Karl A. Racine
Attorney General for the District of Columbia

Office of the Attorney General Consumer Alert — Sweepstakes & Lottery Scams

Your application for a loan is denied or you are only offered a very high interest rate even though you have a long history of good credit. When you review your credit report, you see unpaid debts that are not your own. What should you do?

The Federal Trade Commission has reported that as many as one out of every five consumer credit reports contains errors that could negatively affect consumers' credit histories and scores, making it harder to get credit. The good news is that there are several easy steps you can take to review your credit report and remove errors that may negatively impact your credit history.

What is a credit report?

Your credit history can determine whether you qualify for a new line of credit and the interest rate you will be asked to pay. Lenders get your credit history by obtaining your credit report and reviewing your credit score. Your credit score is calculated by information contained in your credit report. Most credit reports are prepared by one of three national credit reporting agencies:

TransUnion	**Experian**	**Equifax**
P.O. Box 6790 Fullerton, CA 92834-6790	P.O. Box 9532 Allen, TX 75013	P.O. Box 740241 Atlanta, GA 30374-0241
(800) 680-7289 transunion.com	(888) 397-3742 experian.com	(800) 525-6285 equifax.com

How do I avoid falling for a Lottery or Sweepstakes Scam?

Although each credit reporting agency formats and reports the information in their credit reports differently, all credit reports contain the same four categories of information.

- **Identifying Information**: Your name, address, Social Security number, date of birth and employment information are used to identify you.
- **Trade Lines**: These are your credit accounts. Merchants and banks report on each account you have established with them. They report the type of account (bankcard, auto loan, mortgage, etc.), the date you opened the account, your credit limit or loan amount, the account balance and your payment history.
- **Credit Inquiries**: When you apply for a loan or credit, you authorize the lender or merchant to ask for a copy of your credit report. This is how inquiries appear on your credit report. The inquiries

section contains a list of everyone who accessed your credit report within the last two years. The report you see lists both "soft" credit inquiries and "hard" credit inquiries. Soft credit inquiries include instances where you check your own credit history, and when companies check your credit history in order to send you "pre-approved" offers. Soft credit inquiries will not affect your credit score. Hard credit inquiries result when you are applying for credit or certain services . Credit card issuers, mortgage brokers, and other lenders institute a credit request at your behest, and this is reported on your credit history, showing that you are looking to obtain new credit. A large number of hard credit inquiries can lower your credit score.

- **Public Record and Collections**: Credit reporting agencies collect public record information from state and county courts, and information on overdue debt from collection agencies. Public record information includes bankruptcies, foreclosures, suits, wage attachments, liens and judgments.

How do I get a copy of my credit report?

It's a good idea to check your credit reports from time to time, especially before applying for a major loan or a mortgage, so you can have the credit reporting agency correct any errors. Fortunately, you can do this for free. The Federal Fair Credit Reporting Act (FCRA) allows consumers to receive a free copy of their credit report once a year from each of the three national credit reporting agencies. **This means you can review your credit report three times a year for free (one free report from each agency).**

How to Request Your Credit Reports

In order to request a free copy of your credit report, you must use the central toll-free number, address or website set up by the three national credit reporting agencies (Equifax, Experian and TransUnion):

- By telephone: Call toll-free: 1-877-322-8228
- By mail: Download the Annual Credit Report Request Form (http://www.ftc.gov/bcp/edu/resources/forms/requestformfinal.pdf) and mail it to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.
- Online: www.annualcreditreport.com.

You will be asked to provide personal information, including your name, address, date of birth, and Social Security number, when you request your free credit report. This is necessary to prevent identity thieves from obtaining copies of your credit report. Do not provide this personal information to suspicious or unofficial services.

- Do **not** reply to emails or phone calls offering you a free credit report.
  - AnnualCreditReport.com will **not** send you emails or phone calls offering your annual credit report or asking for your personal information.
- Be careful when typing website addresses online. Scammers often use websites with similar or misspelled URLs to trick consumers into providing their personal information.

- Avoid using other websites that offer free credit reports or free credit monitoring.
  - These websites are **not** part of the FCRA free credit report program.
  - AnnualCreditReport.com is the **ONLY** website that provides you with your free credit reports.
  - Imposter websites purport to provide these services for free, but they often have hidden costs or recurring membership fees.
  - Your right to free credit reports does **not** require you to purchase or subscribe to any service.

How do I fix errors on my credit report on my own?

- Once you receive a copy of your free credit report, check it for accuracy. You have the right to dispute information in your report that is inaccurate or incomplete.
- If you notice inaccurate or incomplete information, write a letter to the credit reporting agency that provided the report and the creditor associated with the charge notifying them of the problem. Be sure to include copies of relevant documents and provide as much information as you can.
- The credit reporting agency will investigate the disputed items. If it cannot verify the item within 30 days, it will be removed from your credit report. However, if the item is later verified, it will be added back to your credit report, and the credit reporting agency must mail you a written notice of its findings.
- If you disagree with the credit reporting agency's decision, you may file a written statement explaining why you believe the item contained in your report is inaccurate. This statement will be included in your future credit reports.

How do I avoid becoming a victim of a Credit Repair Scam?

Every day on television, radio and in the mail, we hear and see ads from companies promising to repair your credit or raise your credit score. They can charge high fees and provide limited assistance. There are several easy steps you can take to avoid being the victim of a credit repair scam and monitor and repair your own credit.

- **Don't Pay Advance Fees**. Under both federal and District of Columbia law, in most instances credit repair and credit counseling companies cannot charge you an advance fee before performing a promised service. As is set forth above, if you find negative information on your credit report, you can correct the information yourself at no cost.
- **Selecting a Credit Counseling Agency**. If you want to consult with a credit counseling agency, check your local bankruptcy court to see if it has been approved by the United States Trustee (you can check online at https://www.justice.gov/ust/list-credit-counseling-agencies-approved-pursuant-11-usc-111).

- **Improve, monitor, and repair your own credit**:
  - The most effective way to improve your credit is to pay your bills on time. If you are having trouble paying your bills, talk to your creditors about getting on a payment plan and lowering interest rates.
  - Monitor your credit by obtaining free credit reports throughout the year.
  - Once you get your free credit report, review it for accuracy. Follow the steps above to report and fix any incomplete or inaccurate items. This is a free service – you do **not** need to pay to contest items on your credit report.

What should I do if I am a victim of a Credit Repair Scam?

- You can file a complaint with the District of Columbia Attorney General's Office of Consumer Protection by calling our Consumer Hotline at (202) 442-9828, by email (consumer.protection@dc.gov), or by writing to the Office at:

Office of Consumer Protection
Office of the Attorney General
441 4th Street, N.W.
Washington, D.C. 20001