

28 OCTOBER 2009

INFORMATION PAPER

SUBJECT: Safe Credit Practices for Soldiers

1. Purpose. To summarize the things that Soldiers should know about credit.
2. A credit report is a vital record of a consumer's financial transactions that records all credit purchases, loan repayments, applications for credit, and other critical information. Credit reports are maintained by the Credit Reporting Agencies (CRAs). The contents a consumer's credit report determines whether a consumer can borrow money from a bank, and if so, what interest will be paid under the terms of the loan. In addition, credit reports are the primary sources of information that alert consumers of unauthorized financial transactions. The Federal Trade Commission (FTC) estimates that approximately 9 million Americans are victims of fraudulent credit transactions each year. Thus, in order to ensure the integrity of their credit reports and detect evidence of identity theft, all Soldiers should obtain and carefully read their credit reports each year. Reports can be obtained free online at: www.annualcreditreport.com or by calling 1-877-322-8228. Federal law provides consumers the right to dispute the erroneous entries on credit reports, and have such reports amended to reflect accurate information.
2. Consumers who notices any unauthorized transactions on their credit report should immediately place a free "Initial Fraud Alert" on their report. This alert can prevent future fraudulent charges to accounts, and requires that any future creditor personally contact the consumer before any credit is extended under the consumer's name and SSN. Fraud Alerts can be activated for free by calling any one of the following CRAs at the following numbers: EQUIFAX: 1-800-525-6285; TRANS UNION: 1-800-680-7289; or EXPERIAN: 1-888-397-3742.
3. Victims of credit fraud should also immediately close all effected accounts, and file complaints with the local police department and FTC. More information and assistance regarding identity theft is available from the Federal Trade Commission Identity Theft Hotline at 1-877-438-4338 or on the web at www.ftc.gov under "ID Theft".
4. Please visit your Fort Belvoir legal assistance office with any questions regarding this important issue.

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