

Dear Consumer:

Enclosed is the copy of your personal credit report that you asked us to send you.

**Where information comes from; how long it stays**

Most of the information in your credit report comes from companies you have credit with: banks, mortgage companies, department stores, finance companies, credit card issuers, etc. Some information -- bankruptcies, judgments, lawsuits and tax liens -- comes from public records supplied by various court systems.

Credit reporting agencies like Experian, Equifax and Trans Union are governed by the federal Fair Credit Reporting Act (FCRA) and companion state laws. The FCRA permits us to list positive information on your credit report indefinitely.

In accordance with federal law, accurate negative information -- such as a late payment or an account turned over to a collection agency -- can remain on your credit report for seven years. However, Chapter 7, 11 and 12 bankruptcies can remain on your credit report for up to 10 years. (A Chapter 13 bankruptcy remains on your credit report for seven years from the date it was filed.)

**What to do if you disagree with information in your credit report**

Please let us know if you find information in your credit report that you believe is inaccurate. We will check the information at no cost to you. You may write us with your dispute. The appropriate address for your area is on the last page of your credit report. If you write, please be as specific as possible and include copies of pertinent documents.

When we receive your dispute, we will ask the sources of the information to check their records. Incorrect information will be changed; information that cannot be verified will be deleted. This process takes about 30 days. When the research is complete, we'll send you a new credit report showing the results of our research. If you still disagree, you may then request that a statement be added to your credit report. You may also request the Business Name & Address of the source of our reinvestigation information.

"Frivolous" or "irrelevant" disputes (those which do not contain specific information or exact reason) as defined by federal law, will not be checked.

You may have seen or heard advertisements from companies that claim they can "repair" your credit. No one can have accurate, current and verifiable information removed from your credit report. Many states have laws regulating the practices of these companies. You may wish to check with the Better Business Bureau or a local consumer protection agency before contacting or paying for credit repair services. The National Foundation for Consumer Credit has more than 1,000 nonprofit member agencies that can help you establish a budget and negotiate a repayment plan with your creditors. Call 1.800.388.2227 for the address and telephone number of the office nearest you.

## How to read your credit report

Your credit report is divided into five sections. Following is a summary of each:

**Your Credit History** is record of how you have paid your bills and handled your financial obligations. The information in this section is reported to us by your creditors. Data from public records also may appear on your credit report.

Some accounts may show your PAYMENT HISTORY for up to 84 months (seven years) preceding the balance date, which is the date we received the most recently updated information about the account. This history appears in the account description. It is read from left to right. The first entry represents the month of the balance date. The codes reflect the status of the account for that month:

<b>1</b> = 30 days past due	<b>C</b> = Current
<b>2</b> = 60 days past due	<b>0</b> = Current/Zero balance
<b>3</b> = 90 days past due	<b>N</b> = Zero balance (not reported that month)
<b>4</b> = 120 days past due	<b>B</b> = Account change (i.e. open to paid)
<b>5</b> = 150 days past due	<b>7, 8 or 9</b> = Derogatory
<b>6</b> = 180 days past due	<b>-(dash)</b> = No history report for that month

The number of MONTHS REVIEWED is based on the date the account was opened or on the date it first was reported to the Credit Reporting Agencies.

**Your Use of Credit** provides additional detail about your accounts, showing up to 24 months of balance history and your credit limit or original loan amount.

**Your Credit History Was Reviewed By** shows you who has looked at the information in your credit report during the past two years. These are called "inquires".

**Please Help Us Help You** contains the information you give to K-LAK when you asked for this report.

**Identification Information** contains additional information reported to K-LAK by organizations that have done business with you.

**SOCIAL SECURITY NUMBER(S):** If variations of your Social Security number were reported to the Credit Reporting Agencies, they will appear here along with the number of times that they were reported to us by your creditors.

**ADDRESS(ES):** Your present and previous addresses will be printed here along with the number of times they were reported. Also appearing here is a geographical code, similar to a ZIP code, which represents the state, census tract, block group, county number and Metropolitan Statistical Area associated with the address. Your report also may state whether you are a home owner or renter.

**EMPLOYER(S):** The date associated with reported employers indicates when the Credit Reporting Agencies received information about your employer. It does not reflect your employment dates.

**VERIFYING INFORMATION:** Information used to verify the information you provided to a credit grantor also may appear in this area. The potential verifiers are: home phone number, business phone number, cellular phone number and driver's license number.

OTHER: If variations of your name, date of birth or your spouse's name were reported to the Credit Reporting Agencies, they will appear here.

**Credit Report Reinvestigation Form** explains how to dispute information in your credit history that you believe is incorrect.

### **A Summary of Your Rights Under the Fair Credit Reporting Act**

The federal Fair Credit Reporting Act (FCRA) is designed to promote accuracy, fairness, and privacy of information used in the process of granting credit. This information is supplied by public record sources, credit grantors and others to credit reporting agencies (CRAs) who organize and store that information for distribution to credit grantors, employers and insurers who are making credit, employment and insurance decisions about you. The FCRA gives suppliers and users of credit information, and CRAs, specific responsibilities in connection with their respective roles in the credit granting and reporting process. The FCRA also gives you specific rights in dealing with these entities, as summarized below. You can find the complete text of the FCRA, 15 U.S.C. 1681 et seq., at the Federal Trade Commission's web site (<http://www.ftc.gov>). You may have additional rights under state law. You may contact a state or local consumer protection agency or a state attorney general to learn those rights.

- ◆ **Access to your file is limited.** Your file may only be accessed by those who have a permissible purpose recognized by the FCRA -- usually to consider an application you have submitted to a creditor, insurer, employer, landlord, or other business, or to consider you for an unsolicited offer of credit.
- ◆ **Your consent is required for reports that are provided to employers or that contain medical information.** A CRA may not give a report about you to your employer, or prospective employer, without your written consent. A CRA may not report medical information about you to creditors, insurers, or employers without your permission.
- ◆ **You can find out what is in your file.** Upon your request, a CRA must give you all the information in your file, and a list of everyone who has requested it recently. However, you are not entitled to any information concerning "risk scores", "credit scores", or other economic predictors that are in your file. There is no charge for the report if a third party used the information in your file to take unfavorable action toward you and you request the report within 60 days of receiving notice that the information in your file was used by a third party unfavorably. You are also entitled to one free report every twelve months upon request if you certify that (1) you are unemployed and plan to seek employment within 60 days, (2) you are on welfare, or (3) your report is inaccurate due to fraud. Otherwise, a CRA may charge you a fee of up to eight dollars or more.
- ◆ **You must be told if information in your file was a factor considered by a third party who took unfavorable actions toward you.** Upon your request, anyone who considers information from a CRA and who takes unfavorable actions toward you -- such as denying an application for credit, insurance, or employment -- must give you the name, address, and phone number of the CRA that provided the information. **Keep in mind that the third party, not the CRA, took the unfavorable action toward you and that the CRA will not be able to provide you with the reason for the unfavorable action.**

- ◆ **You can dispute inaccurate information with the CRA.** If you tell a CRA that your file contains inaccurate information, the CRA must reinvestigate the items (usually within 30 days) by presenting to its information source all relevant evidence you submit, unless your dispute is frivolous. The source must review your evidence and report its findings to the CRA. (The source also must advise national CRAs -- to which it has provided data -- of any error). The CRA must give you a written report of the investigation, and a copy of your report if the investigation results in any change. If the CRA's investigation does not resolve the dispute, you may add a brief statement to your file. The CRA must normally include a summary of your dispute statement in future reports. If an item is deleted or a dispute statement is filed, you may ask that anyone who has recently received your report be notified of the change.
- ◆ **Inaccurate information must be corrected or deleted.** A CRA must remove inaccurate information from its files, usually within 30 days after you dispute it. **However, the CRA is not required to remove accurate data from your file unless it is outdated (as described later) or cannot be verified.** If your dispute results in any change to your report, the CRA cannot reinsert into your file a disputed item unless the information source verifies its accuracy and completeness. In addition, the CRA must give you a written notice telling you it has reinserted the item. The notice must include the name, address and phone number of the information source.
- ◆ **You can dispute inaccurate items with the source of the information.** If you tell the third party who furnished information to a CRA -- such as a creditor who reports to a CRA -- that you dispute an item, it may not then report the information to a CRA without including an notice of your dispute. In addition, once you've notified the source of the error in writing, it may not continue to report the information if it is, in fact, an error.
- ◆ **Outdated information may not be reported.** In most cases, a CRA may not report negative information that is more than seven years old (up to ten years for bankruptcies).
- ◆ **You may choose to exclude your name from CRA lists for unsolicited credit and insurance offers.** Creditor and insurers may use file information as the basis for sending you unsolicited offers of credit or insurance. Such offers must include a toll-free telephone number for you to call and tell the CRA if you want your name and address removed from future list or offers. If you notify the CRA through the toll-free number, it must keep you off the lists for two years. Experian's toll-free number is 1.888.5OPTOUT (1.888.567.8688). If you request, the CRA will send you a form which, when completed and returned, will allow you to have your name and address removed indefinitely from such lists and offers.
- ◆ **You may seek damages from violators.** If a CRA, a user or (in some cases) a provider of CRA data, violates the FCRA, you may sue them in state or federal court.

**The FCRA gives several different federal agencies authority to enforce the FCRA:**

FOR QUESTIONS OR CONCERNS REGARDING:	PLEASE CONTACT:
CRAs, creditors and others not listed below	Federal Trade Commission Bureau of Consumer Protection -- FCRA Washington, DC 20580 / 202.326.3761
National banks, federal branches/agencies or foreign banks (word "National" or initials "N.A." appear in or after bank' s name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 / 800.613.6743
Federal Reserve System member banks (except national banks, And federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 / 202.452.3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution' s name)	Office of Thrift Supervision Consumer Programs Washington, DC 20551 / 800.842.6929
Federal credit unions (words "Federal Credit Union" appear in institution' s name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 / 703.518.6360
Banks that are state-chartered, or are not Federal Reserve System Members	Federal Deposit Insurance Corporation Division of compliance & Consumer Affairs Washington, DC 20429 / 800.934.FDIC
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of the Secretary, Financial Management Washington, DC 20590 / 202.366.1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator - GIPSA Washington, DC 20250 / 202.720.7051