

November 22, 2025

FORMAL NOTICE OF DISPUTE - Round 1

To: Redacted] **Dispute Reference**

ACCOUNT: Round 1 - Statutory Violations**

NOTICE OF FAIR CREDIT REPORTING ACT VIOLATIONS

Gentlemen:

This correspondence constitutes formal notice of material violations of the Fair Credit Reporting Act, 15 U.S.C. §1681 et seq., identified in my consumer credit file. This dispute is submitted pursuant to FCRA §611(a)(1)(A) and demands immediate investigation, correction, and compliance with federal statutory requirements.

LEGAL FRAMEWORK AND STATUTORY OBLIGATIONS

Your obligations under the FCRA are non-discretionary and mandate strict compliance with reasonable procedures to assure maximum possible accuracy pursuant to §607(b). The Supreme Court's decision in **Safeco Insurance Co. v. Burr**, 551 U.S. 47 (2007), and subsequent circuit court interpretations establish clear standards for consumer reporting agency compliance that you have failed to meet.

VIOLATION #1: OPENSKY CBNK - SYSTEMATIC INACCURACY

Account Identifier: OPENSKY CBNK **Violation**: FCRA §607(b) - Failure to Follow Reasonable Procedures **Legal Standard**: **Cushman v. Trans Union Corp.**, 115 F.3d 220 (3d Cir. 1997)

****Specific Inaccuracies Requiring Immediate Correction**:**

1. ****Temporal Inconsistencies****: Your reporting systems have generated impossible future dates and conflicting last active dates across bureaus, demonstrating fundamental procedural failures in data validation.
2. ****Balance Discrepancies****: Material variations in reported balances across your respective systems indicate systematic failure to maintain accurate financial information as required under §607(b).
3. ****Status Code Conflicts****: Inconsistent account status reporting across bureaus violates the reasonable procedures standard and materially misrepresents creditworthiness.

****Legal Precedent****: The Third Circuit's decision in **Cushman** specifically addresses cross-bureau inconsistencies, holding that consumer reporting agencies must implement reasonable procedures to prevent such systematic inaccuracies. Your current procedures have demonstrably failed this standard.

****Demand****: Immediate deletion of all inaccurate information or provision of tangible business records substantiating the accuracy of reported data pursuant to **Cushman** requirements.

VIOLATION #2: TBOM/MILSTNE - FALSE PAYMENT HISTORY

****Account Identifier****: TBOM/MILSTNE ****Violation****: FCRA §607(b) - Material Inaccuracy in Payment History ****Affected Bureau****: Experian ****Legal Standard****: **Sarver v. Experian Info. Solutions**, 390 F.3d 969 (7th Cir. 2004)

****Specific Violation****: Experian reports derogatory payment history while TransUnion and Equifax maintain clean payment records for the identical account. This discrepancy constitutes a material inaccuracy that significantly impacts credit scoring algorithms and lending decisions.

****Legal Analysis****: Payment history represents 35% of standard credit scoring models, making this inaccuracy particularly damaging. The Seventh Circuit's decision in **Sarver** establishes that such material discrepancies violate §607(b)'s accuracy requirements when reasonable procedures would have prevented the error.

****Demand****: Immediate correction of payment history to reflect accurate information or deletion of the account pending verification with tangible business records from the original

furnisher.

STATUTORY COMPLIANCE REQUIREMENTS

****Investigation Standard**:** FCRA §611(a)(1)(A) mandates reasonable investigation of disputed information. The Federal Trade Commission's interpretation requires:

1. ****Thorough Review**:** Examination of all available information sources
2. ****Furnisher Contact**:** Direct verification with original data furnishers
3. ****Documentation Review**:** Analysis of tangible business records
4. ****Consumer Notification**:** Detailed response within statutory timeframes

****Reasonable Procedures**:** §607(b) requires implementation of systematic safeguards to prevent inaccurate reporting. Your current procedures have demonstrably failed, as evidenced by:

- Cross-bureau inconsistencies in identical account information - Temporal impossibilities in date reporting
- Material discrepancies in payment history - Systematic failure to detect obvious inaccuracies

METHOD OF VERIFICATION DEMAND

Pursuant to **Cushman v. Trans Union Corp.** and subsequent circuit court decisions, I hereby demand disclosure of your method of verification for the disputed accounts, including:

1. ****Furnisher Communications**:** All correspondence with original creditors
2. ****Verification Procedures**:** Detailed description of investigation methods
3. ****Business Records**:** Tangible documentation supporting reported information
4. ****System Logs**:** Electronic records of verification attempts and responses

****Legal Authority**:** The Third Circuit's **Cushman** decision establishes consumers' right to understand verification procedures, particularly when systematic inaccuracies suggest procedural inadequacy.

DISSEMINATION AND HARM DOCUMENTATION

****Third-Party Access**:** Between November 30, 2023, and January 3, 2025, five creditors accessed my credit report containing the disputed inaccurate information:

[List of creditor inquiries from credit report

This dissemination of inaccurate information to third parties establishes concrete harm and satisfies Article III standing requirements for potential federal litigation.

****Continuing Harm**:** Each day these inaccuracies remain on my credit file constitutes ongoing violation of my statutory rights and continued dissemination of false information to potential creditors, employers, and other authorized users.

STATUTORY TIMELINE AND COMPLIANCE DEADLINE

****30-Day Investigation Period**:** FCRA §611(a)(1)(A) mandates completion of investigation within 30 days of receipt of this dispute. This timeline is non-negotiable and begins upon your receipt of this certified correspondence.

****Required Response Elements**:** 1. ****Investigation Results**:** Detailed findings for each disputed item 2. ****Corrective Actions**:** Specific changes made to credit file 3. ****Furnisher Communications**:** Summary of verification attempts 4. ****Updated Credit Report**:** Corrected version reflecting accurate information

LEGAL CONSEQUENCES OF NON-COMPLIANCE

****Statutory Violations**:** Failure to properly investigate or correct inaccurate information constitutes additional FCRA violations under §611(a)(1)(A) and may establish willfulness under *Safeco* standards.

****Damages Exposure**:** Continued violations may result in: - Actual damages for concrete harm - Statutory damages of \$100-\$1,000 per violation - Punitive damages for willful violations - Mandatory attorney fees under §616(a)(3)

****Federal Litigation**:** Non-compliance will necessitate federal court intervention to enforce statutory rights and obtain appropriate relief.

PRESERVATION OF RIGHTS

This dispute is made without waiver of any rights under the FCRA or other applicable law. I reserve all rights to pursue federal litigation if you fail to comply with statutory requirements or continue to report inaccurate information.

****Documentation Preservation**:** You are hereby notified to preserve all documents, communications, and electronic records related to my credit file and this dispute for potential litigation discovery.

DEMAND FOR COMPLIANCE

****Immediate Actions Required**:** 1. ****Investigate**** all disputed information within 30 days 2. ****Correct**** all inaccurate information identified 3. ****Delete**** any information that cannot be verified with tangible business records 4. ****Provide**** detailed written response documenting investigation results 5. ****Supply**** updated credit report reflecting all corrections

****Contact Information**:** Daniel Fermin

Sincerely,

Daniel Fermin

Consumer