



Beware of Credit Reporting Products

From the Office of Minnesota Attorney General Lori Swanson

If you receive a mailing or a telemarketing solicitation from a company that promises credit card protection, watch out. More than likely, the sales pitch offers insurance to protect you from fraudulent purchases if your credit cards are lost or stolen. Most of the promised protections are for services that are either already provided by your credit card companies or mirror protections you have under federal law.

The Attorney General's Office advises Minnesota consumers to avoid such credit card protection schemes.

You are promised a free credit report.

Starting March 1, 2005, Minnesota consumers are eligible to obtain free annual copies of their credit reports. An amendment to the federal Fair Credit and Reporting Act (FCRA) requires each of the three national consumer reporting agencies to provide consumers with an annual free copy of their credit report. The credit bureaus have created a centralized website, toll-free telephone number and mailing address for Minnesota consumers to order their reports. Annual reports may be requested the following way:

- 1) Logging on to: www.AnnualCreditReport.com
- 2) Calling: 1-877-322-8228
- 3) Writing: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA., 30348-5281

You can also obtain a free copy of your report if, in the past 60 days, you were denied credit based on information in the report. If this is the case, just contact the credit reporting agency and ask for a copy. Consumers may contact the credit bureaus as follows:

Experian
PO Box 2104
Allen, TX 75013
1-888-397-3742
www.experian.com

Equifax

PO Box 105851
Atlanta, GA 30348
1-800-685-1111
www.equifax.com

TransUnion

PO Box 1000
Chester, PA 19022
1-800-888-4213
www.transunion.com

You are promised "professional" assistance in correcting errors in your credit report.

Experts estimate that 80% of credit reports contain mistakes, ranging from misspelled names to accounts that the consumer did not open. The good news is that consumers can dispute such errors *in writing* with the company and the credit bureaus. You do not have to enlist outside assistance. Under FCRA, credit bureaus must investigate disputes within 60 days, and must remove all inaccuracies. If you disagree with the results of the reinvestigation, you may write a brief statement explaining your side of the story. At your request, your note will be included with future credit reports.

You are promised fraud protection.

Federal law already protects you against unauthorized charges on your credit cards. The law only allows your credit card company to require you to pay for a maximum of \$50 per card if you report the loss or theft of a card within 60 days. If you report the card lost or stolen before it is used fraudulently, you are not responsible for any future fraudulent charges.

Credit card protection companies have been known to make false or misleading statements regarding your

liability in the event that your credit card is stolen. Do not be fooled. Specifically, beware of any solicitation which states that:

- 1) You may be liable for unauthorized charges to your credit card for any amount above \$50.
- 2) There has been a change in federal law and the liability has increased to more than \$50.
- 3) Credit card protection is now required by your credit card company or the government.

You are promised a 24-hour hotline for reporting theft.

Your credit card companies already have toll-free hotlines to report loss or theft. In addition, credit card companies say that consumers who lose their cards usually cancel them more quickly than “credit card protection groups.”

For additional information, to file a complaint, or to request a copy of *The Credit Handbook*, contact the Minnesota Attorney General’s Office as follows:

Office of Minnesota Attorney General

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