

**Account Condition**

Indicates the present state of the account, but does not indicate the payment history of the account that led to the current state. (i.e. open, paid, charge off, repossession, settled, foreclosed, etc.).

**Account Number**

The unique number assigned by a creditor to identify your account with them. Credit Bureaus may remove several digits of each account number on the credit report as a fraud prevention measure.

**Accounts in Good Standing**

Credit items that have a positive status and should reflect favorably on your creditworthiness.

**Adjustment**

Percentage of the debt that is to be repaid to the credit grantors in a Chapter 13 bankruptcy.

**AKA**

Also Known As

**Annual fee**

Credit card issuers often (but not always) require you to pay a special charge once a year for the use of their service, usually between \$15 and \$55.

**Annual percentage rate (APR)**

A measure of how much interest credit will cost you, expressed as an annual percentage.

**Authorized User**

Person permitted by a credit cardholder to charge goods and services on the cardholder's account but who is not responsible for repayment of the debt. The account displays on the credit reports of the cardholder as well as the authorized user. If you wish to have your name permanently removed as an authorized user on an account, you will need to notify the credit grantor.

**Balloon Payments**

A loan with a balloon payment requires that a single, lump-sum payment be made at the end of the loan.

**Bankruptcy Code**

Federal laws governing the conditions and procedures under which persons claiming inability to repay their debts can seek relief.

**Capacity**

Factor in determining creditworthiness. Capacity is assessed by weighing a borrower's earning ability and the likelihood of continuing income against the amount of debt the borrower carries at the time the application for credit is made. While capacity may be considered in a credit decision, the credit report does not contain information about earning ability or the likelihood of continuing income.

**CCPA**

The Consumer Credit Protection Act, Pub.L. 90-321, 82 Stat. 146, enacted May 29, 1968, composed of several titles relating to consumer credit, mainly title I, the Truth in Lending Act, title II related to extortionate credit transactions, title III related to restrictions on wage garnishment, and title IV related to the National Commission on Consumer Finance.

**Chapter 7 Bankruptcy**

Chapter of the Bankruptcy Code that provides for court administered liquidation of the assets of a financially troubled individual or business.

**Chapter 11 Bankruptcy**

Chapter of the Bankruptcy Code that is usually used for the reorganization of a financially troubled business. Used as an alternative to liquidation under Chapter 7. The U.S. Supreme Court has held that an individual may also use Chapter 11.

**Chapter 12 Bankruptcy**

Chapter of the Bankruptcy Code adopted to address the financial crisis of the nation's farming community. Cases under this chapter are administered like Chapter 11 cases, but with special protections to meet the special conditions of family farm operations.

**Chapter 13 Bankruptcy**

Chapter of the Bankruptcy Code in which debtors repay debts according to a plan accepted by the debtor, the creditors and the court. Plan payments usually come from the debtor's future income and are paid to creditors through the court system and the bankruptcy trustee.

**Charge-Off**

Action of transferring accounts deemed uncollectible to a category such as bad debt or loss. Collectors will usually continue to solicit payments, but the accounts are no longer considered part of a company's receivable or profit picture.

**Civil Action**

Any court action against a consumer to regain money for someone else. Usually, it will be a wage assignment, child support judgment, small claims judgment or a civil judgment.

**Claim Amount**

The amount awarded in a court action.

**Closed Date**

The date an account was closed.

**Co-maker**

A creditworthy co-maker is sometimes required in situations where an applicant's qualifications are marginal. A co-maker is legally responsible to repay the charges in the joint account agreement.

**Consumer Credit Counseling Service**

A non-profit organization that assists consumers in dealing with their credit problems. Consumer Credit Counseling Service has offices throughout the United States that can be located by calling 800 388 CCCS (2227).

**Co-signer**

Person who pledges in writing as part of a credit contract to repay the debt if the borrower fails to do so. The account displays on both the borrower's and the co-signer's credit reports.

**Credit Limit/Line of Credit**



In open-end credit, the maximum amount a borrower can draw upon or the maximum that an account can show as outstanding.

**Credit Items**

Information reported by current or past creditors.

**Credit Report**

Confidential report on a consumer's payment habits as reported by their creditors to a consumer credit reporting agency. The agency provides the information to credit grantors who have a permissible purpose under the law to review the report.

**Credit Scoring**

Tool used by credit grantors to provide an objective means of determining risks in granting credit. Credit scoring increases efficiency and timely response in the credit granting process. Credit scoring criteria is set by the credit grantor.

**Creditworthiness**

The ability of a consumer to receive favorable consideration and approval for the use of credit from an establishment to which they applied.

**CROA**

The Credit Repair Organizations Act ("CROA") is not actually an Act, it is actually Title IV of the Consumer Credit Protection Act. Section 401 states, however, it can be referred to as "Credit Repair Organizations Act". The statute was signed by President, Bill Clinton on September 30, 1996.

**Date Filed**

The date that a public record was awarded.

**Date of Status**

On the credit report, date the creditor last reported information about the account.

**Date Opened**

On the credit report, indicates the date an account was opened.

**Date Resolved**

The completion date or satisfaction date of a public record item.

**Delinquent**

Accounts classified into categories according to the time past due. Common classifications are 30, 60, 90 and 120 days past due. Special classifications also include charge-off, repossession, transferred, etc.

**Discharge**

Granted by the court to release a debtor from most of his debts that were included in a bankruptcy. Any debts not included in the bankruptcy – alimony, child support, liability for willful and malicious conduct and certain student loans – cannot be discharged.

**Disclosure**

Providing the consumer with his or her credit history as required by the FCRA. Credit Bureaus provide consumer credit report disclosures via the Internet, by U.S. Mail or in person at their office locations.

**Dismissed**

When a consumer files a bankruptcy, the judge may decide to not allow the consumer to continue with the bankruptcy. If the judge rules against the petition, the bankruptcy is known as dismissed.

**Dispute**

If a consumer believes an item of information on their credit report is inaccurate or incomplete, they may challenge, or dispute the item. The Credit Bureaus will investigate and correct or remove any inaccurate information or information that cannot be verified. Each Bureau gives consumers the option of disputing online or they may call the telephone number on their credit report for assistance.

**ECOA**

Standard abbreviation for Equal Credit Opportunity Act.

**End-user**

The business that receives the report for decision making purposes that meet the permissible purpose requirements of the FCRA.

**Equal Credit Opportunity Act (ECOA)**

Federal law, which prohibits creditors from discriminating against credit applicants on the basis of sex, marital status, race, color, religion, age, and/or receipt of public assistance.

**Equifax**

One of the three national credit reporting agencies, headquartered in Atlanta, Ga. The other two are Experian and TransUnion.

**Experian**

One of the three national credit reporting agencies, with U.S. headquarters in Costa Mesa, CA. The other two are Equifax and TransUnion.

**Fair Credit and Charge Card Disclosure Act**

Amendments to the Truth In Lending Act that require the disclosure of the costs involved in credit card plans that are offered by mail, telephone or applications distributed to the general public.

**Fair Credit Billing Act**

Federal legislation that provides a specific error resolution procedure to protect credit card customers from making payments on inaccurate billings.

**Fair Credit Reporting Act (FCRA)**

Federal legislation governing the actions of credit reporting agencies.

**Fair Debt Collection Practices Act (FDCPA)**

Federal legislation prohibiting abusive and unfair debt collection practices.

**Finance Charge**

Amount of interest. Finance charges are usually included in the monthly payment total.

**Fixed Rate**

An annual percentage rate that does not change.

**Generation Identifier**

Generation identifiers are Jr., Sr., II, III, IV, etc.

**Geographical Code**

This information is received from the Census Bureau and represents the state, Metropolitan Statistical Area, county, tract and block group of the reported address. This code is similar to a ZIP Code.

**Grace Period**

The time period you have to pay a bill in full and avoid interest charges.

**Guarantor**

Person responsible for paying a bill.

**High Balance**

The highest amount that you have owed on an account to date.

**Installment Credit**

Credit accounts in which the debt is divided into amounts to be paid successively at specified intervals.

**Investigation**

The process a consumer credit reporting agency goes through in order to verify credit report information disputed by a consumer. The credit grantor who supplied the information is contacted and asked to review the information and report back; they will tell the credit reporting agency that the information is accurate as it appears, or they will give us corrected information to update the report.

**Investigative Consumer Reports**

These are consumer reports that are usually done for background checks, security clearances and other sensitive jobs. An investigative consumer report might contain information obtained from a credit report, but it is more comprehensive than a credit report. It contains subjective material on an individual's character, habits and mode of living, which is obtained through interviews of associates.

**Involuntary Bankruptcy**

A petition filed by certain credit grantors to have a debtor judged bankrupt. If the bankruptcy is granted, it is known as an involuntary bankruptcy.

**Item-specific Statement**

Offers an explanation about a particular trade or public record item on your report, and it displays with that item on the credit report.

**Judgment Granted**

The determination of a court upon matters submitted to it. A final determination of the rights of the parties involved in the lawsuit.

**Last Reported**

On the credit report, the date the creditor last reported information about the account.

**Liability amount**

Amount for which you are legally obligated to a creditor.

**Lien**

Legal document used to create a security interest in another's property. A lien is often given as a security for the payment of a debt. A lien can be placed against a consumer for failure to pay the city, county, state or federal government money that is owed. It means that the consumer's property is being used as collateral during repayment of the money that is owed.

**Line of Credit**

In open-end credit, the maximum amount a borrower can draw upon or the maximum that an account can show as outstanding.

**Location Number**

The book and page number on which the item is filed in the court records.

**Mortgage Identification Number (MIN)**

Indicates that a loan is registered with Mortgage Electronic Registration Systems Inc., which tracks the ownership of mortgage rights. This number will follow the homeowner throughout the mortgage.

**Most Recent Date**

The date of the recent account condition or payment status. This date is also the balance date.

**MyCleanScore.com**

Website created to give consumers expedited access to the three major Credit Bureaus: Experian, Equifax and TransUnion. Rather than utilizing the statutorily mandated minimum dispute process as credit repair companies do, MyCleanScore.com interfaces directly with investigators in the three major Credit Bureaus to facilitate data auditing for both accuracy and legal compliance, saving consumers considerable time.

**Notice of Results**

If your investigation results in information being updated or deleted, you may request that we send the corrected information in your credit history to eligible credit grantors and employers who reviewed your information within a specific period of time. If your investigation does not result in a change to your credit history, results will not be sent to other lenders.

**Obsolescence**

A term used to describe how long negative information should stay in a credit file before it's not relevant to the credit granting decision. The FCRA has determined the obsolescence period to be 10 years in the case of bankruptcy and 7 years in all other instances. Unpaid tax liens may remain indefinitely, although typically they are removed after 15 years.

**Opt In**

The ability of a consumer who has opted out to have their name re-added to prescreened credit and insurance offer lists, direct marketing lists and individual reference service lists. Consumers who have previously opted out of receiving prescreened offers may have their names added to prescreened lists for credit and insurance offers by calling 1 888 5OPTOUT (1 888 567 8688).

**Opt Out**



The ability of the consumer to notify credit reporting agencies, direct marketers and list compilers to remove their name from all future lists. Consumers may opt out of prescreened credit and insurance offer lists by calling 1 888 5OPTOUT (1 888 567 8688).

**Original Amount**

The original amount owed to a creditor.

**Payment Status**

Reflects the previous history of the account, including any delinquencies or derogatory conditions occurring during the previous seven years (i.e., Current account, delinquent 30, current was 60, redeemed repossession, charge-off – now paying, etc.)

**Permissible Purposes**

There are legally defined permissible purposes for a credit report to be issued to a third party. Permissible purposes include credit transactions, employment purposes, insurance underwriting, government financial responsibility laws, court orders, subpoenas, written instructions of the consumer, legitimate business needs, etc.

**Personal Information**

Information on your personal credit report associated with your records that has been reported to us by you, your creditors and other sources. It may include name variations, your driver's license number, Social Security number variations, your date or year of birth, your spouse's name, your employers, your telephone numbers, and information about your residence.

**Personal Statement**

You may request that a general explanation about the information on your report be added to your report. The statement remains for two years and displays to anyone who reviews your credit information.

**Petition**

If a consumer files a bankruptcy, but a judge has not yet ruled that it can proceed, it is known as bankruptcy petitioned.

**Plaintiff**

One who initially brings legal action against another (defendant) seeking a court decision.

**Potentially Negative Items**

Any potentially negative credit items or public records that may have an effect on your creditworthiness as viewed by creditors.

**Public Record Data**

Included as part of the credit report, this information is limited to tax liens, lawsuits and judgments that relate to the consumer's debt obligations.

**Recent Balance**

The most recent balance owed on an account as reported by the creditor.

**Recent Payment**

The most recent amount paid on an account as reported by the creditor.

**Released**

This means that a lien has been satisfied in full.

**Report Number**

A number that uniquely identifies each personal Experian, Equifax or TransUnion credit report. This number displays on your personal credit report and should always be referenced when you contact MyCleanScore.com or the Credit Bureaus directly.

**Reported Since**

On the credit report, the date the creditor started reporting the account to Experian, Equifax or TransUnion.

**Repossession**

A creditor's taking possession of property pledged as collateral on a loan contract on which a borrower has fallen significantly behind in payments.

**Request an Investigation**

If you believe that information on your report is inaccurate, we will ask the sources of the information to check their records at no cost to you. Incorrect information will be corrected; information that cannot be verified will be deleted. No credit bureau or "credit repair" company can remove accurate information. An investigation may take up to 30 days. When it is complete, the Credit Bureau will send you the results.

**Request for Your Credit History**

When a credit grantor, direct marketer or potential employer makes a request for information from a consumer's credit report, an inquiry is shown on the report. Grantors only see credit inquiries generated by other grantors as a result of an application of some kind, while consumers see all listed inquiries including prescreened and direct marketing offers, as well as employment inquiries. According to the Fair Credit Reporting Act, credit grantors with a permissible purpose may inquire about your credit information prior to your consent. This section also includes the date of the inquiry and how long the inquiry will remain on your report.

**Responsibility**

Indicates who is responsible for an account; can be single, joint, co-signer, etc.

**Revolving Account**

Credit automatically available up to a predetermined maximum limit so long as a customer makes regular payments.

**Risk Scoring Models**

A numerical determination of a consumer's creditworthiness. Tool used by credit grantors to predict future payment behavior of a consumer.

**Satisfied**

If the consumer has paid all of the money the court says he owes, the public record item is satisfied.

**Secured Credit**

Loan for which some form of acceptable collateral, such as a house or automobile has been pledged.



**Security**

Real or personal property that a borrower pledges for the term of a loan. Should the borrower fail to repay, the creditor may take ownership of the property by following legally mandated procedures.

**Security Alert**

Statement that is added once Experian, Equifax or TransUnion are notified that a consumer may be a victim of fraud. It remains on file for 90 days and requests that a creditor request proof of identification before granting credit in that person's name.

**Service Credit**

Agreements with service providers. You receive goods, such as electricity, and services, such as apartment rental and health club memberships, with the agreement that you will pay for them each month. Your contract may require payments for a specific number of months, even if you stop the service.

**Settle**

Reach an agreement with a lender to repay only part of the original debt.

**Source**

The business or organization that supplied certain information that appears on the credit report.

**Status**

On the credit report, this indicates the current status or state of the account.

**Terms**

This refers to the debt repayment terms of your agreement with a creditor, such as 60 months, 48 months, etc.

**Third-Party Collectors**

Collectors who are under contract to collect debts for a credit department or credit company; collection agency.

**Tradeline**

Entry by a credit grantor to a consumer's credit history maintained by a credit reporting agency. A tradeline describes the consumer's account status and activity. Tradeline information includes names of companies where the applicant has accounts, dates accounts were opened, credit limits, types of accounts, balances owed and payment histories.

**Transaction fees**

Fees charged for certain use of your credit line – for example, to get a cash advance from an ATM.

**TransUnion**

One of three national credit reporting agencies. The other two are Experian and Equifax.

**Truth in Lending Act**

Title I of the Consumer Protection Act. Requires that most categories of lenders disclose the annual interest rate, the total dollar cost and other terms of loans and credit sales.

**Type**

This refers to the type of credit agreement made with a creditor; for example, a revolving account or installment loan.

**Unsecured Credit**

Credit for which no collateral has been pledged. Loans made under this arrangement are sometimes called signature loans; in other words, a loan is granted based only on the customer's words, through signing an agreement that the loan amount will be paid.

**Vacated**

Indicates a judgment that was rendered void or set aside.

**Variable Rate**

An annual percentage rate that may change over time as the prime lending rate varies or according to your contract with the lender.

**Verification**

Verifying whether data in a credit report is correct or not. Initiated by consumers when they question some information in their file. Credit reporting agencies will accept authentic documentation from the consumer that will help in the verification.

**Victim Statement**

A statement that can be added to a consumer's credit report to alert credit grantors that a consumer's identification has been used fraudulently to obtain credit. The statement requests the credit grantor to contact the consumer by telephone before issuing credit. It remains on file for 7 years unless the consumer requests that it be removed.

**Voluntary Bankruptcy**

If a consumer files the bankruptcy on his own, it is known as voluntary bankruptcy.

**Wage assignment**

A signed agreement by a buyer or borrower, permitting a creditor to collect a certain portion of the debtor's wages from an employer in the event of default.

**Withdrawn**

This means a decision was made not to pursue a bankruptcy, a lien, etc. after court documents have been filed.

**Writ of Replevin**

Legal document issued by a court authorizing repossession of security.