

Appendix to opinion of the Court

## APPENDIX

Section 1679c provides:

**“(a) Disclosure required**

“Any credit repair organization shall provide any consumer with the following written statement before any contract or agreement between the consumer and the credit repair organization is executed:

**““Consumer Credit File Rights Under State and Federal Law**

“You have a right to dispute inaccurate information in your credit report by contacting the credit bureau directly. However, neither you nor any ‘credit repair’ company or credit repair organization has the right to have accurate, current, and verifiable information removed from your credit report. The credit bureau must remove accurate, negative information from your report only if it is over 7 years old. Bankruptcy information can be reported for 10 years.

“You have a right to obtain a copy of your credit report from a credit bureau. You may be charged a reasonable fee. There is no fee, however, if you have been turned down for credit, employment, insurance, or a rental dwelling because of information in your credit report within the preceding 60 days. The credit bureau must provide someone to help you interpret the information in your credit file. You are entitled to receive a free copy of your credit report if you are unemployed and intend to apply for employment in the next 60 days, if you are a recipient of public welfare assistance, or if you have reason to believe that there is inaccurate information in your credit report due to fraud.

“You have a right to sue a credit repair organization that violates the Credit Repair Organization Act. This law prohibits deceptive practices by credit repair organizations.

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“You have the right to cancel your contract with any credit repair organization for any reason within 3 business days from the date you signed it.

“Credit bureaus are required to follow reasonable procedures to ensure that the information they report is accurate. However, mistakes may occur.

“You may, on your own, notify a credit bureau in writing that you dispute the accuracy of information in your credit file. The credit bureau must then reinvestigate and modify or remove inaccurate or incomplete information. The credit bureau may not charge any fee for this service. Any pertinent information and copies of all documents you have concerning an error should be given to the credit bureau.

“If the credit bureau’s reinvestigation does not resolve the dispute to your satisfaction, you may send a brief statement to the credit bureau, to be kept in your file, explaining why you think the record is inaccurate. The credit bureau must include a summary of your statement about disputed information with any report it issues about you.

“The Federal Trade Commission regulates credit bureaus and credit repair organizations. For more information contact:

“The Public Reference Branch

“Federal Trade Commission

“Washington, D. C. 20580’.

**“(b) Separate statement requirement**

“The written statement required under this section shall be provided as a document which is separate from any written contract or other agreement between the credit repair organization and the consumer or any other written material provided to the consumer.

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**“(c) Retention of compliance records**

**“(1) In general**

“The credit repair organization shall maintain a copy of the statement signed by the consumer acknowledging receipt of the statement.

**“(2) Maintenance for 2 years**

“The copy of any consumer’s statement shall be maintained in the organization’s files for 2 years after the date on which the statement is signed by the consumer.”

\* \* \*

Section 1679g provides:

**“(a) Liability established**

“Any person who fails to comply with any provision of this subchapter with respect to any other person shall be liable to such person in an amount equal to the sum of the amounts determined under each of the following paragraphs:

**“(1) Actual damages**

“The greater of—

“(A) the amount of any actual damage sustained by such person as a result of such failure; or

“(B) any amount paid by the person to the credit repair organization.

**“(2) Punitive damages**

**“(A) Individual actions**

“In the case of any action by an individual, such additional amount as the court may allow.

**“(B) Class actions**

“In the case of a class action, the sum of—

“(i) the aggregate of the amount which the court may allow for each named plaintiff; and

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“(ii) the aggregate of the amount which the court may allow for each other class member, without regard to any minimum individual recovery.

**“(3) Attorneys’ fees**

“In the case of any successful action to enforce any liability under paragraph (1) or (2), the costs of the action, together with reasonable attorneys’ fees.

**“(b) Factors to be considered in awarding punitive damages**

“In determining the amount of any liability of any credit repair organization under subsection (a)(2) of this section, the court shall consider, among other relevant factors—

“(1) the frequency and persistence of noncompliance by the credit repair organization;

“(2) the nature of the noncompliance;

“(3) the extent to which such noncompliance was intentional; and

“(4) in the case of any class action, the number of consumers adversely affected.”