

Office for Financial Success – Financial Tip of the Week

A service of the Personal Financial Planning Department
College of Human Environmental Sciences
University of Missouri-Columbia

ORDERING YOUR FREE CREDIT REPORT

“I’m thinking of a number ...” says a smiling host that then brags about how high his number is – his credit score that is – and how much money it saves him when he gets a new car loan or mortgage. Certainly true – a good credit score will allow you to borrow at lower rates than those with low credit scores. I’m sure most of you have seen it – the advertisement for FreeCreditReport.com. These types of advertisements for your “free” credit report are some of the most misleading you’ll encounter. The fine print - if you use this [Experian owned] site, you will begin your “free” trial membership in Triple Advantage Credit Monitoring Service; if you don’t cancel your membership within the 30-day trial period, you will automatically begin being billed monthly. Thousands of people mistakenly go to FreeCreditReport.com to order the free credit report that they are entitled to under FACTA legislation.

When you want to see your credit report, you want to use the **official government site:** <http://annualcreditreport.com> – there you actually get your credit report for free, without strings. You have the right to see your report every year for free, so there is no reason to visit any “pay” sites. The easiest way to identify if you’re in the ‘wrong place,’ will be if you’re asked for credit card information. September, 2005 marked the date that every consumer in America was eligible to obtain a free credit report [can obtain one report per agency (Experian, Equifax, TransUnion) per 12 month period]; ironically, it was only two weeks prior that the Federal Trade Commission announced a lawsuit against Experian [and freecreditreport.com] and other companies for “misleading” and “deceptive” claims for ‘free’ reports aimed at consumers. Obviously they largely benefited from the confusion over news stories telling consumers that they were entitled to a free copy of their credit report [and the importance of reviewing it]. While admitting no wrongdoing, Experian agreed to give consumers refunds and make the terms of its product clearer. 18 months removed, where are we? I don’t know that people have any clearer picture than they did then ... I give students in my classes an assignment to pull one of their credit reports, providing the direct link for the free government site and without fail, a number of students will wind up at freecreditreport.com. Recent polls suggest that about 70% of American adults are aware of their right to obtain a free credit report – this is an amazingly high awareness rating. The challenge – to make sure people are going to the right site! FYI – the Federal Trade Commission has contacted more than 130 impostor sites (websites that misspell or sound similar to the real government site).

Considerations.

- Go to <http://annualcreditreport.com> to order your free report
- Remember - no purchase is required when ordering free report(s)
- If you find mistakes on your report, fix them
- Stagger ordering your reports (order one every four months)
- Staggering enables you to monitor your own credit
- Don’t provide your credit card unless purchasing your credit score

<http://www.ftc.gov/freereports>

<http://www.privacyrights.org/media/calldontclickupdate.htm>

http://www.worldprivacyforum.org/consumertips_calldontclick.html