credit score and how can I improve it?**

A credit score, called the “Fair Isaac” is a score that is based on the number of credit accounts you have, your payment history, and your personal information. It is made from a calculation so complex that there is no exact formula, but the scoring ranges from 350 to 850. You can improve your score by paying your bills on time; closing accounts that are no longer needed; not maxing out your credit cards (never owe close to your limit); not letting prospective creditors pull your credit reports unless it is absolutely necessary; deleting negative credit; deleting inquiries; and doing your best to settle outstanding debts, collections, and judgments. Please see the informational sheet in your educational folder: ‘Factors that Affect Your Scores’.

**Q:  I have a couple of credit cards that are usually maxed to their limits. Is this hurting my credit scores?**

Yes! You should always keep your balances at least 50% below the limit. If at all possible, try even lower than 35% below the limit. Having credit cards can improve your credit scores—if you do not abuse them and if you have no more than one to three. Of course, making your payments on time will also help increase your scores.

**Q: With the interest rates being the lowest they have been in several years, can I refinance my home with bad credit?**

Yes, there are companies who will give you a mortgage loan if you have less than perfect credit, but you can expect to pay higher interest rates, which will make your monthly payments higher. It is much better to clean up your credit reports so that you can have higher credit scores, which will result in the best interest rates possible. Want to clean up your credit reports? Give us a call if you would like us to help you!

**Q:  Why do I need to know about Credit Identity Theft?**

First of all, Credit Identity Theft is on the rise and one of the fastest growing crimes in the United States.  Out of all 50 states, Arizona is #1.  Studies show that about 1 in 5 families in the U.S. has been a victim of identity theft. It is imperative to protect your credit.  If you don’t do it, no one will do it for you.  We have included an informational sheet about what is Identity Theft?  It includes Top 10 Causes of Credit Fraud and Identity Theft and 10 Tips to Help Prevent Credit Fraud and Identity Theft.  We have taken a further step in educating you by giving you the most detailed list available:  **Step by Step must do list if Identity Theft strikes**.

**Q:  Why do the Credit Bureaus make the credit repair/restoration process so complicated?  What do they stand to gain by not helping the consumer?**

The credit bureaus do not want you to be educated about how to read your credit reports, understand what certain details mean, what is a positive account, what is a negative account, what is a red flag and how it can hurt you, how to delete or correct duplicate, misleading, obsolete or inaccurate items, how to add positive credit, how to delete unauthorized inquiries, addresses, employment information, etc.  Keep in mind that they are in business because their main purpose to report positive and negative items about you on their report.  The credit bureaus receive money; yes MONEY from your creditors, collection agencies, courts, or anyone who is obtaining your credit report – with or WITHOUT your authorization!!!  It is up to YOU to defend yourself!!!  In this situation, you are guilty until you prove yourself innocent.  Funny how it is turned around from the original fact:  ‘*You are innocent until proven guilty*’.  If you don’t review your credit reports at least once a year for inaccuracies, then who will do it for you?  No one!  The creditors, collection agencies, etc. will get away with putting any type of information on your credit report because the credit bureaus work for them and get paid by them, not you.

**Q:  Can a credit counseling service help me?  Are you different then they are?**

1st question:  Honest answer? Yes and No! Yes, they can help you negotiate lower payments to your original creditors, and you will be able to make one monthly payment to the credit counseling service rather than many payments to all your creditors. However, should you miss a payment or pay less than the minimum amount due to your original creditor, the creditor has the right to report you to the credit reporting agencies for making late or insufficient payments. 2nd question:  Yes, we definitely are different.  The credit counseling companies are in business (mostly so called “non-profit”) to take your money, negotiate with your creditors (only the ones that will pay them a negotiating fee) a lower monthly payment and possibly a lower interest rate and will receive a kick-back a negotiating fee for doing it.    We will teach you how to do that for FREE.  We are a non-biased 3rd party that has YOUR best interests at heart, not the creditors or bill collectors.  We work for you – not them!  We give you all of your options and help you decide what is best for you and your situation! Most importantly, the credit counselors do not clean up your credit reports or raise your credit scores.  **We can help you!!!**

**Q:  Can a collection agency harass me?**

No, legally they cannot. The Fair Debt Collection Practices Act contains information as to what a collection agency can and cannot do, what times they can call you, etc. Most people do not know their credit rights (Fair Credit Reporting Act, Fair Debt Collections Practices Act and the Fair Credit Billing Act).

                   Here are your rights under the Fair Debt Collection Practices Act:

* Debt collectors may contact you only 1 time per day
* Debt collectors may contact you only between 8 am and 9 pm (your time)
* Debt collectors may not threaten, harass, oppress, or abuse you
* Debt collectors may not tell you that they can take your house, or vehicle
* Debt collectors may not contact you at work if they know your employer disapproves
* Debt collectors may not lie when collecting debts, such as falsely implying that you have committed a crime
* Debt collectors must identify themselves to you on the phone
* Debt collectors must stop contacting you if you ask them to in writing

By Federal Law, you have the right to stop the Collection Agencies from contacting you by mail or by phone.  You can exercise this right by sending them one of our specific documents such as the “Do Not Call Letter”.  There is also another letter that takes a stronger stance called a “Cease and Desist” letter.  This letter quotes in legal terms that you are notifying the collection agency under provisions of Public Law 95-109, Section 805-C, of the Federal Fair Debt Collection Practices Act that they will CEASE AND DESIST in their efforts to collect on an existing account.

**Q:  What is the debt collector required to tell you about the debt?**

They must adhere to the federal law, the Fair Debt Collections Practices Act.  Within five days after you are first contacted, the collector must send you a written notice telling you the amount of money you owe; the name of the creditor to whom you owe the money; and what action to take if you believe you do not owe the money.

**Q:  What can I do if a bill collector violates the FDCPA?**

First, try to get the collector back on the phone and repeat whatever you said the first time that caused the collector to make the illegal statement(s). Have a witness listen in on an extension or tape the conversation. Taping is permitted without the collector's knowledge in all states except California, Connecticut, Delaware, Florida, Illinois, Maryland, Massachusetts, Michigan, Montana, New Hampshire, Pennsylvania and Washington.
Then file a complaint. You can even file a complaint if you don't have a witness, but a witness helps. File your complaint with the Federal Trade Commission, 6th & Pennsylvania Ave., NW, Washington, DC 20850, 202-326-2222.
The FTC also has an on-line complaint form at: [https://rn.ftc.gov/dod/wsolcq$.startup?Z\_ORG\_CODE=PU01](https://rn.ftc.gov/dod/wsolcq%24.startup?Z_ORG_CODE=PU01)
Next, complain to your state consumer protection agency (who in some cases is your [state attorney general's](http://www.creditinfocenter.com/repair/stateag.shtml) office). (We are seeing some state attorney general’s suing the collection agencies because they have had so many complaints from consumers!  So your voice is heard!!!)
Finally, send a copy of your complaint to the creditor who hired the collection agency. If the violations are severe enough, the creditor may stop the collection efforts. If the violations are ongoing, you can sue the collection agency (and the creditor that hired the agency) for up to $1,000 in small claims court for violating the FDCPA. You probably won't win if you can prove only a few minor violations. If the violations are outrageous, you can sue the collection agency and creditor in regular civil court.

**Q:  Can I get copies of the Fair Credit Reporting Act, and Fair Debt Collection Practices Act?**

You can request these copies from the Federal Trade Commission. Know your rights and get educated!

**Q:  What can I do if a creditor or collection agency keeps mailing me harassing letters to pay up or else?**

First you want to make sure that they are following all federal laws that govern them.  (The Fair Credit Reporting Act and the Fair Debt Collections Practices Act).  Most know these laws but do not abide by them fully.  They prey upon consumers and harass them because most people do not know these laws and they do not have to be a victim!  You can fight back and make them follow the law.  You have more credit rights than you know.  Some of these choices are:  send them a “Debt Validation Letter”, a “Do Not Call Letter” or a “Cease and Desist Letter”.  Even if you think that the information may look accurate, you don’t just want to pay a collection agency that merely sends you 1 letter that says “Hey you, you need to pay us”.  What are your guarantees that you really owe this?  What proof do they have that you owe this?  What documentation do they have to rightfully collect for the original creditor? We can help you to decide what to do depending on your own unique situation to benefit you the most.

**Q:  I paid a collection account and it did not come off my credit report. Why?**

Paying a collection debt doesn’t mean it will come off of your credit report. What it does mean is that now it will be reported as a “Paid Collection.”  This is the most common myth when it comes to a collection account.  The collection agencies will lie to you to get your money.  They have been known to say, “Yes, we will update your account if you pay this collection account”.  Did you really hear what they said?  Updating doesn’t mean DELETING your negative collection account; it just means updating to show that you finally paid the collection account.  This will then appear as:  “Paid collection”.  We will advise and teach you in how to negotiate properly with your creditors or the collection agencies.  It is all done in writing, not by phone calling.  This way you always have documented proof and a paper trail of every transaction.

**Q:  How long does positive and negative information stay on my credit report?**

The Credit Bureaus would like you to believe that all information stays for 7-10 years, regardless of anything
you do. **However, the dispute process we use may DELETE THESE NEGATIVE ITEMS ALTOGETHER before this time.  If you had the choice to wait it out, or be pro-active and clean up your credit reports, which one would you choose?**

Good credit - 10 years or longer
Negative credit (late payments, collections, charge-offs, closed accounts, child supports, civil and small claim judgments, paid tax liens) - 7 years from the date paid
Chapter 7, 11 and 12 Bankruptcy - 10 years
Chapter 13 Bankruptcy - 7 years
Unpaid tax liens - 10 years
Inquiries - 2 years
**Q:  If I believe that a credit bureau or collection agency has violated the law, can I sue them or file a complaint?**
Yes! A consumer can file a complaint with the Federal Trade Commission, Office of the Attorney General, or Consumer Credit Commission. If you feel that they have violated your rights under the Fair Credit Reporting Act or the Fair Debt Collection Practices Act, you can sue a credit bureau or collection agency, and/or you can file a complaint with the small claims court in your area. You don’t have to have an attorney to do this. With proper documentation, you can effectively take care of this on your own.  The costs to do this are approximately $14 to $50, but check your local small claims court office for correct amount.

**Q:  How can I stop the credit card companies from sending me the so-called "pre-approved” credit card junk mail?**
By calling 1-888-5OPT-OUT or going to [**www.OptOutPrescreen.com**](http://www.optoutprescreen.com/); you can opt out for 5 years or permanently. This will stop the credit card companies from pulling your credit reports without your authorization, sending you junk mail, and in the process, you’ll also be saving a lot of trees!  This is a free service and only takes about 2 minutes.