

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”

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