

# JUNIPER

Jennifer J. Johnson  
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Washington, DC 20551

Dear Ms. Johnson:

Thank you for the opportunity to comment and hopefully assist the Board in their study of investigations by furnishers of consumer information to consumer reporting agencies when that information is disputed. I work Juniper Bank, a credit card issuer located in Wilmington, DE. We issue credit cards nationwide, both under the Juniper name, and for numerous marketing partners nationwide. Juniper is a wholly owned subsidiary of the Canadian Imperial Bank of Commerce. Below I have answered the questions that I was able to answer, that were posed in your request for comment:

**Fed: Of all disputes received by the furnisher, what percentage of the disputes or complaints comes through a consumer reporting agency? What percentage comes directly from consumers? What percentage comes from other sources?**

Juniper: The vast majority of disputes come to Juniper through consumer reporting agencies. We receive very few from any other sources. Even though Juniper actively encourages customers to report perceived inaccuracies through a message on our statements, it has been an extremely rare occasion when a customer has actually reported what they believe to be an inaccuracy directly to us.

**Fed: Do the answers to the questions below vary based on industry, size of entity, type of credit, or other characteristics? Are there any generalizations that can be made based on industry, size of entity, type of credit, or other characteristics?**

Juniper: To answer this question I surveyed several employees who have worked for financial institutions different in size and type from Juniper Bank. We could not make any generalizations. The individuals who work our credit bureau disputes on a day to day basis have worked disputes in other larger institutions. They report that they do not see any noticeable divergence in the nature of disputes based on the size of the institution.

**Fed: Does the furnisher provide an address for consumers to use if they want to dispute information directly with the furnisher? If not, why? If an address is provided, how is the consumer informed about this address?**

Juniper: Juniper provides an address on all our monthly billing statements.

**Fed: Regardless of whether an address is provided, what is the furnisher's process and timeline handling disputes and complaints that come directly from consumers? Under what circumstances do furnishers currently investigate disputes regarding information in a consumer file, based on a direct request of the consumer?**

Juniper: If a complaint involves the reporting of a delinquency it is forwarded to our Collections Department for investigation. If a complaint involves the reporting of an account that was fraudulently opened, the complaint is forwarded to our Fraud Department. Juniper investigates all disputes received by its cardmembers as stated above. All disputes are investigated and responded to within 1 – 5 days of receipt of the dispute.

**Fed: Is sufficient relevant information provided to the furnisher by the consumer? If not, what relevant information is often missing and why? If relevant information is lacking who does the furnisher resolve the dispute?**

Juniper: Most of the time the information provided by the cardmember is sufficient. In the extremely rare cases where a consumer complains to Juniper, and the consumer does not provide sufficient information, Juniper will attempt to call the consumer to acquire the information and determine exactly where we and our cardmember disagree on what Juniper is reporting.

**Fed: How does the furnisher ensure that it complies with the applicable statutory requirements regarding the accuracy and completeness of information it reports to the consumer reporting agency?**

Juniper: Juniper's process of reporting to consumer reporting agencies and the accuracy of its reporting is audited annually by Juniper's Compliance Department. In addition, all changes to reporting requirements are vigorously tested and audited before they are implemented. As stated earlier, all consumer disputes are thoroughly investigated and documented for accuracy.

**Fed: What are the furnisher's procedures and timeline if it finds the information is not complete or accurate?**

Juniper: Juniper immediately notifies the consumer reporting agencies that there is an inaccuracy, and makes a correction on our system to ensure there is no re-pollution. Our typical timeline is 1 – 5 business days from receipt of the dispute to replying to the consumer reporting agency.

**Fed: What are the furnisher's procedures and timelines for reporting information that has been reported by the consumer?**

Juniper: Our procedures vary very little from when disputes are received from the consumer reporting agencies. The only difference is when a consumer reporting agency submits a dispute is the additional step to fill out the consumer reporting agencies' forms. The timeline for resolving disputes not change.

**Fed: What are the furnisher's procedures and timelines for reporting when a delinquency began on an account that has been placed for collection, charged off, or subjected to similar action?**

Juniper: Our procedures are the same as a regular dispute with the exception that if we sold the account, we will notify the collection agency. The notification of the agency and the repair of the information reported to the consumer reporting agency would occur simultaneously, so there would be no delay

**Fed: What are the furnisher's procedures and timeline for notifying a consumer reporting agency that a consumer has voluntarily closed a credit account with the furnisher?**

Juniper: An account is statused as Closed by Consumer on the same day we receive the request to close the account. The consumer reporting agency is notified of the change in status when the account cycles. Depending when during the cycle a customer closes the account, this could take 1 – 30 days.

**Fed: What are consumers' experience with communicating with furnishers, with the timing of the notice of dispute appearing on the credit report, or other matter related to having the notice of dispute placed on the credit report when disputed information continues to be reported but with a notice of the dispute?**

Juniper: It is my experience that most banks supply the notice of dispute with their monthly updates. So, depending when the consumer reports the dispute, notices probably appear in the consumer reporting agencies' files within 1 – 30 days. I don't believe dispute notices are very helpful to consumers. Many scoring models do not take disputes into account. Many lenders who manually review credit bureaus, will tell applicants to come back when the dispute is resolved. I don't think the notice of dispute is very helpful for consumers.

**Fed: What are consumers' experiences with furnishers reporting that credit accounts with the furnishers have been voluntarily closed? What is the time span between the consumer closing the account and information about the closure appearing on the credit report?**

Juniper: I believe Juniper's procedures are typical of the industry. As stated above, depending on when the consumer closes the account, the notice that the account is closed

will appear on the consumer reporting agencies records within 1 – 30 days, averaging 15 days.

**Fed: When a consumer reporting agency receives notice of consumer disputes and forwards the information to the furnisher, how does the consumer reporting agency provide the furnisher with the notices and relevant information? What information does the consumer reporting agency transmit to the furnisher? Describe any guidelines or procedures, voluntary or otherwise, that apply to this process.**

Juniper: The reporting agencies send us a standardized form which describes the dispute. We (as furnisher) must respond with either A) Account is fraudulent – remove from bureau, B) Information is correct, or C) Change the information. The reporting agencies give us a deadline to respond. If we would fail to respond, the agencies threaten that they will remove the trade from the consumer's file. Beginning in October 2004, the consumer reporting agencies will roll out an electronic system to accomplish this procedure.

**Fed: How does a consumer reporting agency ensure that furnishers comply with the requirements and timelines established under the FCRA for disputes communicated to a consumer reporting agency?**

Juniper: As stated previously, the bureaus threaten to remove the trade if responses from furnishers are not timely.

**Fed: What are the furnisher's procedures and timelines for investigating the disputes and reviewing the information provided?**

Juniper: Our investigators will compare the information provided with all of the information on our account, and determine the validity of the dispute. That determination is communicated to the reporting agency on its standardized form.

**Fed: Is sufficient relevant information provided to the furnisher by the consumer through the consumer reporting agency? Is all relevant information from a consumer provided to the furnisher through the customer reporting agency? If not, what relevant information is often missing and why? If relevant information is lacking, how does the furnisher resolve the dispute?**

Juniper: The standardized forms the consumer reporting agencies use do a good job of insuring the information sent to us is sufficient to review the dispute.

**Fed: If the furnisher finds that the information it reported to the consumer reporting agency was incomplete or inaccurate, what steps does the furnisher take?**

Juniper: There are two steps: 1) a correction is sent to the consumer reporting agencies on the standardized forms. 2) the information contained on our systems is adjusted so

that our monthly updates do not “re-pollute” (i.e. the inaccurate information does not get re-reported to the consumer reporting agency.

**Fed: If the furnisher does not find the information reported to the consumer reporting agency to be incomplete or inaccurate, what steps does the furnisher take?**

Juniper: Juniper indicates that the information is accurate as reported on the consumer reporting agencies' standardized forms.

**Fed: Describe any guidelines or procedures that may apply to the treatment of information that continues to be disputed by the consumer after the formal dispute process has been concluded? How often do the furnisher and consumer fail to reach an agreement after the conclusion of the formal dispute process, for example, where the consumer maintains that the disputed information is inaccurate and the furnisher maintains that it is accurate?**

Juniper: Our investigators will re-investigate if additional information is provided. This happens less than 10% of the time.

**Fed: What, if any, legislative or regulatory changes do you recommend besides changes made by the FACT Act and its implementing rules? How would these recommendations improve the system? What benefits or burdens should be considered?**

Juniper: I believe the current system is effective in removing inaccuracies.

In any future proposals I respectfully request the Board keep in mind that fraud prevention needs to be a consideration. The requirements to file a police report in the identity theft provisions of the FACT Act are evidence that this is important. The financial industry continues to be plagued by “debt elimination” schemes, and any new proposals need to be examined to ensure we're not providing another avenue for individuals to avoid legitimate debt.

I hope my comments have proved helpful. If you have any questions or I can be of further assistance be call me at 302.255.8227.

Sincerely,

Scot S. Stetka

Director of

Juniper Bank

Compliance