

Family First Credit Union Lending Policy Fair Credit Reporting Act Policy

Purpose

The Fair Credit Reporting Act (FCRA) regulates both the providers and users of consumer credit information and of consumer reporting agencies. This stated purpose of FCRA is to require accurate information when providing consumer credit reports.

Policy Statements

Family First Credit Union will have a “permissible purpose” before it can gain access to an individual's credit report. These authorized purposes are outlined in FCRA and include:

- To respond to a court order or a subpoena issued by a federal grand jury.
- To respond to the written instructions of the member to whom the report relates.
- To provide information for an employee who will use it in connection with a credit transaction involving a member (for example, an extension of credit or the review or collection of an account).
- To assist with the underwriting of a member insurance policy.
- To determine a member's eligibility for a license or other benefit granted by a governmental agency.
- To evaluate the credit or repayment risks of a member who is or will be an investor or servicer.
- To respond to a request by the head of a local or state child support enforcement agency, if related to the ability of the member to make child support payments or other support-related obligations.
- To assist an agency administering a state plan under the Social Security Act in setting an initial or modified child support award.
- Any other legitimate business need in connection with a business transaction initiated by a member, or to review an account to determine whether the member still meets the terms of the account.

Unauthorized use of member credit reports or the disclosure of a member's financial information by an officer or employee of Family First Credit Union outside the scope of this policy may be grounds for disciplinary action, including termination.

It is the policy of Family First Credit Union to use member credit reports in connection with credit transactions involving members, for employment purposes, and for any other authorized purpose outlined in FCRA. Such inquiries into a member's credit history will be used for legitimate business purposes only. In addition, the Credit

Board approved 12/18/2018

Union will provide a notice of adverse action to members when the Credit Union denies services or takes any action that is adverse to the member's interest based on information in a credit report.

Family First Credit Union may automatically report its members' payment records to a consumer reporting agency but will not respond to oral or written credit inquiries without the express permission of the member. All payment record submissions will be in full compliance with the requirements set forth in FCRA.

Revised 12/01/2018