



Liberate Your Credit Score
with Liberty Credit Consulting

LIST OF TOPICS

Quick Start Guide

GET YOUR FREE CREDIT REPORTS
Experian, Equifax, TransUnion

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Information

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JOEL OSTEEN

“I don't think you should spend your life praying for things, but I do believe you should thank God for what He's given you... but I think the scripture teaches us that we can pray for our dreams, pray for the big things... he's not a small God; this God is incredible.”

BENJAMIN FRANKLIN

“Rather go to bed without dinner than to rise in debt.”

QUICK START GUIDE

Removing all negative entries from your credit reports does not need to be difficult or time consuming. Follow this simple step-by-step plan to get started immediately.

1

Get Your Free Credit Reports

Entitled to request one free copy per year.

2

Start Removing Negative Information

Send Letters to Credit Bureaus, replies expected within 30 days.

3

The Next Step

Review the responses.

4

Method of Verification Request

Request within 15 days if disputed items remain.

5

Validation Request (Collection Accounts)

Collector has Unlimited amount of time to respond.

QUICK START GUIDE

Request your copy **ONLINE** - Your three credit reports from the major credit reporting agencies, Experian, Equifax and TransUnion.

AnnualCreditReport.com

The only source for your free credit reports. Authorized by Federal law.

You are entitled to request one free copy per year.

QUICK START GUIDE

If you cannot get them online, you can **MAIL A REQUEST** for a copy.



P.O. Box 9556 Allen,
TX 75013



P. O. Box 740241
Atlanta,
GA 30374-0241



P.O. Box 2000
Chester,
PA 19022-2000

REMOVING NEGATIVE INFORMATION



~ 30 Days

Send a simple letter
with a copy of your credit report
and the following information:

Your Name
Your Address
Name of Credit Bureau
Account No.(s) & Account Type



The Next Step

Receive responses (plus new,
updated copy of your credit
report) from the bureaus.

*Do not contact the bureaus again
regarding information marked as
“deleted” in the response

If the disputed items remain



Method of Verification Request

Send the credit bureau another letter
and request proof, within 15 days
from the conclusion of your initial
dispute.



Validation Request

(Collection Accounts) - Request
Validation (not Verification) of the
debt immediately

ANYONE CAN REPAIR THEIR OWN CREDIT FOR FREE.

Utilize the Consumer Protection Laws that are already in place.

OBTAINING YOUR CREDIT REPORTS

You are entitled to review all three of your credit reports for free once per year.

To obtain your reports, Choose one of the following options:

[AnnualCreditReport.com](https://www.annualcreditreport.com)

The official government website for your free credit reports.



The easiest and fastest way to review your reports.

[credit karma](https://www.creditkarma.com)

Free two-bureau credit monitoring, reports, and estimated scores.

[myFICO](https://www.myfico.com)

Provider of official FICO credit scores and of Experian credit reports.

OBTAINING YOUR CREDIT REPORTS

- You are entitled to review all three of your credit reports for free once per year.
- You are entitled to review a copy of any consumer report used to deny you credit.
- Many consumers can get their reports for free at AnnualCreditReport.com.
- Other companies can provide your credit reports for a fee.
- Most companies that sell credit reports are owned by the credit bureaus.

YOUR OFFICIAL FICO SCORE IS YOUR CREDIT SCORE.
The others are much less important for 90% of consumers.

THE COLLECTION PROCESS

The entire collection process is heavily tilted in favor of the data furnishers, the debt collection agencies, and the credit bureaus. They control all of the information and do not readily offer it for consumers to inspect in a way that is familiar to them.

THE COLLECTION PROCESS

- Collectors can legally report information onto your credit reports.
- Collectors are required to provide you proof that they have the right to report a debt to your credit report, known as debt validation.
- Once you request it, collectors have an unlimited time to provide debt validation, however they are PROHIBITED from reporting the collection account onto your credit report until they have provided it.
- If collectors do not respond with proper debt validation in accordance with consumer protection laws, they are required to stop reporting the information to the credit bureaus and onto your credit reports.

Making regular payments on a collections account may hurt instead of help your credit rating.

THE COLLECTION PROCESS

Collection Accounts
are a different type of
account.



Negative Items stay on
the credit report for
SEVEN YEARS
after the last payment.



Prove that the account
is being reported
inaccurately so that it
will be removed



Negotiate an amazing
payment plan to have it
completely and
permanently removed from
your credit profile.

Repairing your credit reports is done by following an established and regulated process. Credit Repair is similar to the process of discovery in a legal proceeding.

GATHERING YOUR EVIDENCE

- You are entitled to review the evidence that others are claiming proves that debt is being reported correctly onto your credit profile.
- Bureaus are required to investigate items when you dispute them.
- You have the right to contact either the bureau or the collector first to initiate your dispute.
- Often the information the bureaus provide when responding to your dispute and the validation the collector provides with their response does not correlate.
- The responses from the dispute and from the debt validation request can be used as evidence to support your claim that the information is inaccurate and must be removed.

It is important to ensure that you keep a very detailed, thorough, and accurate account of every single step you take by backing up your mailings.

WRITING YOUR LETTERS

- Dunning Letter
- Collectors are required to notify you in writing that they are attempting to collect a debt that you allegedly owe within five days of the time they acquire it.
- Dunning Letters are required by law and notify you that a collector has acquired your debt, the details of that debt (including the original creditor), and that you have the right to dispute that debt.
- If you did not receive a Dunning Letter, make sure you note that in your correspondence.

WRITING YOUR LETTERS

Dear Experian,

You are reporting an account on my credit report that is inaccurate. I have no knowledge of this account and did not receive a Dunning letter or any other correspondence regarding it. The account number is XXX-XXX-XXXX, and the furnisher of the information is XYZ Debt Collectors.

Please investigate this and send me the results.

Dear XYZ Debt Collector,

You are reporting an account on my credit report that is inaccurate. I have no knowledge of this account and did not receive a Dunning letter regarding it. The account number is XXX-XXX-XXXX.

Please validate this debt and send me the results.

WRITING YOUR LETTERS

- Initial dispute and validation requests letters do not need to be fancy.
- There is no need for fancy templates or a lot of pseudo-legal terminology in these initial letters. They can be incredibly brief and simple.
- Accurate documentation is key to winning your dispute and having the information deleted from your reports.
- Always contact collectors and the bureaus through regular USPS mail with delivery confirmation—never online.
- Save your info locally and also using a free service so you can have a backup with remote access as well. (Dropbox and Google Drive are two excellent options.)

Although Debt Collectors have an infinite amount of time to respond to your validation request, they are **NOT ALLOWED TO CONTINUE COLLECTING** the account (including reporting it onto your credit reports) until they have obtained and provided this validation to you.

READING THE RESPONSES

- Debt collectors are allowed to add interest onto your debt when your originating documentation and state laws support this.
- Debt collectors are required to provide you with validation of any debt they are reporting onto your credit files.
- If debt collectors cannot (or do not) provide debt validation then they cannot report this account onto your credit files.

CREDIT BUREAUS DO NOT ALWAYS DELETE INACCURATE INFORMATION.

Approximately **80%**

of all credit reports contain inaccuracies.

REVIEWING THE EVIDENCE

Personal Profile

Your personal info, such as legal name, current and previous addresses, your employment history, and date-of-birth.

Credit Summary

Snapshot of your credit, including how many accounts have been opened in your name and their total balance(s).

Public Records

Includes bankruptcy, tax liens, court records, judgements, and child support.

Credit Inquiries

Companies which have given permission to review your credit file (called a hard inquiry) will be listed here for two years.

Account History

Specific account information for all accounts opened in your name that are reported to a credit reporting agency.

REVIEWING THE EVIDENCE

- Reviewing your credit reports will often turn up errors.
- Many times consumers' credit reports will not correlate with the debt validation information provided by collectors.
- Most debt collectors do not maintain strict documentation regarding the debt they are reporting onto consumers' credit profiles.
- If they do not provide debt validation collectors must stop reporting negative information onto your credit reports.
- **Lack of debt validation is very common** as many times it is not as profitable for collectors to obtain debt validation and provide it to you compared to collecting other accounts.

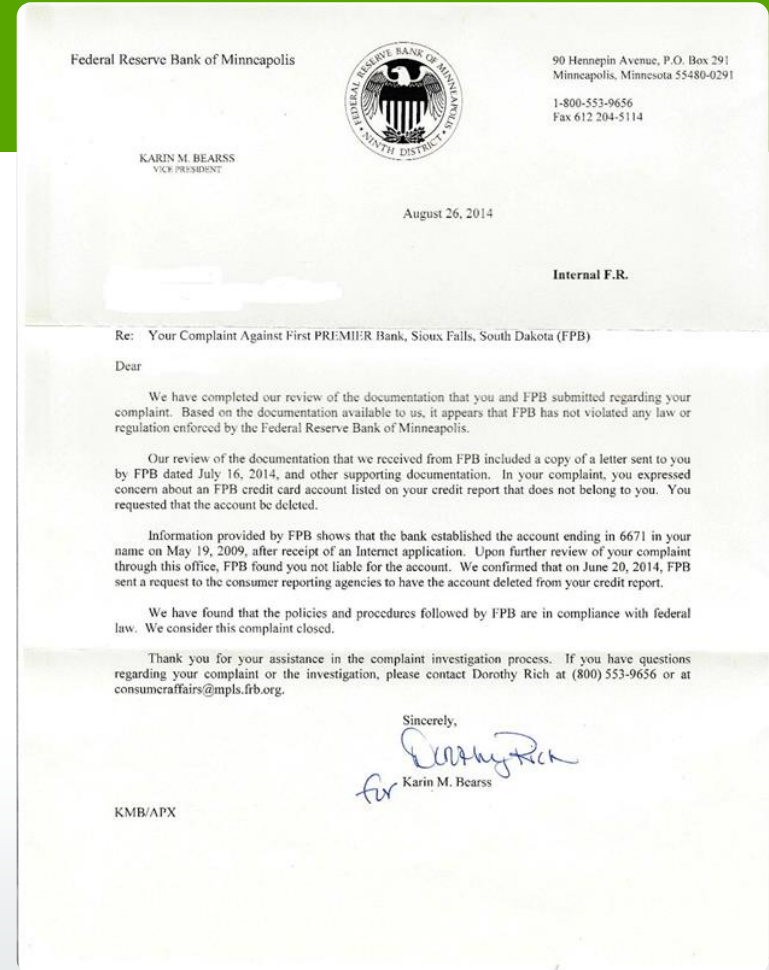
The CFPB is in the business of protecting consumer rights against unfair debt collection and reporting, amongst others. The CFPB's process is streamlined, effective, free, and can be done entirely online.

CHAPTER 08

USING THE CFPB

Real World Example of a successful complaint filed through the CFPB.

- The total cost to have this item deleted from all three of my client's credit reports was zero,
- It took less than 60 days to complete the entire process.



USING THE CFPB

- If credit bureaus and collectors do not honor consumer protection laws, they cannot report information about you on your credit reports.
- If they do not remove the information voluntarily, you have the right to escalate your dispute to the next level by filing a complaint with the CFPB.
- You can file a complaint with the CFPB by explaining why the information should not be reported and by providing the documentation you have obtained through the dispute process for their review.
- By submitting your complaint through the CFPB, the compliance of the credit bureaus, collection agencies, and original creditors is therefore both forced and monitored.

What happens if the Debt Collector

- actually does have complete debt validation that meets the legal requirements, or
- refuses to stop reporting the account without it?

EASY DEBT NEGOTIATION

- Collectors are running a business and want to make a profit, and you can make that happen for them.
- They do not care about the details of the debt or your personal details, only about things that enhance or degrade your ability to pay them (employment status, life events, judgements, etc.)
- Money, or the offer of money, will open their ears and show them that you are serious.
- You are obligated to pay your debts, not any particular company.
- Even if your debt has been assigned or sold to a collector, you may still be able to make an offer to the original creditor.
- Letting the collector know that you are exploring all options to remove the debt from your credit report by making them compete with your original creditor to give you the best deal, creating a sense of urgency, and making a cash offer in writing will motivate them to accept your offer.

I regularly structure deals for around \$0.10 to \$0.11 per dollar with a full trade-line deletion, although sometimes higher offers are required.

(see Chapter 10 Case Study).

CASE STUDY – PENNIES ON THE DOLLAR

BACKGROUND

- A client fell behind on the payments towards an elective medical procedure
- Debt purchased by a debt collector - began reporting it onto all 3 of her credit reports
- Difference of opinion over the amount owed
- Client unsuccessful in obtaining any documentation from the collector
- Client not comfortable paying an unknown company and requested assistance.

CASE STUDY – PENNIES ON THE DOLLAR

ACTIONS TAKEN

1

Filed a dispute with the big three credit bureaus

Initiated the dispute process and to have the bureaus perform their investigation

2

Sent a request to validate the debt

Sent a request to the collector to validate the debt.

3

Review Alternatives

Did not receive debt validation or any accounting of the additional fees from the collector.

4

Propose Offer to Collector

11 cents per dollar in exchange for a full trade-line deletion of this account (vs. file a complaint with CFPB)

5

Offer Accepted

Offer accepted by the collector without further negotiation.



CHAPTER 10

CASE STUDY – PENNIES ON THE DOLLAR

WHY I WON

- Chose settlement offer as this provided a win-win scenario
- Collector knew that we were aware of our rights
- Time is a very valuable commodity in credit repair
- Collectors want to avoid burning the candle at both ends when they are pursuing their accounts

prime example of a collections company willing to settle a debt for pennies on the dollar in order to ensure a fast collection



SUMMIT ACCOUNT RESOLUTION
PHONE. 763.712.3700
TOLL-FREE. 888.212.2021
FAX. 888 822 7511

June 16, 2014

RE: Creditor:
Account No:
Amount Due: \$3,685.47

Dear

This letter is to confirm that the amount of \$ 420.00 will be accepted as settlement in full for your balance detailed above. Please note, your payment of \$ 420.00 must be received on or before July 15, 2014 or the settlement offer will be null and void. Please note, this settlement voids your "Acuity Plan". In order to maintain your "Acuity Plan", the balance would have to be paid in full.

This receipt is valid when all payment instruments received have been honored. Insufficient funds or voided transactions will deem this receipt null and void. We are not obligated to renew this offer.

Lastly, due to the confusion surrounding this bill, as a courtesy to you we will be notifying the major credit reporting agencies and asking them to remove this previously reported collection item from their records.

If you have any questions please do not hesitate to call us at the number listed below.

Sincerely,

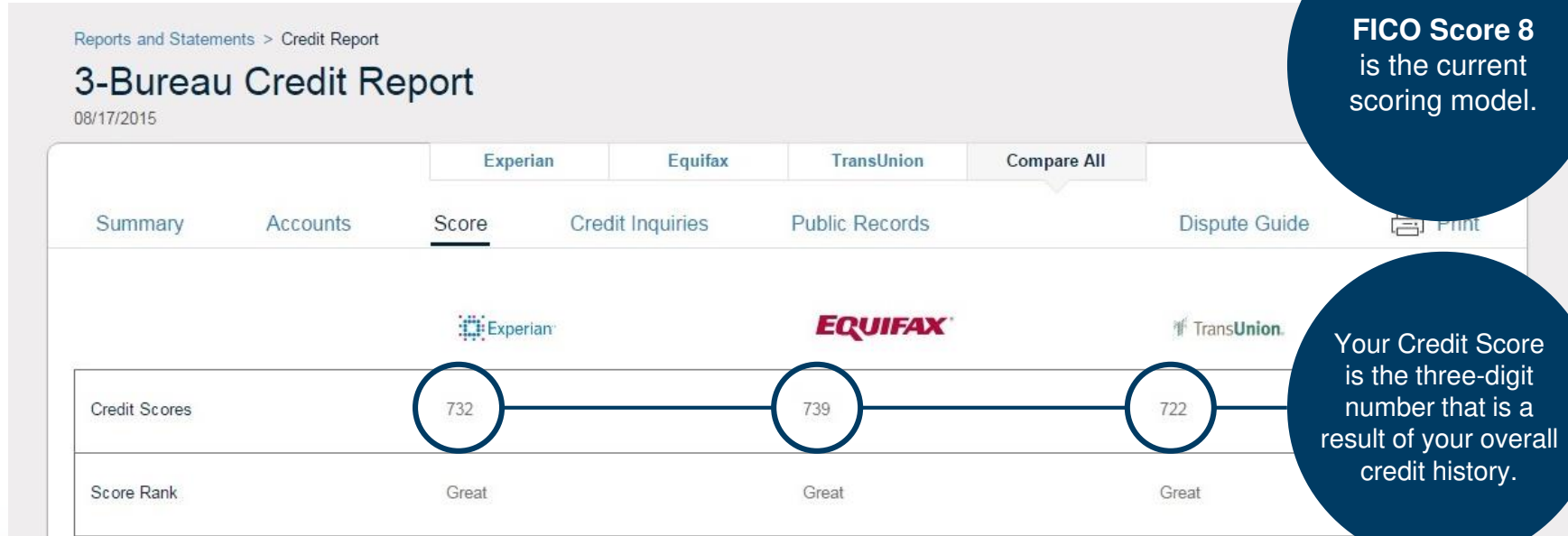
Collection Department
888-212-2021

There is also at least one credit reporting agency, other than the big 3 CRA's, that you can sign up with for free that will positively report most of your regular monthly billing (rent, cable, cell phone, and others).

It is called the PBRC and can be found online.

CHAPTER 11

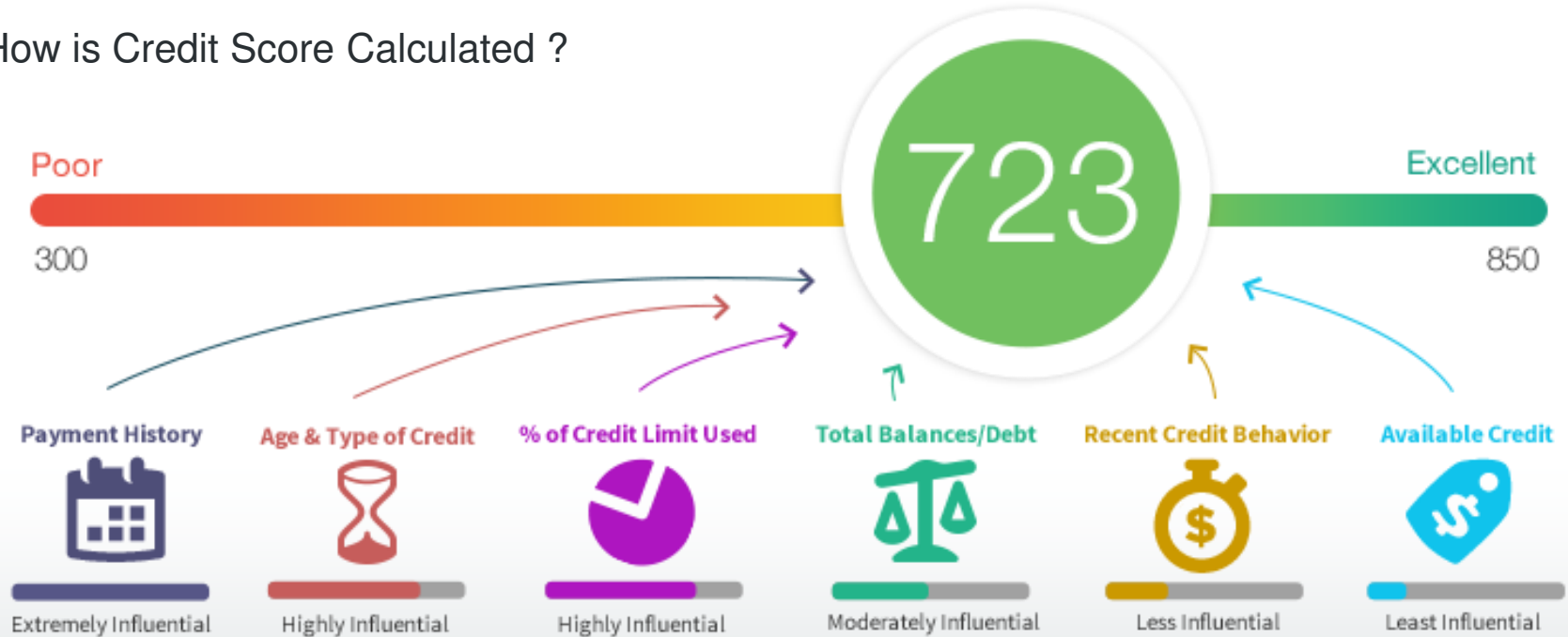
ALL ABOUT YOUR CREDIT



Each credit bureau calculates your credit score themselves based upon the information in their individual credit report.

ALL ABOUT YOUR CREDIT

How is Credit Score Calculated ?



CHAPTER 11

ALL ABOUT YOUR CREDIT

There are several locations where you can get your Credit Reports (can be quite expensive on some websites).

[AnnualCreditReport.com](https://www.annualcreditreport.com)

The Official website to review your credit report once per year.

The only Free Source.

[freecreditscore.com](https://www.freecreditscore.com)

Get your credit score from Experian.

Trial Subscription needed.

[myFICO](https://www.myfico.com)

The only place to get your official FICO score for free. FICO is used by lenders for credit decisions.

Trial Subscription needed.

[credit karma](https://www.creditkarma.com)

Get a free estimated credit score based on TransUnion and Equifax credit histories.

No Credit Card or Social Security No. needed.

[Quizzle](https://www.Quizzle.com) DON'T GUESS. KNOW.

Get your credit score and an Equifax credit report for free every 3 months.

No Credit Card or Social Security No. needed.

YouTube can also be an invaluable resource for learning credit repair.

how to read a credit report



Filters

About 1,080,000 results



CRC - How to read an Experian credit report

urcreditfixer

5 years ago • 9,346 views

Credit reports can be sooooo confusing, and to make it worse they are each different. This vlog will go over a sample Experian ...



Understanding Credit Reports

Consumer Law Group, LLC

3 years ago • 3,479 views

In this informative webinar, viewers will learn what their credit score means, how to improve their credit scores, how to obtain a ...



How to Read a Credit Report

CheckPoint

2 years ago • 1,757 views

Make better decisions throughout the tenant screening process. Learn how to read a CheckPoint credit report with the help of ...



Opened	Reported	High balance
05/00	02/03	28,999
Unit status	BUI BX1	High credit

Reading Your Credit Report

BankLiberty

6 years ago • 3,513 views

Your credit report is something you need to understand. Candice from

ALL ABOUT YOUR CREDIT

7 years is the amount of time that bad credit information stays on your credit report.

but there are exceptions:

Bankruptcy

A bankruptcy remains on your credit report for 10 years.

Tax Liens

These stay on your credit report for seven years from the date that the debt is paid.

Mortgage Default

This stays on your credit report for seven years after the guarantor takes motion.

Court Rulings

Lawsuit judgements can stay on your credit report for seven years, or for the amount of time that is stated in the statute of limitations.

ADDING POSITIVE INFORMATION



Authorized User

One of the most effective tactics to improving your credit profile is to piggyback off someone in your household that already has a good credit history.



Secured Credit

Secured loans can help your credit profile in exactly the same way that an unsecured loan does. Recommended for people with bad credit, Secured loans promote financial responsibility & stability.



Double Dipping

Involves using the secured debt technique to double down on building positive trade-lines in your credit report. One trade-line is powerful, two positive trade-lines at the same time - monumental.



Rental Karma

There are services available that will create trade-lines to report certain regular monthly payments that many consumers make that are not normally reported to the bureaus.

WRAPPING IT UP

1



Don't let them Intimidate You

No matter what debt collectors tell you -- remember that their main goal is to get you to pay them money, even if that means lying to you or not telling you about your consumer rights

2



Rules of Engagement

Debt collectors must stop contacting you at work and over the phone if you ask them to. Add this stipulation to any one of your letters to get them to stop.

3



Confidentiality of Information

Collectors aren't allowed to discuss your debt with other parties except in specific circumstances. If they talk about it to anyone else, they may have violated your rights.

4



Stale Debt is Uncollectable

If the collection accounts on your report are old, there probably isn't anything at all that a collector can do to collect other than to report it onto your credit report and hope that you make them an offer.

5



Debt Collection is a Business

Debt collectors have to make money for their business, and many times are motivated to accept your payment offer in order to receive their commissions.

Using credit responsibly is like a chess match.

Purchase on Credit

\$152.69 per month

(24 months at 20% APR)

Additional Cost - \$664.56

\$3,664.56



Purchase with Cash

Save / sell a few things to get \$3000.

Transfer cash to pay-off the bill

5% Cash Back Credit - \$150.00

\$2,850.00

\$3,000.00

\$814.56



Professionally Managed Dispute Resolution

LibertyCreditConsulting.com