



SPECIALTY CONSUMER REPORTING AGENCIES

FOR BANKS AND CREDIT UNIONS

There are specialty consumer reporting agencies such as ChexSystems, TeleCheck, Early Warning, and others that report on checking accounts or banking histories. These agencies collect information from merchants, banks, and credit unions about how consumers manage savings and checking accounts. Banks and credit unions use reports developed by these agencies to decide if someone can open a new account. You may have a negative rating if you or someone you had a joint account with has struggled with a checking or savings account in the past and:

- Had a lot of bounced checks and non-sufficient funds (NSF) fees
- Not paid debts and fees owed to a bank or credit union related to an account
- Been suspected of fraud related to a bank or credit union account
- Have had an account closed (involuntarily) by a bank or credit union

Involuntary closures stay on your ChexSystems report for five years and on the Early Warning System report for seven. Overdrafts remain on your consumer record for five years, even if you have paid back what you owe the bank or credit union. Each bank or credit union has its own policies about the way the information in your banking history report impacts your ability to open an account. This can include the amount of time that has passed since there were events like an involuntary closure or repeated overdrafts.

Some banks and credit unions require you to pay these old charges and fees before you are allowed to open a savings or checking account. In other cases, you may be offered the opportunity to open a “second chance” or checkless checking account that has different features and restrictions than a standard checking account. Depending on the account’s rules, you may be allowed to open a standard checking account after six to twelve months with a restricted account if you have not overdrafted or bounced any checks.

You can order copies of your ChexSystems, TeleCheck, and Early Warning reports:

Company	By Phone	Online
ChexSystems	800-428-9623	https://www.chexsystems.com
TeleCheck Services	800-366-2425	https://FirstData.com/telecheck
Early Warning	800-325-7775	https://earlywarning.com

If you find mistakes, you can dispute a mistake by sending a letter (you may choose to use certified mail) describing the mistake and copies of any evidence.

More detailed information can be found here.

**Adapted from the Consumer Financial Protection Bureau: Your Money, Your Goals*