



Your Credit Report

What is a credit report?

A credit report is a document issued by an independent credit reporting agency that contains information concerning an individual's credit history and current credit standing.

How to obtain your credit report

The three largest credit reporting agencies in the United States are Equifax, Experian, and TransUnion. A federal law called the Fair Credit Reporting Act allows you to receive one free copy of your credit report from each of these three companies once a year.

To obtain a free credit report

Online:

www.annualcreditreport.com

Toll-free call:

(877) 322-8228

Request by mail:

Annual Credit Report Request Service

P.O. Box 105281

Atlanta, GA 30348-5281

If you need more than one credit report in a year from one or more of these credit bureaus, you may be charged. To request additional credit reports, contact one of the following agencies.

To request additional credit reports

Equifax Information Services

www.equifax.com

Experian Consumer Assistance

www.experian.com

TransUnion

www.transunion.com

Your credit report (continued)

How to Read Your Credit Report

A sample credit report appears below. Here's how to read it:

- **Section A** shows information about *you*—your name, current and previous address, Social Security number, date of birth, and other information to identify you.
- **Section B** is called Public Record Information. In this area, you'll see any information that is listed about you in the records of local, state, or federal courts. In this example you see a bankruptcy.
- **Section C** shows collection agency account information. If you fail to pay back one of your creditors, they may hire a **collection agency** to contact you. This is a company that specializes in collecting money to pay off debts.
- **Section D** shows your credit history. This is a list of all the places where you have credit—or *used* to have credit. These are called your **accounts**. The credit history section is divided into twelve columns.
 - » The first column shows the names of your lenders. In this example you see a car dealership, a credit card company, and a department store.
 - » The second column shows your account numbers.
 - » The third column shows who is responsible for payment. On most credit reports, you'll see an "I"—meaning that an *individual* is responsible. Or you'll see a "J" for *joint*—meaning that you *and* another person are responsible for paying.
 - » The fourth column shows the month and year the account was opened.
 - » Column 5 shows the number of months the payment history for this account has been reported.
 - » In column 6, you'll see the date that the last payment, change, or other activity was made in this account.
 - » In column 7, you'll see the highest amount that has been charged to this account, or the credit limit, if there is one.
 - » Column 8 shows the amount of your monthly payments—if this is an installment loan.
 - » Column 9 shows the amount you *still* owe as of the date of this report.
 - » Column 10 shows any amount that is **past due**. This means money that you're late in paying to your lender.
 - » Column 11 is called Status. It contains a letter and a number. The letter describes what *kind* of account it is. "I" means **installment**. This means you make a loan payment every month for a certain period of months. "R" means **revolving**. Credit cards are called revolving credit because as you pay the money back, your credit becomes available for you to use again and again. "O" means open. This means that the lender decides to give you credit and then bills you for what you borrow.
 - » What do the numbers mean? "1" means the account is paid as agreed; "2" means the account is 30 or more days past due; "3" means the account is 60 or more days past due. In this example, the car loan is 14. This means it's an installment loan that's 90 or more days past the payment due date. Not good!
 - » Finally, column 12 shows the date on which the information for this account was last updated.
- **Section E**, the *last* section of the credit report, is called Inquiries. This is a list of the companies that have requested a copy of your credit report for their review.

Your credit report (continued)

Sample Credit Report

Credit Reporting Agency
 P.O. Box 1234
 City, State Zip
 (800) 777-1234

Personal Sample Credit File

Personal Identification Information
 Your name Social Security #: 000-00-0000
 Current address Date of Birth: March 15, 1972
 City State Zip

Previous address(es)
 1234 Oak St., Anytown CA 92111
 4567 Grand Ave., Hometown, IL 65432

Last Reported Employment: Truck Driver

Public Record Information
 Bankruptcy filed 3/2004: Any District Court: Case or other ID number-000AB0000;
 Liabilities \$21,765: Personal; Individual; Discharged; Assets \$995

Collection Agency Account Information
 Any Collection Agency 09/04; Assigned 11/04 to Any Collection Agency; Client-
 Top Department Store; Amount - \$678; Paid collection account

Credit Account Information

1	2	3	4	5	6	7	8	9	10	11	12
Company Name	Account Number	Whose Account	Date Opened	Monthly Review	Date of Last Activity	High Credit	Terms	Items as of Date Reported	Past Due	States	Date Requested
Car Dealership	4502009	J	05/98	24	11/02	\$4200	\$295	\$750	\$150	I4	
Credit Card Company	00076	I	03/98	45	05/08	\$3000		\$0		R1	
Department Store	000432	J	04/01	8	10/02	\$750		\$0		O1	

Previous Payment History: 2 times 30 days late; 3 times 60 days late

Companies that Requested Your Credit File
 06/12/01 Department Store
 02/17/04 Credit Card Company

Correcting reporting errors

It's important to check your credit report for accuracy. If you think that information on your report is incorrect or out of date, contact the credit reporting agency and ask for an explanation. Requesting changes to your credit report is easy in some cases, and more difficult in others. In general, the Identification section and the Collection Accounts section are the easiest to change, while the Public Records section is the most difficult.

Your credit report (continued)

As you check your reports for errors, keep in mind:

- Credit bureaus process millions of pieces of information every year and sometimes errors occur as a result. You may find information on your report about someone with a similar name or address to yours. If they have poor credit, it may hurt your ability to get a loan or credit.
- Late payments can hurt your credit score. If your report shows a late credit card payment and you know you pay your bills on time, contact the credit bureau to dispute it.
- The Public Records section shows tax liens, bankruptcies and default judgments against you. These kinds of items are extremely damaging to your credit score, so be sure to challenge errors right away.

What kind of errors should you check for?

Confirm everything in your report! Start by checking whether your name and social security number are correct; then review every item on every account. Be thorough because any errors could affect your rating. Pay special attention to these items:

- **Incorrect former addresses:** If the report shows an address where you never resided, contact the credit bureau. This could mean that someone at that address fraudulently claimed to be you
- **Accounts you didn't open:** If there are credit accounts listed that you didn't open, contact the credit bureau immediately. This could be a sign that you've been the victim of identity theft.
- **Mistakes in your history:** Check each credit account to see if it accurately shows your history. For example, if a credit card account is listed as having been 60 days past due, but you've always paid your bills on time, contact that creditor and request that they fix the error.

Dealing with past credit problems

If you have late payments on your credit report for reasons such as an illness or temporary unemployment, provide a written explanation to the lender explaining why your credit was poor for a period of time. A lender may not expect you to have a spotless credit history, but most expect you to have taken care of your credit problems before you ask for a loan. If you currently have credit payments that are past due, pay them now in order to improve your credit picture. Once they are paid, work on developing a record of making payments on time for at least the past year to improve your credit rating even more.

Learn more from the FTC

For further information about disputing errors and improving your credit report, visit the Federal Trade Commission (FTC) Web site at www.ftc.gov.

We invite you to contact Wells Fargo for further information and assistance. Visit our Web site at wellsfargo.com or any Wells Fargo store.