



**How
General Revenue
furnishes consumer
information to
consumer reporting
agencies.**

Procedure Statement

Purpose

This procedure supplements General Revenue Corporation's (GRC) Furnisher Accuracy and Integrity Program and Consumer Reports Policy, CP 07-104. It describes how GRC furnishes consumer information to consumer reporting agencies with regard to the accuracy and integrity guidelines as required by FACT Act Section 312.

Applicability

This procedure applies to GRC's core Client Services Department's ("CSD") furnishing of defaulted student loans and account information to the national consumer reporting agencies ("CRAs").

Procedure Objectives

CSD shall furnish information about student loans and accounts to the CRAs with accuracy and integrity. This includes furnishing the information in a standardized form and manner such that it:

1. Identifies the appropriate consumer about whom the information pertains;
2. Reflects the terms of and liability for the accounts;
3. Reflects the borrower's performance with respect to the account;
4. Is substantiated by the system of record, the application/promissory note, forms, and/or other loan documents; and
5. Is transmitted to the CRAs containing a date specifying the time period to which the reporting information pertains.

Procedure Statement

Nature of Activities

GRC voluntarily furnishes information on defaulted student loans and accounts to three of the four CRAs (Experian, Equifax and TransUnion). The transmission of files is in accordance to the contractual requirements between GRC and each client. The written authorization is in the Client's contract of service or an addendum to their original contract of service.

Reporting Format

The Metro2 file format is used to report data to the CRAs. This format, accepted by all CRAs, enables the reporting of accurate, complete and timely credit information and meets all requirements of the Fair Credit Reporting Act and all applicable state laws. CSD utilizes the Metro2 format to facilitate accurate, complete and timely transmission of consumer data to CRAs. System tables house information pertaining to each loan, and on a monthly basis, are formatted into the Metro2 file format and transmitted to the CRAs.

Account Segments

For each account reported, the Metro2 file format captures information from the system of record and stores such information in "segments" of data. The Header Record is the first segment of a credit reporting file. It contains information necessary to identify the reporting entity or agency. It also identifies the specific CRA the file has been produced for and the reporting date. (continued)



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Account Segments (continued)

The Base Segment contains the primary borrower's identification information and the account transactional information. The J1 Segment is included in the reporting file if a cosigner is being reported. This segment applies when the associated consumer resides at the same address as the individual being reported. It is included every time the account is reported. The J2 Segment is included in the reporting file if the cosigner is being reported and resides at a different address than the individual being reported. It is also included every time the account is reported.

Portfolio and Account Codes

The portfolio code used for defaulted student loans and accounts reporting is an "O" – Open Account. The account type is a "48" – Collection Agency Account. The Account Status Code will reflect "93" – Account seriously past due and/or assigned to internal or external collections.

ECOA Code

The ECOA code defines the relationship of the consumer to that account and their contractual responsibility. Each borrower on the account will have an identifying ECOA code to indicate their relationship to that account. For loans with only a primary borrower, the ECOA code is "1" – individual. For loans with cosigners – the ECOA code associated with the cosigner and the borrower is "2" – joint account.

Compliance Condition Code

The Compliance Condition Codes allows the reporting of conditions that are required for compliance with the Fair Credit Reporting Act. These codes include the "XB" code which indicates the account is disputed by the borrower. These codes are used when a consumer disputes the reporting of the debt.

Frequency of Information Furnished – Defaulted Student Loans and Accounts

GRC, through contractual requirements, agrees to transmit data to three of the four CRAs at a time that was determined when the client authorized GRC to send accounts for credit bureau reporting. The transmission of records will take place 30, 60, 90, etc. days after an account has been placed for collections at GRC in accordance with contractual obligations. Defaulted student loans and accounts have their data gathered based on each calendar month's business activity and is reported to three of the four CRAs at the beginning of the following month. The loan will be reflected on both the primary borrower and the cosigner's files where applicable. The accounts will be transmitted when the account has been with GRC the allotted time as determined by the Client's contract/addendum and is identified in the client's setup. The account type transmitted for all accounts will be "48" which means "Collection Agency Account." The account will have the date opened and list the balance at placement as the high credit amount. That figure will also be used as the full past due amount. If payments are received they will be reflected in the current balance and the amount past due field will be updated. Since these are collection accounts, there will be no payment rating transmitted. We will transmit the Original Creditor's name, which is always the school, on each account and we will identify all accounts with the proper creditor classification code "07" indicating these are educational debts.



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Settlements

In the event an account is settled with an agreed amount less than the balance owed, the Account Status Code will reflect a “62” as well as the special comment code “AU” which indicates that the account was settled for less than the original amount owed. A deletion is submitted to remove the trade line in accordance with FCRA guidelines, not to exceed 7 years from the first date of delinquency.

Paid in Full Loans

When a loan is paid in full, the reporting will reflect Account Status Code “62” – “Paid in Full” The Activity/Closed data should reflect the date the balance was paid in full. The current balance, amount past due, scheduled payment date should reflect \$0. A deletion is submitted to remove the trade line in accordance with FCRA guidelines, not to exceed 7 years from the first date of delinquency.

Closed/Transferred Accounts

When GRC closes an account for any reason other than “Settled in Full” or “Paid in Full”, “DA” will be transmitted in the Account Status Code field so that the account will be removed and deleted from the individual’s credit file. Since GRC is not the Original Creditor and is no longer servicing the account, GRC will no longer have the authority to report individual closed accounts to the CRAs per our contractual obligations. If the account is “Paid in Full” or “Settled in Full” a deletion is submitted to remove the trade line in accordance with FCRA guidelines, not to exceed 7 years from the first date of delinquency.

Data Purges

Delinquency information will be purged by the CRAs based on the date of first delinquency field. The CRAs are responsible for the purging of information on the borrower’s file; however, GRC is responsible for the accuracy of the date of first delinquency as provided to GRC by the Original Creditor.

File Transmission and Quality Control Process

Prior to the file transmission, Data Technicians in the Client Services Department will review each one of the files to be transmitted to the CRAs to ensure the data is accurate and consistent in each field. The Data Technicians will note on the Credit Bureau Review Checklist each field that is verified and approved as being accurate for processing. Once the reviews have been completed, the approval will be sent to release the files to the three CRAs. Information Technology Department (IT) transmits the file to each of the CRAs in the following manner, one file for each of the three credit bureaus. The file is transmitted to Experian via an FTP site while TransUnion and Equifax are loaded directly to their respective websites. An email acknowledging successful transmission and successful loading of accounts is being sent by Experian, Equifax and TransUnion.

Reporting Issues and Enhancements

Once a reporting issue is identified, CSD will work with Compliance and/or Legal Counsel to determine the appropriate method of reporting. Once identified, CSD will determine if the system is either not functioning properly or requires an enhancement. Enhancements could also be required based on changes to Metro2 updates or regulatory updates. If an enhancement is required, CSD will prepare and submit a Solution Center Ticket. IT will work with CSD to prioritize the Idea and assign to a Project Manager for implementation. (continued)



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Reporting Issues and Enhancements (continued)

A Solution Center ticket would be opened by CSD for reporting functionality that is not working properly. IT would open a “problem ticket” and the issue will be assigned to a technical resource for resolution. If a manual workaround is identified, CSD will work with the appropriate area to implement the workaround until the reporting issue is resolved or an enhancement is implemented.

Reporting issues are tracked and meetings are routinely held to discuss the status of known reporting issues including resolutions, dispute trends, and the implementation of manual processes to correct known reporting deficiencies. CSD works with Compliance, Legal Counsel, internal departments, and the consumer reporting agencies to resolve and correct any reporting issues.

Training

CSD staff responsible for furnishing credit bureau information and/or dispute resolution attends conferences, seminars, webinars and other related training events to keep apprised of ongoing changes to credit bureau reporting rules and requirements. In addition, managers in CSD subscribe to updates to the Consumer Data Industry Association’s Consumer Reporting Resource Guide. CSD staff is required to take and pass the annual online FCRA Regulatory University training module. CSD staff will be apprised of revision to policies and procedures as required.

Testing/Monitoring

Periodic testing and monitoring is performed by Compliance to ensure policies and procedures are adhered to and information is furnished with accuracy and integrity. Such results shall be reported to business area management, including the Corporate Compliance Committee where applicable. In addition, periodic audits are conducted.

If deficiencies in the furnishing of consumer information, including in the implementation of policies/procedures are noted, such policies or procedures will be updated to ensure continued compliance. Follow-up training may be conducted where appropriate.

Deletion/Correction of Reported Data

On occasion, it may be necessary for CSD to delete or correct information that has been furnished to CRAs. Trade lines will be deleted as a result of confirmed identity theft. In addition, if an individual has been erroneously associated with a student loan, their status will be updated and an automated deletion will be processed through E-Oscar.

Corrections will be made if it has been determined that inaccurate information has been furnished to the CRAs as a result of a servicing error. These actions may be facilitated by updating the system of record credit reporting screen and/or submitting an automated update to the CRAs through E-Oscar. In all instances of deletions and/or corrections, CSD must ensure that the system of record is updated to prevent re-pollution of incorrect data.

In addition, if updates are required to a large population of accounts due to a reporting error, CSD may request assistance of the CRA’s to initiate a mass file deletion. Such deletions will be approved by CSD Management.



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Consumer Disputes

The Consumer Disputes Procedure describes CSD's obligation under Section 312 of the FACT Act with regard to the circumstances under which a furnisher must reinvestigate disputes concerning the accuracy of information contained in a consumer report based on a direct request from a consumer. In addition, the Automated Disputes Procedure describes CSD's obligation under Section 611 of the FCRA with regard to investigating and responding to disputes received by the CRAs.

Record Retention

Records shall be maintained in accordance with the Corporate Records Retention Schedule.

If you have additional questions or concerns regarding GRC's procedures for furnishing consumer information to the consumer reporting agencies, please contact any GRC Client Services Representative.