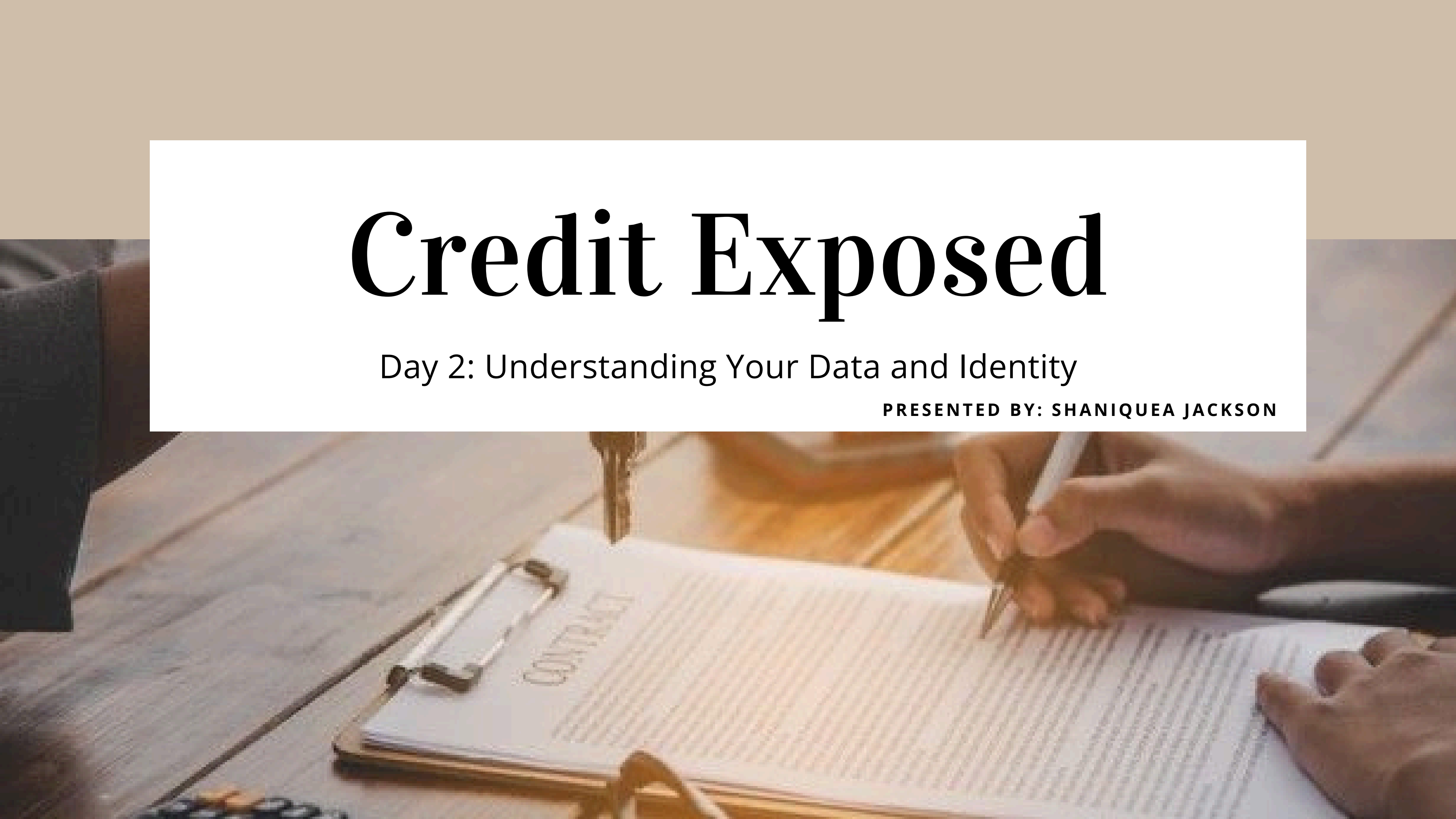


Credit Exposed

Day 2: Understanding Your Data and Identity

PRESENTED BY: SHANIQUEA JACKSON



Day 2 Flow

TOPICS TO COVER

- *Understand the difference between credit reports & Credit Scores.*
- *Where we are pulling our scores from.*
- *Who can access your credit reports.*
- *Credit report walkthrough.*
- *Why personal information is so important.*

Shaniquea Jackson | Day 2: Understanding Your Data and Identity



Nation Wide Consumer Reporting Agencies



Equifax

P.O Box 740256
Atlanta, GA 30374-0256
(866) 349-5191

www.Equifax.com



Experian

P.O Box 4500
Allen, TX 75013
(888) 397-3742

www.Experian.com



Transunion

P.O Box 2000
Chester PA 19016
(800) 916-8800

www.Transunion.com

Information on the Big 3

- The Credit reporting companies, also known as credit bureaus or consumer reporting agencies, are companies that compile and sell credit reports.
- They are regulated through The Fair Credit Reporting Act. The FCRA sets limitations on Credit reporting agencies in order to limit and protect consumer reporting.
- These companies are publicly traded.
- They are for profit.
- Your information is sold to third party companies for prescreened offers.
- In order to opt out of pre screened offers visit:
 - [OptOutPrescreen.com](https://www.optoutprescreen.com) (Theres a difference between pre-approved and pre-qualified/promotional offer)

What are specialty consumer reporting agencies?

Specialty consumer reporting companies collect and share information about your employment history, transaction history with a business, or repayment history for a specific product or service. There are hundreds of data collecting agencies.

Reports may be compiled from your history of:

- Opening or using bank accounts including bounced checks or overdrafts

(Chex Systems)

- Apartment rental history, including evictions and unpaid billing (Experian RentBureau)
- Car insurance claims
- Homeowners and renters insurance claims (LexisNexis Risk Solutions)
- Employment
- Medical records or payments

[Specialty Agencies List](#)



Credit Report

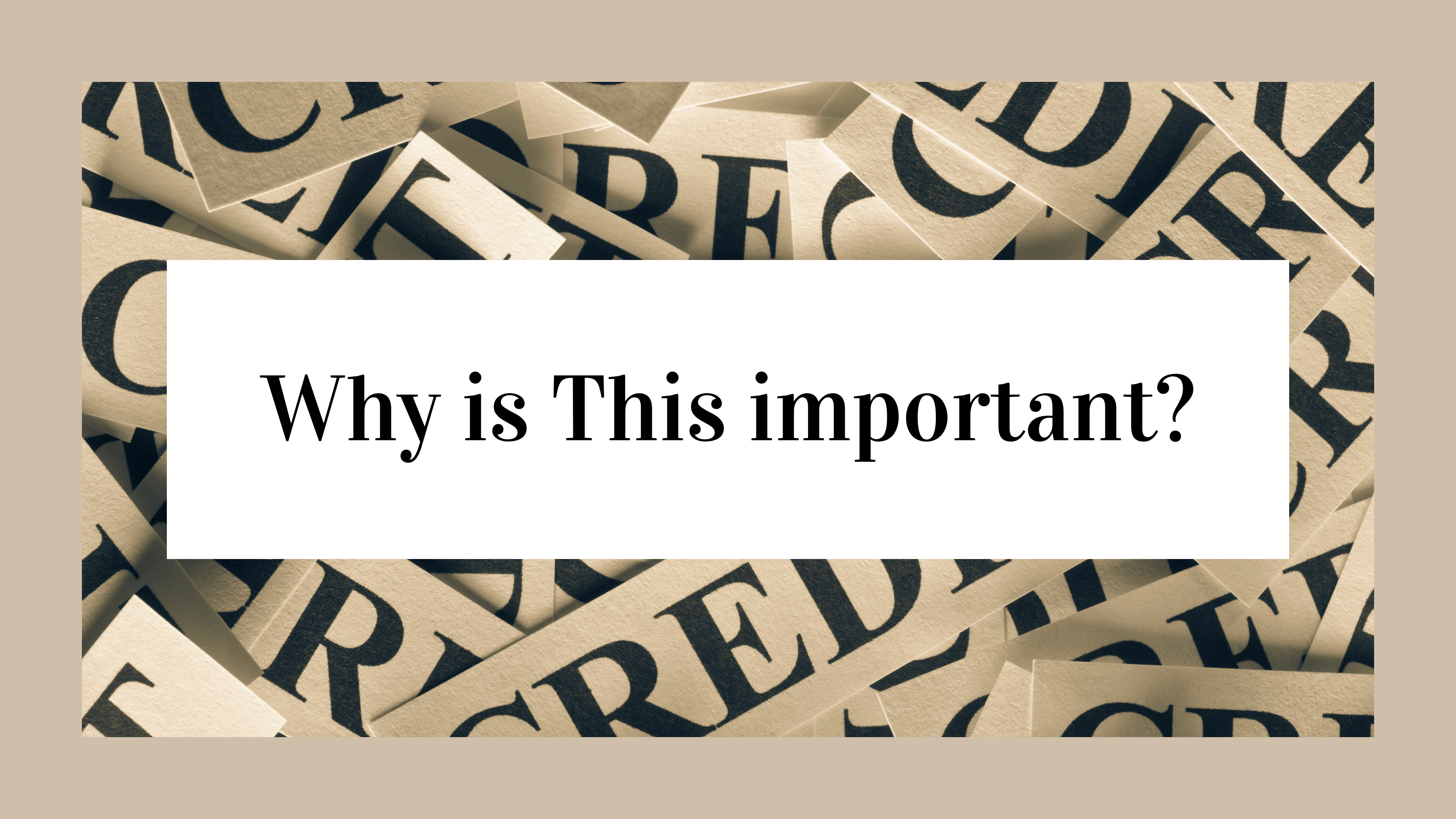
Your report contains your credit history according to who has extended credit to you. Its used to generate the credit score. It has information about your credit activity and current credit situation such as loan paying history and the status of your credit accounts.

Credit Scores

Tells lenders about your credit worthiness. Its calculated by using the information reporting on your credit report to determine the score. Your score can differ depending on which credit reporting agency provided the information, the scoring model, the type of loan product, and even the day when it was calculated/pulled.



Next check tomorrow ⓘ

The background consists of numerous overlapping, rectangular pieces of light brown paper. Each piece has the word "CRED" printed on it in a bold, black, serif font. The papers are scattered and layered, creating a textured, collage-like effect. The text "CRED" is repeated across the entire background, though some letters are partially obscured by other pieces of paper.

Why is **This** important?

The Focus Should be on the credit Report and heres why?

- The Credit Score is a vanity metric. You can get denied having a thin profile with a 750 credit score.
- Referring to your denial reasons after an application for credit is denied. Gives you an understanding of why you were denied based on your credit report. Your credit score can be high and you can get denied based on the following:
 - • Serious delinquency on one or more accounts
 - • Presence of collections or charge off accounts
 - • Insufficient or limited credit history
 - • High revolving credit utilization relative to limits
 - • Too many recent inquiries or newly opened accounts



Where to pull Reports & Scores

Official Credit Reports: AnnualCreditReport.com you can get your credit report for free on a weekly basis.

Recommended Credit Score App: MyFICO.com cost for monthly plan is \$39.95. It will give you a breakdown of the fico scoring models that are industry specific. This includes your mortgage scores, bankcard scores, and auto scores.

There are about 16 different scoring models. Depending on what you are financing depends on what score will be pulled. EX: mortgage scores are Fico Scores 2, Fico Score 4, and Fico Score 5.

Credit Monitoring Services

Experian	Equifax	TransUnion
<i>Widely used versions</i>		
FICO® Score 9	FICO® Score 9	FICO® Score 9
FICO® Score 8	FICO® Score 8	FICO® Score 8
<i>Versions used in auto lending</i>		
FICO® Auto Score 9	FICO® Auto Score 9	FICO® Auto Score 9
FICO® Auto Score 8	FICO® Auto Score 8	FICO® Auto Score 8
FICO® Auto Score 2	FICO® Auto Score 5	FICO® Auto Score 4
<i>Versions used in credit card decisioning</i>		
FICO® Bankcard Score 9	FICO® Bankcard Score 9	FICO® Bankcard Score 9
FICO® Bankcard Score 8	FICO® Bankcard Score 8	FICO® Bankcard Score 8
FICO® Score 3	FICO® Bankcard Score 5	FICO® Bankcard Score 4
FICO® Bankcard Score 2		
<i>Versions used in mortgage lending</i>		
FICO® Score 2	FICO® Score 5	FICO® Score 4
<i>Newly released version</i>		
FICO® Score 10	FICO® Score 10	FICO® Score 10
FICO® Auto Score 10	FICO® Auto Score 10	FICO® Auto Score 10
FICO® Bankcard Score 10	FICO® Bankcard Score 10	FICO® Bankcard Score 10
FICO® Score 10T	FICO® Score 10T	FICO® Score 10T

BANK & CREDIT CARD APPS

You may see your Scores through banking apps such as CreditWise and Credit Journey. Shows Vantage Scores

CREDIT KARMA

Credit Karma is limited. It shows a vantage score and doesnt show Experian. The account information shown is limited.

DIRECT THROUGH CREDIT AGENCIES

You can sign up for free accounts with Experian, Equifax and Transunion. Experian shows a fico scoring model while the others show Vantage Scores.

Credit Monitoring Explained

Use free credit monitoring apps such as credit Karma and Experian for free in order to monitor your Credit. Paid versions can assist you with the following:

IDENTITY PROTECTION

They monitor data in which your information may be visible and send you alerts

IDENTITY RESTORATION

They'll offer identity protection insurance. This will assist you if you become a victim of identity theft.

CREDIT MONITORING

You'll receive alerts when there are changes to your reports such as new inquiries, new accounts, and any changes.

SCORE UPDATES

You have access to your scores to for tracking purposes. Scores show credit worthiness.

Paid Versions I recommend: MyFico, IdentityIQ, SmartCredit, MyFreeScoreNow, MyScoreIQ

Who Can Pull Your Reports

- Mortgage lenders, auto lenders, credit card issuing companies, Insurance agencies.
- Courts and attorneys involved in litigation with a financial nexus
- Collection agencies and debt buyers attempting to collect a debt.
- Employers for employment purposes with written authorization.
- Government agencies for child support enforcement, licensing, or benefits eligibility
- Utility companies and telecommunications providers establishing service

Why Can Your Reports be pulled?

15 U.S. Code § 1681b - Permissible purposes of consumer reports

- A consumer reporting agency may furnish a credit report only when the consumer has given written or documented authorization for a specific, clearly defined purpose.
- Consumer authorization must be knowing, intentional, and connected to a legitimate transaction, such as applying for credit, housing, insurance, employment, or services.
- Authorization is purpose specific, meaning consent for one transaction does not grant blanket or ongoing access for unrelated uses.
- The scope of the report furnished must be limited to what is necessary to fulfill the authorized purpose.
- Any access without valid authorization or outside the stated purpose is impermissible under the FCRA and subject to dispute and enforcement.

Exposed Checkpoint

Is it Permissible???

- 1.** You apply for a credit card and the lender pulls your credit to review the application.

YES

- 2.** A car dealership submits your application to multiple lenders without disclosing or obtaining your consent.

No

- 3.** A former creditor pulls your credit after the account has been closed and paid with no active dispute or review.

NO

- 4.** A company accesses your credit report for marketing or promotional offers without your written authorization.

No

Exposed Checkpoint

1. What's more important your credit score or your credit report?

Credit Report

2. Where can you get your official credit reports for free?

annualcreditreport.com

3. How many score versions are there?

16

4. Why is credit monitoring recommended?

Identity protection, Identity Restoration, credit monitoring, score updates

Credit Report

Score Range:

Excellent: 750
Good: 720
Fair: 680
Poor: 650

650 700

Credit Reports

C

B

Pay

Debt Usage

20% of Score

Age - 15%



Credit Reports Consist of:

Public Records
& Collections

Hard Inquiries

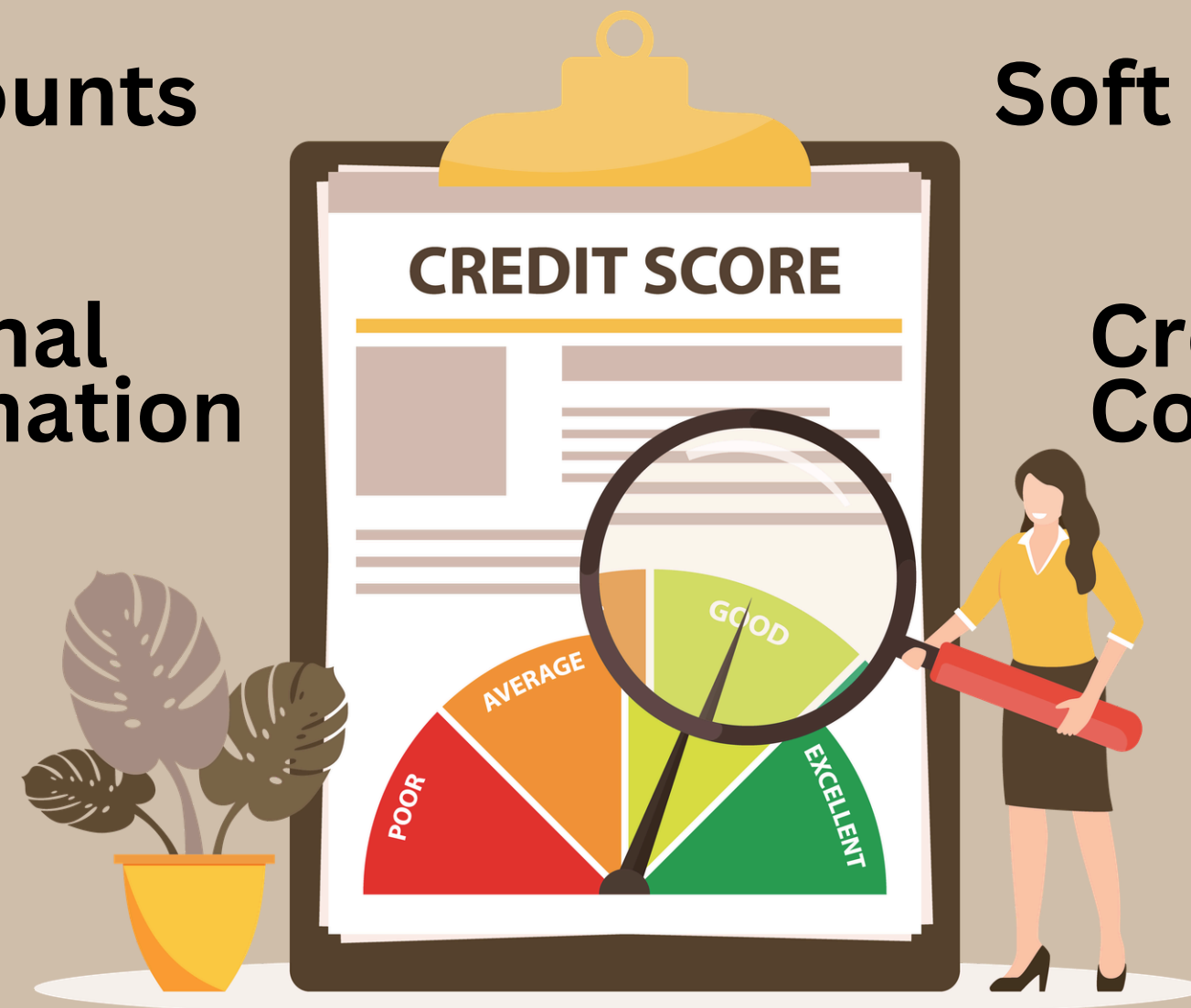
Accounts

Soft Inquiries

Personal
Information

Creditors
Contacts

Good credit reports & Scores = lower rates, higher approvals, financial freedom.
Poor credit Reports & Scores = denials, higher costs, and limited opportunities.



Sections of the Credit Report

PERSONAL INFORMATION

- Reflects identifying data used for file matching such as name variations, addresses, date of birth, and employment, and errors here can cause accounts to be misattributed.

CONSUMER STATEMENT

- allows the consumer to add a brief explanation or dispute related to their credit file, though it does not impact scoring.

ACCOUNTS

- Shows active and closed tradelines, including payment history, balances, limits, and status, which form the foundation of credit scoring.

COLLECTIONS

- List accounts transferred or sold for collection due to default, typically reflecting unresolved or previously unpaid obligations.

PUBLIC RECORDS

- Includes items such as bankruptcies or judgments reported through court systems that indicate serious financial events.

INQUIRIES

- display who has accessed the credit report and why, divided into hard inquiries for credit decisions and soft inquiries for non credit purposes.

Personal Identifiable Information

- Your personal information is considered personal identifiers. This information appears whenever you complete a application with a creditor, bank, utility company, employment, public record accounts, applications for financing/funding. There are Data collecting agencies who also gather this information in order for it to report. It consist of the following information:
 - Your name and any name you may have used in the past in connection with a credit account, including nicknames
 - Current and former addresses
 - Birth date
 - Social Security number
 - Phone numbers
- Your personal information is tied to each account reporting on your credit report according to what the creditor has on file for you.
- Monthly your personal information can change because your creditors have to update your accounts monthly in order to keep track with activity. This includes reporting changes you may make to your personal information.

Information matching

- In order for an account to be considered verifiable to ensure it belongs to you. The credit reporting agencies match 2-3 forms of personal identifiable information.
- The two main identifiers used are:
 - First & Last Name
 - Address
- When this information matches an account that is being disputed or questioned. Accounts come back as a verified blanket statement due to this information.
- Update your contact details directly with your open and active accounts. Simply call your creditors to ensure the information they have on file for you is correct. Check the spelling of your name and ensure your address is current.
- Update your personal information directly with the credit reporting agencies by phone and through their direct websites. The websites can be limited and it may be best to give them a call.

Tip: If you do not update your information with your active open accounts and if that information is still present on your credit reports. The credit reporting agencies will not remove it because it is attached to an open account.



Report Walkthrough

Example Report



Personal Info Recommendation



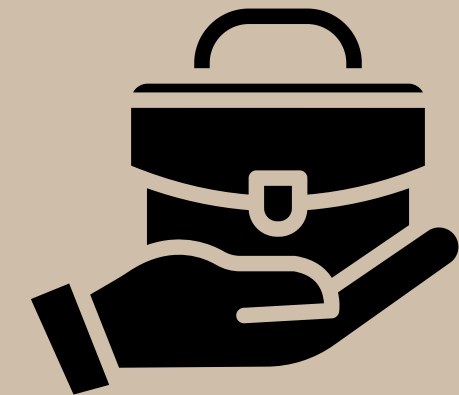
1 spelling of your First and last name according to your ID. Two is fine if married.



1-2 addresses



1 phone number



1-2 employers if work history is less than 2 years.

Exposed Checkpoint

Where does the info belong?

1. Closed Tradeline?

Accounts

2. A Judgement?

Public Records

3. A charge off that was sold to another company?

Collections

4. My explanation of what happened with my credit?

Consumer Statement

Exposed Checkpoint

Where does the info belong?

1. The two main identifiers used are

First & Last name

Address

2. How often is your personal information updated?

Monthly

3. What's the recommendation of how your name should be spelled?

According to you ID

4. How many employers should report as a recommendation?

Group Discussion

Credit Score vs Credit Report

Before today, which one did you focus on more in your personal life, your credit score or your credit report? Why do you think many people misunderstand the difference?

Personal Information Awareness

After learning how personal information is used to verify accounts, how confident are you that the name, addresses, and phone numbers connected to your credit profile are accurate?

Monitoring Your Credit

How often do you currently check or monitor your credit reports or credit scores? What do you think stops people from checking their reports regularly?

Identity and Data Responsibility

Your personal information connects every account to your credit file. What risks could happen if your personal information is outdated or incorrect on your credit report?

Reflection on Your Financial Habits

After everything we have covered today, what is one thing you now realize you should start paying more attention to regarding your credit report or identity data?

Take Home Credit Opportunity

- Pull your credit reports from annualcreditreport.com (Use for next class)
- Sign up for a credit monitoring app of your choice. Example IdentityIQ, Experian, Credit Karma, SmartCredit
- Call the Credit Reporting Agencies to clean personal information.
- Call Creditors to update your personal information.

Thanks for listening!

*See you soon and I hope you
enjoyed!*