

Dispute Strategy

Dispute process, account strategies, CSR knowledge base, SmartCredit and DisputeFox guides

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How the Dispute Process Works

Overview

This page outlines how the dispute process works at Crowned Credit, from onboarding completion to graduation. The goal is to give CSRs a clear understanding of **what happens behind the scenes**, so they can confidently explain timelines, results, and expectations to clients.

Dispute Process Flow

Step 1: File Preparation

- Review credit report (via SmartCredit / compatible platform)
- Identify negative items (collections, charge-offs, lates, repos, etc.)
- Validate personal information (name, address, SSN consistency)

Step 2: Strategy Assignment

- Accounts categorized based on type and difficulty and coded accordingly
- Dispute reasons selected based on:
 - Reporting accuracy
 - Documentation gaps
 - Legal compliance (FCRA, FERPA for student loans)

Step 3: Round Submission

- Disputes submitted to:
 - Credit bureaus (Experian, Equifax, TransUnion) via CFPB electronically
 - Creditors / collection agencies (depending on strategy)
 - Innovis for secondary bureau disputes

Step 4: Investigation Period

- Bureaus have up to **30 days** to investigate
- We are due to pull the report once this period is over, and also send out the next round of disputes within 1-2 business days

Step 5: Results & Analysis

- Outcomes:

- Deleted - Resolved.
- Updated - Reassure client that this is a good sign that we are heading in the right direction.
- Verified (remains) - Rechallenged automatically in the next round.
- Strategy adjusted for next round

Step 6: Iteration

- Disputes continue in cycles (Rounds 2, 3, etc.)
- Approach becomes more targeted and aggressive when needed

Key Timelines (CSR Talking Points)

- First results: **30-35 days after round is sent**

☐ **Internal note:** Round results are due to be pulled exactly 30 days after the first round is sent as long as there are no processing issues, timeline range is to provide leeway for possible delays from credit monitoring issues, weekends, other scenarios.

- Some items will most likely take **multiple rounds**, especially when the creditors are fighting back against the disputes by providing documentation to verify the accounts

What Determines Success/Timeline

Factors:

- Type of account (collections vs charge-offs vs repos)
- Creditor behavior (e.g., Discover, Capital One = high resistance)
- Documentation quality
- Reporting inconsistencies
- Client profile (history, open accounts, etc.)

Common Misconceptions

“Everything should be removed in one round”

→ Disputes are a **process, not a one-time action**

“No mail = no progress”

→ Results are tracked digitally regardless of mail delivery

“Score should always go up”

→ Scores fluctuate depending on overall credit activity

CSR Positioning Framework

CSRs should communicate:

- We **are actively working on their file and using different methods to dispute their negatives**
- We **do not control bureau decisions and bureau response times**
- Results are **based on investigation outcomes**
- The process is NOT STAGNANT, we do not send out the same letters each round. We carefully review, analyze and adjust our strategies based on the previous round.

⚠ **Internal Notes:** (DO NOT DISCLOSE)

- Direct to creditor disputes are done even on Essentials process, coding/tagging just differs per service level (Essentials vs. Accelerated), the process for Accelerated/Momentum is just more aggressive. Regardless of the program, uploading the responses from the creditors and relaying it to the dispute team still needs to be done.

Account-Specific Dispute Strategies

Overview

This section provides guidance on how different account types are handled, and how CSRs should explain them to clients in situations where additional context may be necessary. Although generally, all disputes are grounded in different sections of consumer law, the FCRA, FERPA, depending on the account type. We also reference different precedents of past cases of the consumers versus the bureaus in order to further strengthen our disputes.

Quick note: We do not disclose or provide the exact dispute letters to the clients, under any circumstances. The dispute letters are our company's proprietary process and are also our intellectual property.

Account-Specific Treatment

Account Category	Backend Strategy (Internal)	Client-Facing Positioning
Open accounts with late payments (i.e. Credit cards)	Disputing late payment history only. FTC and other more aggressive dispute strategies going for the removal of entire account are NOT used.	Late payments in particular can take multiple dispute rounds because we cannot be too aggressive in disputing. Position this as a risk management practice and emphasize our care in handling their file.
Closed accounts with late payments	Disputing late payment history only initially to try and preserve the credit age. If this is not feasible or there are too many late payments, we go for the removal of the account in its entirety.	Show that we are trying to maximize the value that comes with aged accounts, but also that we are flexible when it comes to adjusting our dispute strategy.

Account Category	Backend Strategy (Internal)	Client-Facing Positioning
Student loans (Open with late payments)	Based on consumer law + FERPA compliance ; may involve deferment-related dispute structuring	Student loans require a more structured approach due to how they are reported and regulated.
Repossessions	<ul style="list-style-type: none"> • Redeemed → can challenge late history + supporting documents • Voluntary / Involuntary → aim for full removal 	“Repossessions are high-impact accounts and may take multiple rounds depending on documentation.” CSR can also ask the clients for additional documentation or letters that can help strengthen the disputes.
Collections	<ul style="list-style-type: none"> • Direct-to-creditor disputes • Reinsertion disputes (if re-reported after payment) • Address-based verification challenges <p>Special Case: If paid:</p> <ul style="list-style-type: none"> • Request official receipt (not screenshot) • Used as supporting documentation 	“Collections are one of the most responsive account types, but results still depend on verification”
Charged-off accounts	Based on consumer law, goal is complete removal	A charge-off does not need to be removed simply because the creditor claimed a tax write-off. Creditors are still allowed to report the account if it is accurate and verifiable. Creditors also are not required to issue a Form 1099C if it is only charged off, they are only required to do this if the debt has been forgiven.

Account Category	Backend Strategy (Internal)	Client-Facing Positioning
Inquiries	<p>All inquiries not linked to existing accounts are disputed. We avoid inquiries attached to open accounts to minimize causing any issues with the primary account.</p> <p>Harder to remove if:</p> <ul style="list-style-type: none"> • Client has existing relationship with creditor • Statute of limitations is nearing, some creditors just wait for it to be removed organically 	<p>While inquiries are not particularly difficult to remove, it's important to manage expectations. It can be helpful to dispel misconceptions that an inquiry can automatically be deleted based only on the grounds that it was not authorized.</p>
Incorrect Personal Information	<ul style="list-style-type: none"> • All inaccurate info disputed • If not disputed → considered verified based on client documents 	<p>"We align your report with verified identification to eliminate inconsistencies"</p>

⚠ **Alternative Address Strategy (INTERNAL SENSITIVE)**

- Alternate address may be used to challenge verification of collections
- If a client has many collections, the dispute team will reach out to the client directly to request an alternate address (trusted friend or family member) that they can use for the disputes. In this case, the new address would prevent the collections from being verified since it is tied to the original address. The client's address will be updated to normal once they are up for graduation.
- Client-facing disclosure - "We address inconsistencies in how your information is reported across bureaus to challenge verification accuracy"

High-Risk Creditors

Known Difficult:

- Discover
- Capital One
- Banks in general are more difficult to challenge compared to third party collection companies as they have more stringent documentation requirements, and likely have

significant ammunition when it comes to fighting back against the disputes.

Risks

- Account closure (especially newer accounts with lower limits)
- Risk of account closure is much more evident when

CSR Guidance:

- “Some creditors are more resistant and may reassess accounts during disputes”

CSR Dispute Knowledge Base

Overview

This is the **frontline response system**. Use this to handle objections, concerns, and questions confidently.

Mail Concerns

Client: "I'm not receiving anything"

Response:

“ Not all disputes generate mail consistently. Results are still being processed and will reflect in your report once the investigation is complete. If there's no mail for an extended period (around 2-3 months), we can check for possible address issues.

Proof of Disputes

Client: "Can you show proof?"

Response:

“ We can provide reference numbers through CFPB logs and internal tracking. You can contact the bureaus to follow up on the disputes if you wish, but please note that it can take time before the bureaus receive the complete information since we mainly use the CFPB for our disputes. The investigation time takes longer especially for the first round of disputes.

Automated Bureau Response: 'Frivolous' Classification

Response:

“ These are commonly system-generated responses or "stall letters." Investigations are still ongoing, and we use different methods across rounds to avoid repetition.

Automated Bureau Response: Third-Party Representation

Response:

“ These are commonly system-generated responses or "stall letters." Your disputes are still being investigated by the bureaus. Even when letters like these are sent, we still see deletions happening.

Letter Handling SOP

Type	Action	CSR Instruction
Bureau letters	Ignore	Inform client that this has been forwarded to the dispute team.
Investigation reports (50+ pages)	Ignore	Results are already tracked
Threat letters	Ignore	Reassure clients that this kind of wording is used to get them to pay the debt.
Creditor emails/texts	Ignore	Advise no response
Creditor letters	Upload	Critical for disputes

Legal Escalation

Pre-Legal:

- Advise awareness
- Suggest contacting creditor or attorney

Civil Summons:

- Immediate escalation
- Stop disputes on that account

Internal Escalation Protocol

CSR → Dispute Team when:

- Client provides creditor documentation
- Complex disputes requiring clarification
- CSR can refer the clients to communicate to the Dispute Team directly through the client portal

Letter Sending Policy

Dispute Letter Protocol

At Crowned Credit, dispute letters are primarily sent **electronically** through our dispute management platform for efficiency, accuracy, and tracking. Hard copy letters are sent **only when specifically requested or required by credit bureaus or clients**.

Electronic letters allow faster processing and better client tracking. Hard copy letters may be mailed for legal or compliance reasons but are not the default method.

CROA Disclaimer: Crowned Credit complies with the Credit Repair Organizations Act (CROA) and provides services transparently and ethically, following all legal requirements.

When Disputes Cannot Be Initiated

There are specific situations where disputes **cannot be initiated or must be paused** due to legal, compliance, or process limitations. When the entire file cannot be worked on, the sales team should be able to inform the client and refer them to alternative assistance. If a particular account cannot be disputed, the CSR team should inform the dispute team accordingly to halt any disputes on the relevant accounts.

Non-Disputable Scenarios

Entire Report

Scenario	Reason	Client-Facing Guidance
Active Bankruptcy (Not Yet Discharged)	Accounts are under court jurisdiction, and disputing may interfere with legal proceedings.	<ul style="list-style-type: none">• Advise the client to wait until the bankruptcy is officially discharged• Reassess the file after discharge for potential dispute opportunities
Debt Consolidation / Debt Management Programs (Ongoing, Incomplete)	Accounts are already being actively managed and negotiated with creditors	<ul style="list-style-type: none">• Advise client to complete or exit the program before resuming disputes

Account Only

Scenario	Reason	Client-Facing Guidance
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Pay-for-Delete (PFD) in Progress	Disputing may interfere with the agreement and risk reversal	<ul style="list-style-type: none"> • Recommend to the client that they should settle the payment first, and we will exclude it in the disputes because the expectation is it will be removed by the creditor. <p>IF: If client has already paid, but account still reflects on report</p> <p>Policy: Disputes may proceed only after documentation is provided</p> <p>Required Documentation:</p> <ul style="list-style-type: none"> • Proof of payment • Any written agreement (if available) <p>CSR Action:</p> <ul style="list-style-type: none"> • Request documentation • Submit for dispute review once verified
Accounts in Legal Proceedings (Served)	The matter is already under legal jurisdiction	<ul style="list-style-type: none"> • Communicate directly with the creditor or collection attorney • Consider settlement options • Consult a consumer rights attorney

📌 Quick Tips:

- Do **not** attempt to bypass these scenarios through dispute submission
- Always document the reason in the GoHighLevel notes or in "Additional Information" on DisputeFox for active clients
- For active clients, notify the Dispute Team as needed through the Whatsapp group chat
- Position the restriction as **process and compliance-based**, not refusal of service
- Reassure the client that we can **re-engage once the situation changes**

ChexSystems and Early Warning Services

What is ChexSystems?

ChexSystems is a consumer reporting agency that tracks banking history — bounced checks, unpaid fees, account closures, and fraud flags. A negative ChexSystems report can prevent a client from opening a new bank account.

Do We Handle ChexSystems Disputes?

Yes. ChexSystems is a consumer reporting agency regulated under the FCRA, just like Equifax, Experian, and TransUnion. Clients have the right to dispute inaccurate information.

How ChexSystems Disputes Work

1. **Pull the ChexSystems Report:** The client must request their free annual report from chexsystems.com or call 1-800-428-9623.
2. **Identify Disputable Items:** Look for inaccurate closures, erroneous fraud flags, accounts that should have aged off (5-year reporting window), or duplicate entries.
3. **Dispute Directly with ChexSystems:** Disputes can be filed online, by mail, or by phone. Reference the FCRA §611 — they must investigate within 30 days.
4. **Dispute with the Reporting Bank:** Send a separate dispute letter to the bank that reported the negative item, requesting verification of the debt/closure reason.

Client-Facing Talking Points

- ChexSystems has a **5-year reporting window** (not 7 like credit bureaus)
- Many banks use alternative systems (Early Warning Services) — even with a ChexSystems flag, the client may be able to open accounts at banks that don't use ChexSystems
- Second-chance bank accounts (Chime, Varo, certain credit unions) are available while disputes are processed

How to Order ChexSystems Report

ChexSystems

- Go to: <https://www.chexsystems.com/> and click Register in the top right
- Click “Request Your Consumer Disclosure Report”
- Choose the online option and fill out the form (takes just a few minutes)

How to Order Early Warning Services Report

Early Warning Services

- Call them directly at 1-800-325-7775
- Ask them to email you the request form
- Fill it out and return it as instructed to receive your report

Internal Notes

- ChexSystems disputes are handled by GB and Faruq currently.
- Route any client questions about ChexSystems to the #chex-ews-request channel.
- Make sure that if a client is only showing interest in ChexSystems or asking general questions, that we are able to answer it within our team as much as possible first. Only escalate to the channel if they have their report already, or if it is about a status update.

Related Pages

- [Account-Specific Dispute Strategies](#)
- [How the Dispute Process Works](#)

Special Client Requests - Exclusion from Disputes

Overview

Clients frequently request that certain accounts be excluded from the dispute process. The most common reason: they want to keep a credit card in good standing with the lender (especially Capital One, Mission Lane, and other subprime issuers that will close accounts if disputes are filed). Other exclusions are partial — dispute the late payments but not the hard inquiry, or dispute the tradeline but not the credit card itself.

❗ Critical: Missing an exclusion can cause a client to lose an active credit card, lose a credit line, or lose trust in Crowned Credit. Every exclusion must be captured, logged, and visible to the disputing team before the first round of letters goes out.

Standard Capture Workflow

1. **CSR (Onboarding or Support) receives the request.** This usually happens during the onboarding call, during a review-the-report session, or when the client spots a new dispute letter on an account they wanted to protect.
2. **Post to #customer-support Discord** tagging `@Case Specialists` role (1468303041475252244) or `@onboarding` role.
3. **DisputeFox:** CSR member must include this note in the "Additional Info" portion of the client's DF account. Make sure to save it so the Dispute Team will be able to see it.

Discord Posting Template

@Case Specialists for [CLIENT FULL NAME]

DO NOT DISPUTE THE FOLLOWING:

- [Creditor 1] – [what to exclude: entire account / hard inquiry only / late payments only]
- [Creditor 2] – [what to exclude]

Common Exclusion Patterns

Scenario	What to Do	Remarks
Client wants to keep an active credit card, avoid any risk of it closing down	Entire tradeline (do not dispute the card at all)	Capital One, Mission Lane, Revvi, Fit, Premier Bankcard, Avant, Merrick — these issuers close accounts when disputes are filed. Frequently seen: Capital One Platinum, Capital One Quicksilver. Hard inquiries attached to these open accounts are automatically excluded from the disputes as well to mitigate risk of account closure.
Client is currently going through debt consolidation for this account	Entire tradeline, temporarily	Exclude for now await for confirmation from the client when the payments have been completed on the debt consolidation
Client says "I'll let you know when"	Exclude entire tradeline only upon confirmation, make GHL note regarding this	During cases like this, we'll await confirmation from client when to exclude it. Let them know that it would apply to the next dispute round.

Known High-Risk Creditors (Close Accounts on Dispute)

These lenders have a documented history of closing accounts when any dispute is filed on their tradeline. Default to confirming with the client before disputing anything attached to these issuers, even when it looks like an easy win.

- Capital One (all products — Platinum, Quicksilver, Venture, Savor, Union Plus co-brand)
- Mission Lane
- Revvi
- Fit Mastercard / Fit Bankcard
- Premier Bankcard
- Avant / Aventura Mastercard

- Merrick Bank
- Credit One (common client-keeper)
- IKEA / Commodity Bank store card

Escalation

If a dispute letter was sent on an excluded account, check if the request was properly inputted in to DisputeFox. Escalate to Dispute Team via the Whatsapp group chat for further steps.