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# **Credit Repair: Self Help May Be Best** **If you don't know what you are doing** **it could mean disaster!**



## **The Federal Trade Commission** **How To Look For A Credit Scam**

To read this exactly as published please go to the [FTC WEBSITE](#)

Credit Repair: Self Help May Be Best - Copied from the Federal Trade Commission Website:

You see the advertisements in newspapers, on TV, and on the Internet. You hear them on the radio. You get fliers in the mail. You may even get calls from telemarketers offering credit repair services. They all make the same claims:

- “Credit problems? No problem!”
- “We can erase your bad credit — 100% guaranteed.”
- “Create a new credit identity — legally.”
- “We can remove bankruptcies, judgments, liens, and bad loans from your credit file forever!”

Do yourself a favor and save some money, too. Don't believe these statements. Only time, a conscious effort, and a personal debt repayment plan will improve your credit report.

This brochure explains how you can improve your creditworthiness and gives legitimate resources for low or no-cost help.

The Scam

Everyday, companies nationwide appeal to consumers with poor credit histories. They promise, for a fee, to clean up your credit report so you can get a car loan, a home mortgage, insurance, or even a job. The truth is, they can't deliver. After you pay them hundreds or thousands of dollars in fees, these companies do nothing to improve your credit report; most simply vanish with your money.

## The Warning Signs

If you decide to respond to a credit repair offer, look for these tell-tale signs of a scam: Credit Clean offers more details about each section below just click on the More By Credit Clean beneath each item.

- companies that want you to pay for credit repair services before they provide any services. [More By Credit Clean](#)
- companies that do not tell you your legal rights and what you can do for yourself for free. [More By Credit Clean](#)
- companies that recommend that you not contact a credit reporting company directly. [More By Credit Clean](#)
- companies that suggest that you try to invent a “new” credit identity — and then, a new credit report — by applying for an Employer Identification Number to use instead of your Social Security number. [More By Credit Clean](#)
- companies that advise you to dispute all information in your credit report or take any action that seems illegal, like creating a new credit identity. If you follow illegal advice and commit fraud, you may be subject to prosecution. [More By Credit Clean](#)

You could be charged and prosecuted for mail or wire fraud if you use the mail or telephone to apply for credit and provide false information. It's a federal crime to lie on a loan or credit application, to misrepresent your Social Security number, and to obtain an Employer Identification Number from the Internal Revenue Service under false pretenses.

Under the Credit Repair Organizations Act, credit repair companies cannot require you to pay until they have completed the services they have promised.

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More By Credit Clean - The information below is in response to the items listed above

- Credit Clean agrees with the first statement above, however; to pay for a set up fee and reports plus all the materials needed to do the work that needs done is

necessary in that there isn't much in the way of credit repair items that comes free. Most people know that it costs money to do a job and a retainer or start up fee is something that gives both the company and the client protection. You will have to look at the quality and honesty of each company in order to determine if this is a credit company you will feel comfortable working with. Look for things such as licenses, bonding, client comments, listing with web watchdog companies and so forth. An honest credit help service should list a phone, website and physical address clearly on the website. Credit Clean has been in business since 1995, we are licensed and bonded, listed with EPublic Eye, listed with Dun & Bradstreet and have helped thousands of clients with almost any kind of credit problem.

- Credit Clean lists your credit rights on our forms which we direct you to make a copy of. The form that is most important is the one that the Federal Trade Commission requires a credit repair company to give to a client. You can read this form on our website at: [FTC CREDIT RIGHTS](#) We believe you should have the option of helping yourself with credit report problems or having the ability to hire a company to do it for you. Sometimes it is hard to tell an honest company so knowing what to look for is the best way to prevent choosing the wrong one.
- Credit Clean does not ask that you not contact a credit reporting agency directly, however; most of our clients have never made it past the point of a machine and this is why they end up asking us for help. Contacting a credit reporting agency or more commonly called a credit bureau is like trying to get through to the president of the United States. If you are allowing a company to help you let them do the work that is what you are paying them to do.
- Credit Clean does not ask or even attempt to have you change your identity. Not only is it illegal as stated above it isn't going to do you much good to have NO credit. In fact no credit is about as bad as having bad credit. Most creditors will also know there is something wrong if they pull your credit files and you are 25, 30, 40 or more years old and you have no credit file. This is called a ghost file and you will be denied credit if they think you are a ghost. Your credit follows you throughout your life you can't just ditch it and start over. You can clean it up though and move forward in the right direction with the help of a good credit help service and this should be the direction you take.
- Credit Clean agrees with this as well, however; in order to verify that an account is yours and/or verify that it is verifiable we are not sure how else you can get around challenging everything on your credit file. There are several rules and regulations that your creditors and credit bureaus must follow in doing so they must be asked to verify certain information in your credit reports which is how the work of credit restoration and repair is done. What we assume is being said here is "don't just challenge things in your reports simple to be challenging them".

What ever it is that has caused problems with your credit it needs to be remedied. If you don't do anything about the credit problems more than likely they will remain a problem for a long time. Everyone deserves a second chance. As long as you want to change your life there is always a way to do it. Learn from the past and make it all worth while. Being educated about credit is the best defense.