CHECKDISPUTE

The Compliant Credit Repair Playbook

How to run a dispute business that follows federal and state law — and scales with CheckDispute Business

The Compliant Credit Repair Playbook

This book is general information, not legal advice. It does not create an attorney–client relationship. Laws and practices change; verify current sources or consult a licensed attorney about your situation.

Disputing credit report information yourself is free, directly with the credit bureaus and with the companies that supplied the information. Free credit reports are available at AnnualCreditReport.com.

No dispute letter, mail class, notarization, software feature or service guarantees the deletion or correction of any item, any change to a credit score, or any other outcome. Accurate negative information is not an error.

CheckDispute product details and prices in this book were checked September 2026 and can change; the current terms and prices govern.

Sources checked September 2026.

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Chapter 1: The business of disputes: what the law allows and where firms go wrong

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

A paid dispute business is lawful under federal law, and it is regulated. You can charge consumers to help them find specific credit report entries that are inaccurate or incomplete, gather the documents that show it, prepare accurate disputes and track what comes back. You cannot sell the removal of accurate, current information. You cannot take payment before a service is fully performed. You cannot make or coach false statements to a credit bureau or a creditor. And you cannot skip the disclosure, contract and cancellation steps the Credit Repair Organizations Act (CROA) requires. States add another layer: registration, bonds, contract terms and cancellation notices, and in at least one state a criminal prohibition.

This chapter maps that ground, names the failures that put firms in trouble and follows one fictional client through two firms. Chapters 2 through 9 go deeper on each rule.

What does the law actually let a dispute business sell?

The honest product is organization, accuracy and follow-through. It is not access and it is not outcomes.

Access is already free. Under 15 U.S.C. §1681i, when a consumer disputes the completeness or accuracy of an item in their file, the credit bureau must, free of charge, conduct a reasonable reinvestigation. It generally has to finish within 30 days of receiving the dispute. That period can be extended by up to 15 days, but only if the consumer sends relevant information during the first 30 days. The CFPB says so on its page about removing accurate negative information, last reviewed September 2, 2026: "There is no reason to pay someone else to dispute inaccuracies on your credit report for you, as it is already a legal right available to you for free."

Outcomes are not yours to sell. The same CFPB page says consumers "generally cannot have negative information removed" from a credit report if it is accurate. It adds that anyone claiming they can remove current, accurate, negative information is probably running a credit repair scam. The FTC's Fixing Your Credit FAQs agrees: "Anything a credit repair company can do legally, you'll be able to do for yourself for little or no cost."

What that leaves is real work a consumer may choose to pay for:

- Reading three reports side by side and finding the one field that does not match a statement.
- Building an evidence packet that shows the discrepancy, page and line.

- Writing a dispute that names the entry, the correct information and the reason, and nothing more.
- Mailing it with proof of what was sent and when it arrived.
- Keeping the calendar and the file, and explaining what a bureau's response means.

A business that sells that work, describes it accurately, bills for it only after it is done and follows the disclosure, contract and state rules below is selling what the law allows.

Who counts as a credit repair organization?

Under 15 U.S.C. §1679a(3), a **credit repair organization** is any person who uses the mail or any instrumentality of interstate commerce to sell, provide or perform, or to represent that it can or will sell, provide or perform, any service, for money or other valuable consideration, for the express or implied purpose of improving a consumer's credit record, credit history or credit rating. The definition also covers "providing advice or assistance" about that.

Three parts of that definition catch firms off guard:

- **"Represent that such person can or will."** Advertising can be enough, before any work is done.
- **"Express or implied purpose."** Leaving the word "repair" off a website does not avoid the definition.
- **"Advice or assistance."** Paid coaching, document review and letter preparation can fall inside it even when the consumer mails the letters.

The statute excludes three groups: nonprofit organizations exempt from tax under section 501(c)(3); creditors, to the extent they help a consumer restructure a debt owed to that creditor; and depository institutions and credit unions, with their affiliates and subsidiaries.

Because the definition reaches paid advice or assistance, calling a service "software," "education" or "do-it-yourself" does not by itself remove coverage. CheckDispute's template library says the same thing in its no-guarantee acknowledgment, CD-142: "A disclaimer does not remove CROA coverage or cure deceptive claims."

Some of the Act's rules apply to everyone, covered or not. 15 U.S.C. §1679b(a) begins "No person may." It bars any person from making, or counseling a consumer to make, an untrue or misleading statement about the consumer's creditworthiness, credit standing or credit capacity to a credit bureau or a creditor, or one meant to alter the consumer's identification to conceal accurate, non-obsolete adverse information.

A note for nonprofit credit counseling agencies. The 501(c)(3) exclusion takes you out of CROA's definition, not out of every rule built on it. Regulation V lets a furnisher decline to investigate a direct dispute it reasonably believes was prepared or submitted by a credit repair organization, or by "an entity that would be a credit repair organization, but for" the 501(c)(3) exclusion (12 CFR 102

2.43(b)(2)). The trafficking-victim rule, 12 CFR 1022.142, uses the same wording. State law can reach you too. South Carolina's credit counseling chapter defines its services to include "improving or offering to improve a consumer's credit record, history, or rating" (S.C. Code Ann. §37-7-101(3)(b)) and requires a license from the Department of Consumer Affairs (§37-7-102). Its exemption list names specific groups, including nonprofit faith-based organizations; read it rather than assume the federal exclusion carries over.

Which federal rules does every dispute business run on?

Two statutes and two regulations set the frame. CROA governs how you sell and contract. The Fair Credit Reporting Act (FCRA) and Regulation V govern what happens to the disputes you prepare. The FTC's Telemarketing Sales Rule applies when you sell by telemarketing.

Rule	Citation	What it requires	The usual failure
No false or misleading statements	15 U.S.C. §1679b(a)(1)–(2)	No person may make or coach untrue or misleading credit statements, or alter identification to hide accurate, non-obsolete information	"Just say it isn't yours"
Honest selling	§1679b(a)(3)–(4)	No untrue or misleading representation of the services; no fraud or deception in selling them	Deletion promises and invented success rates
No advance fees	§1679b(b)	No charge or receipt of payment for a service before it is fully performed	Setup fees and monthly plans billed ahead of the work
Separate disclosure first	§1679c	The statutory "Consumer Credit File Rights" statement, separate from the contract, before signing; signed acknowledgment kept 2 years	Disclosure buried in the contract or sent after enrollment
Written contract	§1679d	Written and dated; total of all payments; full description of services and any guarantees; completion estimate; name and address; bold cancellation statement; no services until the 3-business-day period ends	Work starts the day the client signs
Cancellation	§1679e	Cancel before midnight of the 3rd business day; "Notice of Cancellation" form in duplicate; copies of everything signed	One cancellation form, or none
No waivers	§1679f	Waivers are void, trying to obtain one is a violation, and a noncompliant contract is void	"Client waives the right to cancel once work begins"
Telemarketing	16 CFR 310.4(a)(2)	No payment until the promised time frame has expired and the seller provides a consumer report showing the promised results, issued more than six months after they were achieved	Phone sales with a fee collected at enrollment

Rule	Citation	What it requires	The usual failure
Reinvestigation	15 U.S.C. §1681i	Free reinvestigation, generally within 30 days of receipt; frivolous or irrelevant disputes can be terminated	Mass disputes that give the bureau nothing to investigate
Direct disputes	12 CFR 1022.43	Defined scope, address and contents; exceptions for CRO-prepared disputes and for disputes substantially the same as earlier ones	Branded furnisher letters sent in monthly rounds

CROA also leaves state law in place except where it is inconsistent (15 U.S.C. §1679j), and its liability section, §1679g, makes a violator liable for at least the amount the consumer paid. Chapter 2 covers the CROA sequence and Chapter 3 telemarketing and advertising.

What does the dispute system itself allow?

The dispute system corrects information that is inaccurate, incomplete or cannot be verified. It does not remove information that is accurate and unfavorable.

The bureau route. A dispute filed with a credit bureau runs under 15 U.S.C. §1681i. The bureau notifies the **furnisher**, the company that supplied the information, within five business days, and it must consider the relevant information the consumer submits. Section 1681i(a)(3) lets a bureau end a reinvestigation it "reasonably determines" is frivolous or irrelevant, "including by reason of a failure by a consumer to provide sufficient information to investigate." A vague, templated dispute hands the bureau exactly that reason.

The direct furnisher route. Regulation V lets a consumer dispute certain information directly with the furnisher, within a defined scope, at a qualifying address and with required contents (12 CFR 1022.43). Two limits matter to any firm:

- Under §1022.43(b)(2), a furnisher need not investigate a direct dispute it reasonably believes was submitted by, prepared for the consumer by, or submitted on a form supplied by a credit repair organization.
- Under §1022.43(f)(1)(ii), a direct dispute that is "substantially the same" as an earlier one the furnisher has already handled as required can be treated as frivolous or irrelevant, unless it includes required dispute information the furnisher had not received before.

The credit repair exception does not apply to disputes filed with a credit bureau, which is why the bureau route is the sensible default for firm-prepared disputes. Disguising who prepared a letter to get around it is a misrepresentation, not a workaround.

Collection disputes are a separate process. A timely written dispute to a debt collector falls under the Fair Debt Collection Practices Act and 12 CFR 1006.38. Subject to the rule, it can require the collector to pause collection until it provides verification. It is a collection right, not a credit-report reinvestigation. Chapter 6 covers when each route fits.

Where do dispute firms go wrong?

The same patterns recur. Each is paired with the rule it breaks and the practice that replaces it.

1. Selling deletion. The statutory disclosure every credit repair organization must hand its client says that "neither you nor any 'credit repair' company or credit repair organization has the right to have accurate, current, and verifiable information removed from your credit report" (15 U.S.C. §1679c(a)). An ad that promises removal contradicts the firm's own required paperwork. Texas says it outright: a credit services organization may not guarantee to "erase bad credit" or words to that effect unless the representation clearly discloses that this can be done only if the credit history is inaccurate or obsolete (Tex. Fin. Code §393.304(1)(A)). *Instead:* describe the work, not the result, and say everywhere that no particular result is guaranteed.

2. Charging before the work is done. Section 1679b(b) bars charging or receiving payment for a service before it is fully performed. The CFPB's page on credit repair scams and reputable counselors names the usual workaround: "Some companies will structure monthly payment plans to try to avoid this requirement. You should know that all forms of upfront payment before services are completed are illegal." *Instead:* define each service in the contract and bill for it only after it is fully performed. Chapter 8 covers holds, captures and refunds.

3. Treating a state bond as federal permission. Texas lets a credit services organization collect before completing all its services only if it holds a surety bond or surety account for each location (Tex. Fin. Code §393.302) of $10,000 (§393.403). Florida conditions it on a $10,000 bond plus a Florida trust account (Fla. Stat. §817.7005(1)). Section 1679b(b) contains no bond exception. The Texas Secretary of State's own CSO FAQs warn that "for many CSOs, charging advance fees could be a violation of the FTC's Telemarketing Sales Rule." *Instead:* meet the state condition where it applies, and run your billing on the federal rule.

4. Disputing everything. The CFPB treats it as a warning sign when a company "advises you to dispute all the information in your credit report, even if it is correct and timely." A dispute of an accurate item is a statement that it is wrong, which is where §1679b(a)(1) exposure starts, and blanket disputes invite frivolous determinations under §1681i(a)(3). *Instead:* dispute a specific field on a specific entry, with the document that shows it is wrong. Accurate negative information is not an error, and no letter changes that.

5. Coaching "not mine" and false identity theft claims. The FTC's list of credit repair scam signs includes telling consumers to "file a false identity theft report." Under FCRA, an identity theft report is one "the filing of which subjects the person filing the report to criminal penalties relating to the filing of false information" if it is false (15 U.S.C. §1681a(q)(4)). *Instead:* use the identity theft route only when the client confirms, in their own words, that the entry resulted from identity theft and does not relate to any transaction they made.

6. Selling a new identity. A "CPN" (credit privacy number) or a "new credit identity" runs straight into §1679b(a)(2). The FTC warns that these schemes often use stolen Social Security numbers or EINs obtained under false pretenses, and that a person who applies for credit with a number other than their own "could face fines or prison." California's statute bars it separately (Cal. Civ. Code §1789.13(g)). *Instead:* refuse the engagement.

7. Building letters on myths. Four myths recur in bad templates:

- A "609 letter" does not force production of an original signed contract or trigger deletion. Section 609, 15 U.S.C. §1681g, is a right to disclosure of the file and its sources.
- There is no flat "45-day deadline." The 30-day reinvestigation period can be extended by up to 15 days only in the circumstances §1681i(a)(1)(B)–(C) describe.
- Metro 2 is an industry reporting convention, not a statute.
- The CFPB's 2025 medical-debt reporting rule is not law. A federal court vacated it on July 11, 2025, as the CFPB's rule page records.

Instead: cite each statute for what it says, and nothing more.

8. Repeating rounds. Resending the same letter every 30 days is a billing model, not a dispute strategy. It invites frivolous determinations from bureaus under §1681i(a)(3) and from furnishers under §1022.43(f)(1)(ii). *Instead:* start a new round only when there is a response to answer or a new fact or document to add.

9. Getting the paperwork order wrong. The disclosure must be a separate document given before the contract is signed (§1679c(a)–(b)), and the signed acknowledgment is kept for 2 years (§1679c(c)). Some states ask for more: Florida requires 5 years for its own statement (Fla. Stat. §817.702). No service begins until the 3-business-day period that starts on the signing date ends (§1679d(a)(2)), and the cancellation form comes in duplicate (§1679e(b)). *Instead:* use the statutory wording as written. CheckDispute's template library preserves it in CD-145, "CROA separate statutory consumer disclosure," and CD-146, "CROA cancellation notice — provide two copies."

10. Ignoring the state layer. Registration, bond and contract rules vary by state:

- Texas requires registration with the Secretary of State before conducting business (§393.101) and a contract estimate of no more than 180 days to perform (§393.201(b)(2)).
- California requires registration with the Department of Justice (Cal. Civ. Code §1789.25(a)) and a $100,000 surety bond (§1789.18), and its cancellation period is five working days (§1789.16(a)(1)).
- Georgia's statute makes it a misdemeanor to own, operate or be affiliated with a credit repair services organization, subject to listed exemptions (O.C.G.A. §16-9-59(b)–(c)). The text our research verified was current as of March 28, 2024; later legislation was not checked.

Our 50-state research is a verified starting point, not a clearance for any state, and where it found no statute, that is not proof that none exists. *Instead:* check every state you serve before you take a client there. Chapter 4 and Appendix A cover each state.

11. Hiding the free path. The CFPB lists telling consumers not to contact the credit bureaus as a warning sign, and the FTC's list includes scammers who "don't explain your legal rights." Your own required disclosure opens with "You have a right to dispute inaccurate information in your credit report by contacting the credit bureau directly." *Instead:* say it yourself, early, in your sales material, portal and welcome letter. Disputing is free and consumers can do it directly with the bureaus and furnishers. Free reports are available through AnnualCreditReport.com, which the FTC's FAQs (retrieved September 20, 2026) describe as offering a free weekly report from each nationwide bureau. Accurate negative information is not an error, and no particular result is guaranteed.

A worked example: one client, two firms

Everything in this example is fictional: the client, both firms and every figure.

Renee lives in Texas. She pulls her three reports from AnnualCreditReport.com and finds three things:

- An $840 collection listed twice, under two different collection agency names.
- A credit card she paid off and closed. Her March statement shows a $0 balance; one report shows $1,240.
- A 30-day late payment from 2024. She agrees it was late.

Firm A quotes a $199 "audit fee" today and $99 a month. The salesperson says most clients "see negative items deleted in about 45 days" and suggests she dispute all three items with all three bureaus as "not mine," repeating every month until they come off. The online contract includes the line "Client waives the right to cancel once work has begun." The first letters go out that afternoon.

Firm B emails the separate "Consumer Credit File Rights Under State and Federal Law" statement, then a written, dated contract. The contract carries every term §1679d requires, with two Notice of Cancellation forms attached. Because Renee is in Texas, the firm is also registered with the Texas Secretary of State, gives her the disclosure statement Tex. Fin. Code §393.105 requires, and uses a contract that carries the Chapter 393 terms. It does no work until the three-business-day period ends. Then it prepares two bureau disputes: the duplicate collection with both report pages attached, and the balance with the March statement attached.

It tells Renee in writing that the late payment is accurate, that accurate negative information is not an error, and that no dispute will change it. It offers an optional goodwill request instead, modeled on template CD-116, which the template itself labels "Voluntary goodwill, not a statutory dispute or guaranteed deletion." Firm B bills each service only after it is fully performed, and its welcome letter tells Renee she could do all of this herself for free.

What this comparison establishes. Firm A runs against at least five of the rules above: the fee comes before any work (§1679b(b)); the results claim misrepresents the service (§1679b(a)(3)); "not mine" for her own accounts is a false statement (§1679b(a)(1)); work starts inside the cancellation window (§1679d(a)(2)); and the waiver is void, while asking for it is itself a violation (§1679f). Firm B's sequence follows the statutes.

What it does not establish. It does not show that either disputed item will be corrected. That depends on what the reinvestigation finds, and a bureau can verify an entry the client believes is wrong. The creditor has no obligation to grant the goodwill request. And nothing here says whether Firm B's price is fair or whether Renee needed a firm at all. No firm's process guarantees a particular result.

Where does CheckDispute Business fit?

CheckDispute is software. In CheckDispute Business, the firm using it is the credit repair organization, responsible for its own registrations, bonds, contracts and conduct. Software cannot make a business compliant, but it can make the compliant path the default. CheckDispute Business is designed around this chapter's rules. In that design:

- Business sign-up records the firm's legal name and address and asks it to attest to compliance with CROA, the Telemarketing Sales Rule where it applies, and its states' registration and bond rules. The acceptable-use terms forbid false statements, disputes of accurate information and CPNs.
- Client billing through the platform charges only for work already performed. Upfront or monthly-in-advance client charges are not offered.
- E-signed onboarding delivers the §1679c disclosure, the §1679d contract and the §1679e cancellation right before any client work begins.
- Disputes go to the bureaus by default. Creditor letters are labeled for what they are, and the platform never disguises who prepared a letter.
- A letter sequence advances only on a reply or a new fact, and custom templates must pass the same compliance check as the built-in library.
- Letters state only facts the client attested to, or that the firm recorded from the client and marked as such, and each keeps its source links.

Consumers who work on their own use the consumer edition, where each charge is taken when its service is delivered. The report upload, packet building and a watermarked letter preview are free. A $29 report unlock, or a monthly plan charged only in a month it is used, unlocks the final letters. E-signature, notarization and mailing with tracking are optional add-ons priced per use, and sales tax is added where it applies. Chapter 10 covers the Business workspace, pricing and the partner program.

Checklist: a 10-point screen before your first client

- [ ] Every service is described without promising a deletion, a score change or a time to results.
- [ ] Every client-facing channel says disputing is free, reports are free at AnnualCreditReport.com, accurate negative information is not an error, and no result is guaranteed.
- [ ] The §1679c disclosure is a separate document delivered before the contract, and signed acknowledgments are kept at least 2 years, longer where a state requires it.
- [ ] The written, dated contract states the total of all payments, a full description of services that lists any guarantee of performance and promises no result, a completion estimate, our name and principal business address, and the bold cancellation statement beside the signature.
- [ ] Two Notice of Cancellation forms are attached, and our system blocks all work until the three-business-day period ends.
- [ ] Every charge is taken only after the service it pays for is fully performed, and telemarketing sales also meet the stricter payment conditions of 16 CFR 310.4(a)(2).
- [ ] Every dispute is tied to a specific field on a specific entry, with a document that shows the error.
- [ ] We refuse CPNs, unconfirmed "not mine" claims and false identity theft reports.
- [ ] Bureau disputes are the default, and our furnisher letters say plainly who prepared them.
- [ ] We have checked registration, bond, contract and cancellation rules in every state where we will have a client.

Passing this screen does not establish that a business complies with every law that applies to it, only that it has avoided the failures this chapter describes.

Key points

- A dispute business may sell organization, evidence, accurate letters and follow-through. It may not sell the removal of accurate, current information, which the required CROA disclosure itself says no one has a right to.
- CROA coverage turns on purpose and paid "advice or assistance," not labels, and some of its prohibitions reach everyone.
- The federal ban on payment before a service is fully performed has no bond exception; a state rule allowing advance fees with a bond does not lift it.
- Blanket disputes, "not mine" coaching, CPNs, myth-based letters and repeated rounds create legal exposure and invite frivolous-dispute determinations.

- State law adds registration, bonds, contract terms and, in some states, longer cancellation periods; Georgia's statute (O.C.G.A. §16-9-59) makes operating a credit repair services organization a misdemeanor, subject to exemptions.
- Tell every client that disputing is free, that reports are free at AnnualCreditReport.com, that accurate negative information is not an error, and that no particular result is guaranteed.

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Chapter 2: The Credit Repair Organizations Act in practice: disclosures, contracts, cancellation and the advance-fee ban

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

The Credit Repair Organizations Act (CROA), 15 U.S.C. §§1679–1679j, sets a fixed order for every paid credit repair engagement:

1. The client gets a separate disclosure whose wording is set by the statute.
2. The client signs a written, dated contract with specific terms.
3. A cancellation window of three business days runs, and you provide no service during it.
4. You take no payment for any service until that service is fully performed.

Some of its prohibitions bind *any person*, credit repair organization or not. This chapter takes each step in order and ends with a worked example and a checklist. State credit services laws add their own layer, covered in Chapter 4 and Appendix A.

Does the Credit Repair Organizations Act apply to your business?

If you take money to help consumers improve their credit record, or to advise them about doing that, the Act very likely applies to you unless you fit a narrow exclusion.

15 U.S.C. §1679a(3) covers any person who uses the mails or interstate commerce "to sell, provide, or perform (or represent that such person can or will sell, provide, or perform) any service, in return for the payment of money or other valuable consideration, for the express or implied purpose of" either improving a consumer's "credit record, credit history, or credit rating," or "providing advice or assistance to any consumer" about that. Read the phrases closely: offering a paid service counts, not only performing it ("represent that such person can or will"); payment need not be cash; the purpose can be implied; and paid coaching, report review or document preparation aimed at a better credit record can fall within "advice or assistance."

The Act excludes three kinds of organization (§1679a(3)(B)):

1. A 501(c)(3) tax-exempt nonprofit.
2. A creditor, but only "to the extent the creditor is assisting the consumer to restructure any debt owed by the consumer to the creditor."
3. A depository institution or credit union, plus its affiliates and subsidiaries.

Calling the service software or education does not settle the question, because the definition reaches paid "advice or assistance."

Credit counselors. A for-profit counselor paid to advise clients on improving their credit record is inside the plain words of the definition. A 501(c)(3) counselor is outside the federal definition, but that exclusion is narrower than it looks:

- The bans in §1679b(a)(1)–(2) on untrue or misleading statements and on altering identification apply to "any person" (next section).
- Under Regulation V, 12 CFR 1022.43(b)(2), a furnisher need not investigate a *direct* dispute it reasonably believes is "submitted by, is prepared on behalf of the consumer by, or is submitted on a form supplied to the consumer by" a credit repair organization, or by an entity that would be one but for the 501(c)(3) exclusion. Disputes filed with a credit bureau are not affected (Chapter 6).
- States draw their own lines. California exempts 501(c)(3) nonprofits only if they hold a final IRS determination and are not private foundations (Cal. Civ. Code §1789.12(e)(7)). South Carolina licenses "credit counseling services," defined to include "improving or offering to improve a consumer's credit record, history, or rating" (S.C. Code §§37-7-101(3)(b), 37-7-102).

What can no one say, whether or not the Act covers them?

Section 1679b(a) opens with "No person may," not "No credit repair organization may." Its first two prohibitions reach staff, affiliates, referral partners and anyone else.

Under 15 U.S.C. §1679b(a), no person may:

1. Make, or counsel a consumer to make, a statement about their creditworthiness, credit standing or credit capacity that is "untrue or misleading," or that should be known to be so "upon the exercise of reasonable care." This covers statements to a bureau, a creditor or anyone the consumer is applying to for credit.
2. Make or advise a statement intended "to alter the consumer's identification" to conceal "adverse information that is accurate and not obsolete."
3. "Make or use any untrue or misleading representation of the services of the credit repair organization."
4. Engage in any practice that results in "a fraud or deception" in offering or selling the services.

For a front-line team, that means six rules:

- **No "not mine" disputes without the client's truthful facts.** An account the client opened and paid late is not "not mine."
- **No identity theft claims without actual identity theft.** The FTC lists telling people to "file a false identity theft report" as a scam marker (FTC).

- **No new credit identities.** The FTC warns that if you use a number other than your own to apply for credit, "you could face fines or prison."
- **No blanket disputes.** The CFPB lists advising a consumer "to dispute all the information in your credit report, even if it is correct and timely" as a warning sign (CFPB). Accurate negative information is not an error.
- **No promised outcomes.** No deletion or score change can be promised, and no particular result is guaranteed.
- **No misstated law.** The CFPB's 2025 medical debt reporting rule was vacated by a federal court on July 11, 2025. Selling a service as if that rule were in force misrepresents what the service can do.

What goes in the "Consumer Credit File Rights" disclosure, and when is it given?

The disclosure's wording is written into the statute. Give it as its own separate document before any contract is signed, and keep the signed acknowledgment for two years.

Timing. 15 U.S.C. §1679c(a) requires the statement "before any contract or agreement between the consumer and the credit repair organization is executed." An enrollment flow that shows it only after the contract is signed gets the order backwards.

Text. The statement is headed "Consumer Credit File Rights Under State and Federal Law." It covers the right to dispute directly, reporting periods, access to reports, the right to sue a violating credit repair organization, and the three-business-day right to cancel. Its most important sentence for a sales team is:

> "neither you nor any 'credit repair' company or credit repair organization has the right to have accurate, current, and verifiable information removed from your credit report."

It also tells consumers they may dispute on their own, and that the bureau "may not charge any fee for this service." Disputing is free and can be done directly with the bureau or the business that supplied the information; the FTC says both must fix wrong or incomplete information "for free" (FTC). Its Fixing Your Credit FAQs add: "Anything a credit repair company can do legally, you'll be able to do for yourself for little or no cost."

Separateness. Under §1679c(b), the statement must be "a document which is separate from any written contract or other agreement ... or any other written material provided to the consumer." It cannot be page one of the contract or a panel in the welcome packet.

Retention. Under §1679c(c), you must keep "a copy of the statement signed by the consumer acknowledging receipt," for "2 years after the date on which the statement is signed."

Do not edit the dated wording. The statutory text says a consumer "may be charged a reasonable fee" for a report and gives an old FTC office address. Give the statutory text as written and put current facts in a separate note. For example, the FTC's Fixing Your Credit FAQs (page dated November 2023, checked September 20, 2026) says the three nationwide bureaus "have permanently extended a program" that gives everyone free weekly reports at AnnualCreditReport.com.

The owner's template **CD-145, "CROA separate statutory consumer disclosure,"** keeps the statutory text verbatim, and its caution notes that the statute's general reporting-age wording "does not replace the detailed exceptions" in the library's guide. CD-145 names Check Dispute LLC in the acknowledgment, so a firm must issue it in its own legal name.

What must the written contract say?

The contract must be written, dated, signed by the client and contain the §1679d(b) terms, and no service may start until the three-business-day period has run.

15 U.S.C. §1679d(a) bars services "unless a written and dated contract ... which meets the requirements of subsection (b) has been signed by the consumer," and "before the end of the 3-business-day period beginning on the date the contract is signed."

Required term	Statute	Drafting check
Payment terms, including "the total amount of all payments to be made by the consumer to the credit repair organization or to any other person"	§1679d(b)(1)	State one maximum total. Include any third-party cost your service requires.
"A full and detailed description of the services to be performed"	§1679d(b)(2)	List each service as a separate deliverable with a clear completion point.
"All guarantees of performance"	§1679d(b)(2)(A)	If there are none, say so. Never promise a deletion or a score.
An estimate of the completion date or of "the length of the period necessary to perform such services"	§1679d(b)(2)(B)	Give an estimate for each service. Texas caps it at 180 days (Tex. Fin. Code §393.201(b)(2)).
"The credit repair organization's name and principal business address"	§1679d(b)(3)	Use your exact legal name, matching the cancellation notices.
A bold cancellation statement "in immediate proximity to the space reserved for the consumer's signature"	§1679d(b)(4)	Use the statutory wording exactly (below).

The required bold statement reads:

> **"You may cancel this contract without penalty or obligation at any time before midnight of the 3rd business day after the date on which you signed the contract. See the attached notice of cancellation form for an explanation of this right."**

At signing, §1679e adds two duties:

- The contract must be "accompanied by a form, in duplicate," headed "Notice of Cancellation."
- The client must receive a copy of the completed contract, the disclosure and "any other document the credit repair organization requires the consumer to sign," all "at the time" it is signed.

Templates you can adapt but not sign as they are:

- **CD-144, "Draft fixed-scope service agreement — legal review required."** It opens "DRAFT — NOT APPROVED FOR CLIENT EXECUTION," names Check Dispute LLC, and is blocked as written. Rebuild it in your own name, address, services and prices.
- **CD-143, "Individual service scope and completion schedule."** Use it to define each deliverable. Its caution applies here: "A completion label does not make an advance fee lawful."

How does the three-business-day cancellation right work?

The client may cancel for any reason by notifying you "at any time before midnight of the 3rd business day which begins after the date on which the contract ... is executed" (15 U.S.C. §1679e (a)). You hand over two copies of a prescribed notice form, and no service starts until the window closes.

The form. Section 1679e(b) prescribes this bold text:

> **"You may cancel this contract, without any penalty or obligation, at any time before midnight of the 3rd day which begins after the date the contract is signed by you. To cancel this contract, mail or deliver a signed, dated copy of this cancellation notice, or any other written notice to [name of credit repair organization] at [address of credit repair organization] before midnight on [date] I hereby cancel this transaction, [date] [purchaser's signature]."**

The form's wording differs from the right. The form says "3rd day," but §1679e(a) and the contract statement say business day. The owner's template **CD-146, "CROA cancellation notice — provide two copies,"** resolves it: "the operative right is through the third business day. Preserve the statutory wording, calculate the actual date correctly, and give two completed copies."

Any written notice counts. The form accepts "any other written notice." Do not require your form, a portal login, a phone call or a reason. CD-146 adds: "Never require e-signature, notarization or paid mailing to cancel."

Counting the days. The CROA sections quoted here do not define "business day," and they do not say whose midnight applies. A cautious firm:

- counts only Monday through Friday and skips federal holidays;

- uses the later of the client's and the firm's midnight, and the later date whenever a day is in doubt;
- treats a notice mailed within the window as timely, logging both the postmark and the date received.

No work during the window. Intake and giving the disclosure happen before the contract. Report analysis, drafting and mailing are services under it, and §1679d(a)(2) makes them wait. Template CD-131 puts it simply: "Intake is not a contract."

When a client cancels, record it, stop all work, confirm in writing, return anything received and release any card authorization. Template CD-147 adds: "Never describe an uninitiated refund as completed, and never charge a cancellation penalty." Under §1679f(a), the client cannot waive this right.

States can lengthen the window or prescribe their own text:

State	Rule	Citation
California	Cancel "before midnight on the fifth working day after you sign it"; payments returned "within 15 days"	Cal. Civ. Code §1789.16
Texas	Three-day right with its own required statement and notice text	Tex. Fin. Code §393.202
South Carolina (licensed credit counseling)	Cancel "for any reason and at any time by giving ten days' written notice," with a refund of "all unexpended funds"	S.C. Code §37-7-110(B)(7)

Chapter 4 covers how to combine state and federal requirements.

What does the advance-fee ban prohibit?

You may not charge or receive anything of value for a service until that service is fully performed. Whatever you call it, a fee collected before the work it pays for is complete falls under the ban.

15 U.S.C. §1679b(b):

> "No credit repair organization may charge or receive any money or other valuable consideration for the performance of any service which the credit repair organization has agreed to perform for any consumer before such service is fully performed."

The CFPB addresses one workaround directly: "Some companies will structure monthly payment plans to try to avoid this requirement. You should know that all forms of upfront payment before services are completed are illegal" (CFPB). The FTC calls it illegal to "charge you before they help you" (FTC).

Structures that run into the ban:

- setup, enrollment or "first work" fees charged at signing;
- retainers, deposits or "refundable" prepayments;
- a monthly fee charged at the start of the month for that month's work;
- an "audit" fee charged before the audit is delivered.

Questions every contract should answer. The statute prescribes no billing schedule, and this chapter does not certify one (Chapter 8 covers billing). For each service, answer four questions:

1. What is the service?
2. What event means it is fully performed?
3. What record proves that event?
4. Is the charge taken after that event?

Card authorizations. The statute does not mention card holds. CheckDispute places a hold when a service starts and captures the charge only on delivery. If you use holds, never capture before the service is fully performed, and release the hold if it is not delivered (Chapter 8).

A state bond does not switch off the federal ban. Texas lets a credit services organization charge before completing its services "only if the organization has obtained a surety bond" or surety account for each location (Tex. Fin. Code §393.302), set at $10,000 (§393.403). That is a Texas condition, not a federal permission: §1679j keeps state law in force unless inconsistent with the Act, so a covered business must satisfy both. California has its own ban on charging "prior to full and complete performance of the services" (Cal. Civ. Code §1789.13(a)).

Telemarketing adds a stricter clock. Where the Telemarketing Sales Rule applies, the CFPB explains, no fee may be requested until the promised date has passed and the consumer has a report showing the results, "generated more than six months after the results were claimed to have been achieved" (Chapter 3).

What happens when a firm breaks the sequence?

Waivers and noncompliant contracts are void, and asking for a waiver is itself a violation. 15 U.S.C. §1679f sets out three rules:

- **Waivers are void.** A consumer's waiver "shall be treated as void."
- **Asking is a violation.** "Any attempt by any person to obtain a waiver" is "treated as a violation."
- **Noncompliant contracts are void.** A contract that does not comply "may not be enforced by any Federal or State court or any other person." A firm that skips the disclosure or starts work early may be unable to collect even for work it actually did.

Civil liability under §1679g is at least the amount the consumer paid (see the FTC's copy of the Act). The disclosure itself tells every client, "You have a right to sue a credit repair organization that violates the Credit Repair Organization Act."

States add their own consequences:

- **Texas** allows actual damages "not less than the amount the consumer paid" (Tex. Fin. Code §393.503(a)) and makes an offense under the chapter a Class B misdemeanor (§393.501(b)).
- **California** makes a violation a misdemeanor (Cal. Civ. Code §1789.20(a)) and awards no less than the amount paid "plus reasonable attorney's fees and costs" (§1789.21(a)).

Complaint handling is one place a waiver request can slip in. Template **CD-149, "Client complaint acknowledgment and resolution log,"** sets the rule: "Never condition a refund or resolution on withdrawing a regulator complaint, removing a review or waiving a right."

Worked example: one client from first call to first invoice

This example is fictional. It follows Tomás Reyes, a client of Juniper Lane Credit Coaching LLC, a made-up firm. To keep the federal sequence visible, assume no state rule adds anything; in practice, check both states first (Chapter 4).

The contract lists three services:

Service	Price	Completion estimate
1. Review of three reports Tomás supplies, with written findings	$95	Seven days after the cancellation window closes
2. A dispute letter for each item Tomás identifies as inaccurate and supports with his records, each approved and signed by him	$40 per letter, up to 3	Five days after he approves the item list
3. Certified mailing of each approved letter	$15 per letter, up to 3	Two business days after approval

The contract states the maximum total, $260. It says Juniper Lane does not guarantee any deletion, correction or score change. The bold cancellation statement sits directly above the signature line.

Date	What happens	Record kept
Mon., Nov. 23, 2026	Intake call. The advisor tells Tomás he can dispute free on his own and get free reports at AnnualCreditReport.com. The disclosure goes out as its own PDF, and Tomás signs the acknowledgment.	Acknowledgment, kept through at least Nov. 23, 2028
Wed., Nov. 25, 4:10 p.m.	Contract signed. Both Notices of Cancellation show "midnight, Tuesday, December 1, 2026." Copies are handed over on the spot.	Contract, notices, copy-delivery record
Thu., Nov. 26	Thanksgiving, a federal holiday. Not counted.	—

Date	What happens	Record kept
Fri., Nov. 27; Mon., Nov. 30; Tue., Dec. 1	Business days one, two and three. No work is done.	—
Wed., Dec. 2	No notice has arrived. Service 1 begins.	Start record
Wed., Dec. 9	Findings are delivered. Tomás is charged $95 for Service 1 only.	Delivery record, invoice

What the findings say. Tomás flagged four items:

- **Two 30-day late payments from 2024.** They match his bank records.
- **A $1,140 collection.** He recognizes it, and the amount matches his records.
- **A card reported with a $2,310 balance.** The issuer's March 2026 statement shows $0 after a February payoff.

Accurate negative information is not an error, so only the card balance goes forward: one letter ($40) and one mailing ($15), each charged after it is completed.

What this establishes: the steps came in the required order, and each charge followed a completed, recorded service. **What it does not:** that the bureau will change the balance, that this fee design satisfies every state, or that Tomás needed to pay anyone. He could have sent the same dispute himself, for free.

A variation. An email saying "I want to cancel" at 9:40 p.m. on Monday, November 30 would be timely. Juniper Lane would stop, confirm in writing and log it on a CD-147 record, with nothing to refund.

Common mistakes that turn a sound business into a defendant

- **"A monthly plan isn't an advance fee."** The CFPB names monthly plans as a way some companies try to avoid the ban.
- **"We're software, so the Act doesn't reach us."** The definition reaches paid "advice or assistance."
- **"Our disclaimer covers it."** Template CD-142: "A disclaimer does not remove CROA coverage or cure deceptive claims."
- **"The disclosure is page one of our contract."** Section 1679c(b) requires a separate document.
- **"We can start while the client decides."** Section 1679d(a)(2) says no services until the window ends.
- **"Our state bond lets us charge up front."** Not under the federal ban.

Checklist: the CROA sequence for every new client

- [ ] Decide whether §1679a(3) covers your service, and which state laws apply to you and to the client.
- [ ] Give the statutory disclosure verbatim, as a separate document, before any contract. Keep the signed acknowledgment for at least two years.
- [ ] Use a written, dated contract with: the total of all payments; each service and its completion estimate; any guarantees of performance, or a statement that there are no guarantees; and your legal name and address.
- [ ] Put the bold cancellation statement beside the signature, and attach two completed Notices of Cancellation with the business-day deadline.
- [ ] Give the client copies of everything they sign, at signing.
- [ ] Start no service until the deadline passes. Accept any written cancellation, then stop, confirm, refund and release holds.
- [ ] Charge each service only after it is fully performed and recorded.
- [ ] Keep scripts free of outcome promises, blanket disputes and untrue statements, and tell every client that disputing is free and they can do it themselves.

Completing this checklist does not show that a business complies with every federal and state law, or that any dispute will succeed.

Where does CheckDispute fit?

CheckDispute is software the consumer controls. The consumer supplies their own report, approves every word, and either mails the approved letter themselves or pays CheckDispute to mail that exact letter. Disputing directly with the bureaus stays free and needs no software. Each CheckDispute charge is captured after its service:

- **Free:** preview, report reading, packet building and guides.
- **Report unlock, $29:** needed to download, approve and send the final letters for one report; held when preparation starts and charged when the letters are ready.
- **Plans:** Basic $19.99, Plus $29.99, Premium $49.99 a month, charged only in a month the plan is used: held when that month's first plan service starts and captured on delivery.
- **Add-ons, each captured when performed:** e-signature $6.99; mailing with tracking at $6.99 First-Class, $24.99 Certified or $32.99 Certified with return receipt; and notarization at $50, charged after the notarized PDF returns.
- **Sales tax** is added where it applies.

No result is guaranteed. For firms, the template library carries the CROA sequence in CD-145, CD-146, CD-143, CD-144, CD-147 and CD-149, each to be issued in your own legal name. Chapter 10 covers running a practice on CheckDispute Business.

Key points

- CROA sets a fixed order: separate statutory disclosure, written and dated contract, three business days with no service, and payment only after each service is fully performed.
- Some prohibitions bind "any person": no untrue or misleading statements to bureaus or creditors, no advising clients to make them, and no identity alteration.
- The contract states total payments, each service, completion estimates, any guarantees (or that there are none), your name and address, and the bold cancellation statement, with two cancellation forms attached.
- Monthly plans, setup fees and deposits taken before the work is done fall under §1679b(b), and a state bond does not remove the federal ban.
- Waivers are void, asking for one is a violation, and a noncompliant contract cannot be enforced.
- Disputing is free and consumers can do it directly with the bureaus, free reports are at AnnualCreditReport.com, and accurate negative information is not an error.

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Chapter 3: Marketing and sales rules: telemarketing, endorsements and claims you can and cannot make

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

A credit repair business can market itself lawfully by describing the work it will do, what that work costs and when it charges, and by saying plainly what no one can do: remove accurate, current information from a credit report. The Credit Repair Organizations Act (CROA) bars any untrue or misleading representation of your services, and your advertising is part of how the law decides whether you are a credit repair organization at all. If you sell by telephone, the FTC's Telemarketing Sales Rule (TSR) can push your payment date later still and adds do-not-call, calling-hour and disclosure rules. Many states add advertising rules of their own.

This chapter covers claims, telemarketing, testimonials, partners, platforms, and a pre-publication checklist.

Why does marketing carry so much legal risk in credit repair?

Because the law reaches what you say before any contract exists. CROA defines a credit repair organization as any person who uses the mails or interstate commerce "to sell, provide, or perform (or represent that such person can or will sell, provide, or perform) any service," for payment, for the purpose of improving a consumer's credit record, history or rating, or advising on it (15 U.S.C. §1679a(3)). The words "or represent" matter. An ad that implies you improve credit is part of the test, whatever your terms of service call the product.

Once CROA applies, 15 U.S.C. §1679b(a) forbids anyone to "make or use any untrue or misleading representation of the services of the credit repair organization," or to engage in fraud or deception "in connection with the offer or sale" of those services. It also forbids making, or counseling a consumer to make, untrue or misleading statements to a bureau or creditor, and statements meant to alter a consumer's identification to hide accurate, non-obsolete information.

A consumer's waiver of any CROA protection is void, and attempting to obtain one is itself a violation (15 U.S.C. §1679f). So a signed "results may vary" form does not rescue an ad that promised results. The CheckDispute template pack says the same about its own acknowledgment form, CD-142 (*No-guarantee and consumer-control acknowledgment*): "A disclaimer does not remove CROA coverage or cure deceptive claims." State definitions work the same way: Texas covers a person who "provides, or represents that the person can or will provide" the services (Tex. Fin. Code §393.001(3)).

A note for credit counseling agencies. CROA excludes 501(c)(3) nonprofits, but state statutes have their own definitions. Oregon's debt management service provider law, for example, bars publishing, or causing to be published, an advertisement containing "a statement or representation that the debt management service provider or person can alter or remove factually correct information from a consumers credit report" (ORS 697.662(12)(a)).

Why must your ad agree with the required disclosure?

Because federal law makes you hand every client a document that contradicts the most common credit repair promise. Under 15 U.S.C. §1679c, a credit repair organization must give the consumer a separate statement headed "Consumer Credit File Rights Under State and Federal Law" before any contract is signed. Congress wrote its text:

> "You have a right to dispute inaccurate information in your credit report by contacting the credit bureau directly. However, neither you nor any 'credit repair' company or credit repair organization has the right to have accurate, current, and verifiable information removed from your credit report."

The same statement says a consumer may notify a bureau on their own, that "The credit bureau may not charge any fee for this service," and that they may cancel within three business days of signing.

An ad promising to remove negative items cannot sit beside that disclosure. Write the ad to agree with it, and never steer prospects away from the free route. The CFPB lists a company that "Refuses or avoids explaining your rights to you" or "Tells you to not contact credit reporting companies" among its warning signs of a credit repair scam (CFPB, last reviewed November 7, 2023).

What claims can a credit repair business make?

You can describe real work, real prices and real rights. Claims that hold up are specific, provable from your own records, and consistent with the disclosure.

You can say	Why it holds up
"We review your reports with you and help you identify entries you believe are inaccurate or incomplete."	Describes a service, not an outcome.
"We prepare dispute letters for your approval. Nothing is sent until you approve it."	A process claim your records can prove.
"You can dispute errors yourself for free, directly with the credit bureaus."	Mirrors §1679c. The FTC says disputing mistakes on your report "is free."

You can say	Why it holds up
"Free credit reports are available at AnnualCreditReport.com."	The FTC says the three nationwide bureaus "have permanently extended" free weekly reports there (checked September 20, 2026).
"No one, including us, has the right to have accurate, current information removed from your report."	Restates the statutory disclosure.
"We charge only after each service is fully performed."	Matches §1679b(b), if your billing actually works that way.
"You may cancel within three business days of signing. No particular result is guaranteed."	Restates the cancellation right and tells the truth about outcomes.

North Carolina's statute states the principle in one clause. Its ban on representing that a business can arrange removal of derogatory information "shall not prevent truthful, unexaggerated statements about the consumer's rights under existing law regarding his credit history or regarding access to his credit file" (N.C. Gen. Stat. §66-223(3)). Truthful, unexaggerated rights education is the safe core of credit repair marketing.

What claims are prohibited or high-risk?

The claims that cause the most trouble promise an outcome, a timeline or a tactic the law does not support.

Claim	Problem	Source
"We delete collections, charge-offs and late payments."	Implies accurate information can be removed. The FTC says such companies "can't remove true information."	§1679c; FTC
"Clients average +100 points"	The CFPB's warning signs include claiming to "guarantee a specific increase in your credit score." An average you cannot document can be a misleading representation.	CFPB; §1679b(a)(3)
"Results in 30 to 45 days"	Invents a timeline. Reinvestigation generally runs 30 days from receipt, extendable in stated cases, and a missed deadline is not automatic deletion. There is no flat "45-day rule."	15 U.S.C. §1681i
"We dispute everything on your report"	Disputing accurate information is a CFPB warning sign, and a bureau may end a reinvestigation it reasonably finds "frivolous or irrelevant."	CFPB; §1681i(a)(3)
"Our 609 letters force them to produce the original contract"	Section 609 is a file-disclosure right, not an original-contract demand or a deletion mechanism.	15 U.S.C. §1681g
"New credit file," "CPN," "fresh start number"	Altering identification to hide accurate information is prohibited. The FTC warns that using a number other than your own can bring "fines or prison."	§1679b(a)(2); FTC

Claim	Problem	Source
"If you're not sure, just say it isn't yours"	Counseling an untrue statement to a bureau or creditor.	§1679b(a)(1)
"We go straight to your creditors, and they have to investigate"	A furnisher need not investigate a direct dispute it reasonably believes a credit repair organization submitted or prepared, or that uses a form one supplied.	12 CFR 1022.43(b)(2)
"A new federal rule wipes medical debt off reports"	The CFPB's medical debt reporting rule was vacated on July 11, 2025.	CFPB rule-status notice
"$99 to start, then $79 a month"	The CFPB says "all forms of upfront payment before services are completed are illegal," and warns that some companies structure monthly plans to try to avoid that rule.	§1679b(b); CFPB

A workable rule: if you cannot prove a claim from your records today, do not publish it. CheckDispute applies that rule to itself and prints no testimonials, results or customer counts.

A worked example: rewriting one ad

Northgate Credit Partners is a fictional three-person firm. Its first draft of a social media ad:

> **DELETE BAD CREDIT FAST.** Our proven 609 dispute system removes collections, charge-offs and late payments in 30–45 days. Clients average a 100-point jump. Just $99 to start, then $79/month. Call now. We handle the bureaus AND your creditors directly. ★★★★★ "They erased 14 negative items!" (Jasmine R.)

What is wrong with it:

- **"Delete bad credit," "removes collections..."** imply accurate information can be removed, which Northgate's own §1679c disclosure denies. Several states do not allow an "erase bad credit" promise without a clear disclosure (see the state table).
- **"Proven 609 dispute system"** sells a myth. **"30–45 days"** invents a timeline. **"100-point jump"** is an undocumented statistic and an implied score promise.
- **"$99 to start, then $79/month"** charges before services are performed, and **"Call now"** may bring a phone sale under the TSR payment rule.
- **"Your creditors directly"** oversells disputes a furnisher may decline to investigate.
- **The testimonial** is a result claim Northgate chose to use.
- **Missing:** that disputing is free, and any registration or license number a state requires.

The rewrite:

> **Think something on your credit report is wrong?** We review your reports with you, help you identify entries you believe are inaccurate or incomplete, and prepare dispute letters you approve before anything is sent. You can dispute errors yourself for free with the credit

> bureaus, and free reports are at AnnualCreditReport.com. Accurate negative information is not an error, no one has the right to have accurate, current information removed, and no particular result is guaranteed. We charge only after each service is fully performed, and you may cancel within three business days of signing. [Registration or license number where required.]

What the rewrite does not establish: that Northgate actually bills after performance, is registered where its readers live, or has a contract that matches the ad. An ad is only as compliant as the business behind it.

How does the Telemarketing Sales Rule change when you can charge?

When a credit repair sale is made by telephone, the TSR can delay payment beyond what CROA requires. Under 16 CFR 310.4(a)(2), it is an abusive practice to request or receive payment "for goods or services represented to remove derogatory information from, or improve, a person's credit history, credit record, or credit rating" until both of these are true:

1. the time frame in which the seller said all the services would be provided has expired; and
2. the seller has given the person "documentation in the form of a consumer report from a consumer reporting agency demonstrating that the promised results have been achieved, such report having been issued more than six months after the results were achieved."

The paragraph adds that it does not change the Fair Credit Reporting Act rule that a consumer report may be obtained only for a permissible purpose.

	CROA, §1679b(b)	TSR, 16 CFR 310.4(a)(2)
Who it binds	Credit repair organizations	Sellers and telemarketers, in telemarketing
Earliest payment	After the service is fully performed	After the promised time frame expires and a report issued more than six months after the results shows them

The CFPB says credit repair companies are subject to CROA "and often the Telemarketing Sales Rule." The Texas Secretary of State warns that even where Texas lets a bonded organization take fees in advance, "for many CSOs, charging advance fees could be a violation of the FTC's Telemarketing Sales Rule" (Texas SOS CSO FAQs).

Two cautions. Whether a call is telemarketing, and whether an exemption applies, depends on definitions elsewhere in 16 CFR Part 310, so read the current text before assuming your phone sales fall outside the rule. And relabeling the service does not move the trigger. Template CD-143 (*Individual service scope and completion schedule*) warns: "A completion label does not make an advance fee lawful."

What call rules apply when you telemarket?

If your firm places outbound sales calls, build these parts of §310.4 into written procedures:

- [ ] **Do-not-call.** Never call a person who has asked your business not to call. Do not call a number on the FTC's national registry unless you hold the person's express written agreement (with the number and a signature, which may be electronic) or have an established business relationship with a person who has not asked you to stop (§310.4(b)(1)(iii)).
- [ ] **Safe-harbor records.** Written procedures, trained staff, an internal do-not-call list, a registry version obtained no more than 31 days before the call, and monitoring (§310.4(b)(3)).
- [ ] **Calling hours.** Without prior consent, no calls to a residence before 8:00 a.m. or after 9:00 p.m. at the called person's location (§310.4(c)).
- [ ] **Opening disclosures.** Promptly and clearly state the seller's identity, that the call's purpose is to sell, and the nature of the services (§310.4(d)).
- [ ] **Abandoned calls.** Connect a live representative within two seconds of the greeting; the safe harbor's conditions include abandoning no more than 3 percent of answered calls per campaign or 30-day period and playing a recorded message naming the seller and its number (§310.4(b)(1)(iv), (b)(4)).
- [ ] **Prerecorded messages.** None to sell without the person's prior express written agreement, obtained as the rule specifies, and an automated opt-out (§310.4(b)(1)(v)).
- [ ] **Caller ID.** Transmit your number and, when available, your name (§310.4(a)(8)).
- [ ] **Payment.** Get express informed consent to the charge and the account (§310.4(a)(7)); accept no remotely created payment orders, cash-to-cash money transfers or cash reload mechanisms (§310.4(a)(9)–(10)).
- [ ] **Conduct.** No threats, intimidation, profanity or repeated calls meant to annoy or harass (§310.4(a)(1), (b)(1)(i)).

A footnote to the call-abandonment safe harbor names the Telephone Consumer Protection Act, 47 U.S.C. 227, among the state and federal laws that still apply. Treat the TSR as the floor for phone sales.

Can you use testimonials, reviews and endorsements?

Yes, with care. A testimonial you publish is a representation you "make or use," so CROA's ban on untrue or misleading representations applies to it as to your own copy (§1679b(a)(3)). New York prohibits misrepresenting "directly or indirectly in its advertising, promotional materials, sales presentation, or in any manner" the nature of the services, their timing, or "the ability to improve a consumer's credit report or credit rating" (N.Y. Gen. Bus. Law §458-h(1)). Idaho reaches silence too: a licensee may not "omit to state a material fact" if the omission "is false or misleading or has the tendency or capacity to be misleading" (Idaho Code §26-2229A(9)).

Working rules that follow:

- **A result in a customer's words is still a result claim.** "They erased 14 items" tells readers your service removes negative items. Publish it only if it is true and does not suggest accurate information was, or can be, removed.
- **Never write, edit or pay for a review that states something the customer did not experience.**
- **Reject reviews that describe prohibited tactics.** "They told me to say the account wasn't mine" is evidence against you.
- **Disclose connections.** If the reviewer was paid, got a discount or free service, or is staff, family or a referral partner, leaving that out can make the review misleading.
- **Keep the file:** written permission, the original words, and records showing the facts stated.

Federal guidance written specifically for endorsements and online reviews may add requirements. It is not in this book's source set, so check the FTC's current guidance before running a testimonial or review campaign.

Are you responsible for what partners and affiliates say?

Plan as if you are. California prohibits a credit services organization, without Department of Justice registration, from doing this: "Advertise or cause to be advertised, in any manner, the services of the credit services organization" (Cal. Civ. Code §1789.13(j)). Missouri and West Virginia use the same "cause to be advertised" wording. North Carolina's prohibitions bind a credit repair business "and its salespersons, agents, and representatives, and independent contractors who sell or attempt to sell" its services (N.C. Gen. Stat. §66-223).

Give partners approved copy, list forbidden claims in the partner agreement, review what they publish, and drop partners who will not comply. A loan officer who tells a borrower "these guys can get your collections deleted in a month" is marketing your service.

Do state laws add their own advertising rules?

Yes, and they differ. The table lists advertising provisions confirmed in this book's state research (September 25, 2026). It is a sample: a state missing from it has not been found to lack such a rule. Chapter 4 and Appendix A cover the rest.

State	Provision	What it requires
California, Minnesota, Missouri, Nevada, Virginia, West Virginia	Cal. Civ. Code §1789.13(j); Minn. Stat. §332.54, subd. 1; RSMo §407.638(6); NRS 598.752(1); Va. Code §59.1-335.3(A); W. Va. Code §46A-6C-3(6)	Registration or a filed registration statement before advertising

State	Provision	What it requires
Kansas	K.S.A. 50-1120(d)	Solicitations and published ads aimed at Kansas residents, "including those on the internet," must show the licensee's name and license number; keep them 36 months
Ohio	Ohio Rev. Code §4712.13	Printed or published ads must show the registration certificate number
Texas, Missouri, West Virginia	Tex. Fin. Code §393.304(1)(A); RSMo §407.638(3)(a); W. Va. Code §46A-6C-3(3)(A)	No "erase bad credit" promise without clearly disclosing it is possible only for inaccurate or obsolete history
Michigan	Mich. Comp. Laws §445.1823(e)(i)	A deletion claim needs a disclosure "in a manner equally as conspicuous" that only inaccurate or obsolete history can be deleted
North Carolina	N.C. Gen. Stat. §66-223(3)	No representing that the business can arrange removal or improve a report, apart from truthful, unexaggerated statements of legal rights
New York	N.Y. Gen. Bus. Law §458-h(1)	No misrepresenting services, timing or ability to improve a report, "in any manner"
Pennsylvania	73 P.S. §2183 (Act 150 §3(5))	No advertisement "which guarantees that the buyer will obtain credit"
Maryland	Md. Code, Com. Law §14-1903(a)(3)	Covers solicitations "received in the State by a resident," wherever they originate

Online ads reach residents of states where you may not be registered, and some statutes, Maryland's among them, apply to solicitations received there. Where a state requires a number in ads, a national campaign needs a way to show the right one.

What do paid social platforms add?

Platform rules are not law, but they decide whether your ad runs. Meta's advertising pages, checked September 24, 2026, say:

- "Starting January 21, 2025," advertisers based in the United States, or showing financial products and services campaigns to US audiences, must use the "Financial products and services" Special Ad Category, which adds audience restrictions. Ads may be rejected without it.
- Meta prohibits ads that "directly request the input of any personally identifiable information or certain types of financial information."
- Financial advertisers "may be required to verify their business and/or individual identity and demonstrate they are authorized by the relevant regulatory authorities," and must meet

disclosure requirements set by law.

Meta's examples of covered offers include debt recovery and debt consolidation but do not name credit repair, so review them and choose the category deliberately.

How should a sales conversation go?

A compliant consultation follows the law's order: rights, offer, documents, waiting period, work, then payment. Luis Ortega (fictional) calls Harbor Lane Credit Services (also fictional), and Priya takes the call.

Luis asks	Priya says	She avoids
"How many points will my score go up?"	"No one can promise a score change. If you have entries you believe are wrong, we prepare disputes, and the bureau's reinvestigation decides the result."	Any number
"Can you get my collections removed?"	"If a collection is inaccurate or incomplete, you can dispute it. If it's accurate and current, no one, including us, has the right to have it removed."	"Most come off."
"Do I have to use you?"	"No. You can dispute errors yourself for free with each bureau, and get free reports at AnnualCreditReport.com."	Discouraging the free route
"What does it cost?"	"Here's the total. We charge only after each service is fully performed, and nothing is due today."	"$99 to get started"
"When do you start?"	"I'll send a separate disclosure, then the contract. You can cancel within three business days of signing, and work starts only after that period ends."	Starting work on the call

The documents follow CROA: the separate §1679c disclosure, then the written contract (§1679d) and the duplicate "Notice of Cancellation" form (§1679e). Chapter 2 covers them, and templates CD-145 (*CROA separate statutory consumer disclosure*) and CD-146 (*CROA cancellation notice — provide two copies*) are starting points to reissue in your own legal name. Had Harbor Lane placed the call, Priya would also have opened with the TSR disclosures, and the TSR payment trigger would govern.

What this example does not establish: that the price is fair, that Luis has any error to dispute, or that a dispute will change his report.

Where does CheckDispute Business fit?

CheckDispute is software. Using it does not make your marketing compliant, but it can keep the service your clients experience consistent with honest claims. The CheckDispute Business plan (September 25, 2026) is designed so that the client portal shows the free options (disputing directly is free, free reports at AnnualCreditReport.com, accurate negative information is not an error, no result guaranteed); e-signed onboarding delivers the §1679c disclosure, §1679d contract and §1679e cancellation right before any client work; client billing charges only for work already performed; and letters go to the bureaus by default without disguising who prepared them.

CheckDispute's consumer pricing shows how to state price and timing plainly. The preview is free. A $29 report unlock, or a plan (Basic $19.99, Plus $29.99, Premium $49.99) charged only in a month it is used, unlocks the final letters. E-signature, notarization and mailing with tracking are optional add-ons, each charged when performed, and sales tax is added where it applies. CheckDispute promises no deletion or score change. Chapter 10 covers the Business workspace.

Checklist: review before anything is published

- ☐ Every outcome claim is removed or rewritten as a description of work performed.
- ☐ No score figures, averages or timelines you cannot document from your own records.
- ☐ The ad says disputing is free and can be done directly with the bureaus, and names AnnualCreditReport.com.
- ☐ Nothing implies accurate negative information can be removed, and state "erase bad credit" rules are checked.
- ☐ Price and payment timing match your actual billing, including the TSR trigger for phone sales.
- ☐ The ad never promotes 609 letters, CPNs, "new credit files," "say it isn't yours" or the vacated medical-debt rule.
- ☐ You are registered, and show any required number, in every state the ad targets, before it runs.
- ☐ Testimonials are true, permissioned, documented and free of prohibited tactics, with connections disclosed; partners use approved copy only.
- ☐ The ad, the §1679c disclosure, the contract and the sales script say the same thing.
- ☐ A dated copy of every ad is filed (Kansas requires 36 months for ads aimed at its residents).

Template CD-150 (*Publication and individual-submission release checklist*) lists telemarketing among the issues to review for every state served and ends on a rule worth adopting: "Any unverified required item means HOLD." Completing this checklist does not establish that an ad complies with every law that applies to it.

Key points

- CROA reaches what you "represent" you can do, bars untrue or misleading representations of your services, and voids consumer waivers, so a disclaimer cannot rescue a misleading ad.

- Write every ad to agree with the §1679c disclosure: disputing is free and can be done directly with the bureaus, free reports are at AnnualCreditReport.com, accurate negative information is not an error, no one has the right to have accurate, current information removed, and no particular result is guaranteed.
- Phone sales can trigger the TSR's stricter payment rule (no fee until the promised period ends and a consumer report issued more than six months after the results shows them), plus do-not-call, calling-hour and disclosure rules.
- Testimonials and partner ads are your representations. Publish only true, documented, permissioned reviews, and disclose any connection to the reviewer.
- States add their own rules, including registration before advertising, license numbers in ads and limits on "erase bad credit" claims, so check every state your ads reach.

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Chapter 4: State credit services organization laws: registration, bonds, contracts and cancellation notices

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

Most states regulate credit repair on top of the federal Credit Repair Organizations Act (CROA). In the state research behind this book, checked September 25, 2026, a credit services or credit repair statute was located and quoted for 40 of the 51 jurisdictions (the 50 states and the District of Columbia). These laws add some mix of five things: registration or a license, a surety bond or trust account, a pre-contract disclosure statement, a written contract with prescribed cancellation wording, and rules on when you may be paid. Start with the state where your client lives, and check your own state's law as well.

This chapter shows how the state laws are built, where they differ from CROA and from each other, and how to turn them into a compliance map for every state you serve. Appendix A has the full 50-state table with citations.

Why do state laws matter if CROA already applies?

CROA is a floor, not a ceiling. It leaves state law in force except where a state law is inconsistent with it (15 U.S.C. §1679j, on the FTC's Credit Repair Organizations Act page). Louisiana goes further and makes a federal violation a state one: "Any violation of such Act shall constitute a violation of state law" (La. R.S. 9:3573.3(10)).

The operating rule is simple: **meet both.** Where the two differ on the same point, that usually means following the stricter one: the longer cancellation window, the longer retention period, the tighter payment rule. The overlap runs in two directions:

- **A state can add duties CROA does not have.** CROA has no registration or bond requirement. Many states have both.
- **A state permission is not a federal permission.** Several states let you take payment before services are complete if you post a bond. CROA does not: no credit repair organization may charge or receive payment for a service "before such service is fully performed" (15 U.S.C. §1679b(b)). The Texas Secretary of State's own FAQ adds that "for many CSOs, charging advance fees could be a violation of the FTC's Telemarketing Sales Rule" (Chapter 3).

Which state's law applies: yours or your client's?

Start with your client's state. State credit services laws are written around the consumer, or "buyer," being served, and some say so outright:

- Maryland's act applies to contracts that follow a solicitation or communication "that originates either inside or outside of this State but is received in the State by a resident of this State" (Md. Code Ann., Com. Law §14-1903(a)(3)).
- South Carolina requires a license to engage in credit counseling services there "whether or not the person has any office, facility, agent, or other physical presence in South Carolina" (S.C. Code Ann. §37-7-102).

So an online firm with clients in five other states should expect to check the law of six states: theirs and its own. Record each client's state of residence at intake (Chapter 5), because the contract version, cancellation date, refund clock and retention period all depend on it. Whether your business falls inside a given state's definition is a legal question the research does not decide, but it does give you the definitions.

Who counts as a credit services organization under state law?

Most state definitions track CROA. Texas is typical. A credit services organization provides, or says it can provide, "for the payment of valuable consideration" services to improve a consumer's credit history or rating, obtain credit, or advise on either (Tex. Fin. Code §393.001(3)). The Texas Secretary of State notes that these businesses "are often identified as *credit repair* companies."

Watch for three differences.

Some definitions reach further. Louisiana's covers "the sale of a self-help instructional guide" (La. R.S. 9:3573.2(A)(3)(b)). Utah's includes anyone who represents that they or an employee is "a debt professional or credit counselor" (Utah Code §13-21-101(5)(a)). South Carolina's is a credit counseling chapter whose services include "improving or offering to improve a consumer's credit record, history, or rating" (§37-7-101(3)(b)).

Nonprofit status is not a universal exemption. CROA excludes 501(c)(3) nonprofits (15 U.S.C. §1679a(3)(B)(i)), and Texas, Florida, Maryland, Virginia, Washington, Massachusetts and Georgia list a similar exemption. Other states differ:

- Illinois exempts a 501(c)(3) only if it "does not charge or receive any money or other valuable consideration prior to or upon the execution of a contract" (815 ILCS 605/3(d)(iv)).
- New York's exemptions cover charitable corporations licensed under Banking Law article 12-C and New York lawyers acting within their practice (N.Y. Gen. Bus. Law §458-b(1)).
- The exemption lists recorded for Utah, Louisiana and South Carolina have no general 501(c)(3) exemption. South Carolina's names "nonprofit faith-based organizations."

A credit counseling agency that also helps with credit reports should read each state's list, not assume the federal exclusion carries over.

Attorney exemptions are narrow. California's does not cover a lawyer who "is an employee of, or otherwise directly affiliated with, a credit services organization" (Cal. Civ. Code §1789.12(e)(5)). Louisiana's does not reach a lawyer paid solely for credit repair. In Louisiana and Florida, whoever claims an exemption must prove it (La. R.S. 9:3573.14(A); Fla. Stat. §817.705(2)).

What does registration or licensing involve?

The research records a registration or licensing requirement in 25 of the 40 jurisdictions with a located statute. Some file with the Secretary of State (Texas, Illinois, Iowa, Nebraska, West Virginia, Delaware). California registers with its Department of Justice and Louisiana with its Attorney General. Others license through a financial or consumer regulator, such as Maryland's Commissioner of Financial Regulation (through NMLS), Ohio's Division of Financial Institutions, Utah's Division of Consumer Protection and South Carolina's Department of Consumer Affairs.

Four details trip firms up.

1. **Register before you advertise, not just before you sign.** California bars advertising "in any manner" without Department of Justice registration (Cal. Civ. Code §1789.13(j)). Louisiana requires a registration statement with the Attorney General before advertising (La. R.S. 9:3573.3(5)). Virginia makes it unlawful to "offer, advertise, or execute" a contract unless registered at that time (Va. Code §59.1-335.3(A)).
2. **Renew on time.** Texas and California certificates last one year (Tex. Fin. Code §393.101(d); Cal. Civ. Code §1789.25(d)), and so does Utah's registration (§13-21-103(6)). Ohio certificates expire annually on April 30, unless the superintendent sets a different date (Ohio Rev. Code §4712.02(H)(1)).
3. **Keep the filing current.** Texas requires updates within 90 days after information changes and lets a consumer inspect your registration statement on request (Tex. Fin. Code §§393.102, 393.103).
4. **Show your number where required.** Ohio requires printed or published advertisements to show the number on your certificate of registration (§4712.13).

The research found no registration section in New York's Article 28-BB, Florida's Part III, Washington's chapter 19.134, Massachusetts' §§68A–68E or Pennsylvania's act. Those states still regulate disclosures, contracts and payment.

Texas, step by step

The Texas Secretary of State publishes plain instructions (CSO page and CSO FAQs, checked September 24, 2026):

- **Register first.** "Before conducting business in this state, a credit services organization shall register with the secretary of state" (Tex. Fin. Code §393.101(a)).
- **File online.** The SOS says its online system replaces paper, and "All paper form submissions (Forms 2801, 2802, and 2803) are no longer accepted." On September 24, 2026, both pages also carried a notice that SOS business filing services would be unavailable from noon on September 25 until 8:00 a.m. on September 29, when a new SOSPortal was to go live. Confirm the current filing path before you file.
- **Fee and term.** $100 for an original or renewal certificate, effective for one year.
- **Security or an explanation.** A registration "must be accompanied by proof of security or a statement explaining why proof of security is not required." The FAQ says security is "generally" required "when consumers will be charged or pay in advance."
- **Each location.** Where security is required, it is $10,000 for each location. For a $15 fee, the SOS will issue a certificate for an additional location.
- **Know the SOS's role.** It is "a filing officer for CSO registrations and security and does not have authority to regulate the business practices of a CSO." It also runs a public CSO search.

How do surety bonds and trust accounts work?

A surety bond is a surety company's guarantee that money will be there for people your violations harm. In Texas, the SOS FAQ says, the security is "for the benefit of any person damaged by any violation" of the chapter. Some states accept a trust account or letter of credit instead. State bonds follow two models.

Model 1: the bond is a condition of doing business at all.

- California: $100,000 before conducting business (Cal. Civ. Code §1789.18).
- Ohio: $50,000 (Ohio Rev. Code §4712.06(A)(3)).
- Utah: $100,000 surety bond or certificate of deposit (Utah Code §13-21-102(1)(a)(ii)).
- Louisiana: $100,000, and no charge of any kind without it (La. R.S. 9:3573.3(1), 9:3573.4(E)).
- Maryland: set by the Commissioner for each licensee between $50,000 and $200,000, through cross-references from Com. Law §14-1908 (Md. Code Ann., Fin. Inst. §11-206(d)(1)). The research did not confirm from a regulator source how the Commissioner applies that range to credit services businesses.
- Virginia: 100 times your standard fee, at least $5,000 and at most $50,000 (Va. Code §59.1-335.4(A)).

Model 2: the bond is the condition for being paid before services are complete.

- Texas: $10,000 bond or surety account per location (Tex. Fin. Code §§393.302, 393.403).
- Florida: $10,000 bond plus a Florida trust account, with advance money held in trust until full performance (Fla. Stat. §817.7005(1)).

- Washington: $10,000 bond plus an in-state trust account (RCW 19.134.020(1)(a)).
- Massachusetts: at least $10,000 plus a Massachusetts trust account (M.G.L. c. 93, §68B(1)).
- Illinois: $100,000 (815 ILCS 605/5(1), 605/10(c)).
- Pennsylvania and New Hampshire: 5% of the previous 12 months' fees, with a $5,000 minimum and $25,000 maximum (73 P.S. §2187; RSA 359-D:8, IV).

Model 2 never makes an advance fee lawful under federal law. CROA's §1679b(b) has no bond exception; as the research notes for Florida put it, federal CROA "separately bars advance payment regardless of state bonding." A compliance-first firm charges only after each service is fully performed and answers the Model 2 question in writing. In Texas, that means filing either proof of security or the statement explaining why none is required.

Bonds outlive the business. Texas and Illinois both require the bond to be kept for two years after the organization ceases operations (Tex. Fin. Code §393.406; 815 ILCS 605/10(c)).

What must the state disclosure statement say, and how long do you keep it?

Most states with a statute require their own written information statement before the contract is signed or any money changes hands. This is in addition to CROA's separate "Consumer Credit File Rights Under State and Federal Law" statement (15 U.S.C. §1679c).

The state statements carry the same honest message as the federal one. Texas requires "a complete and accurate statement of the consumer's right to dispute directly with a consumer reporting agency" and "a statement that accurate information cannot be permanently removed from the files of a consumer reporting agency" (Tex. Fin. Code §393.105(6), (7)). It also requires a statement on the availability of nonprofit credit counseling (§393.105(9)). California's prescribed statement says that neither the consumer nor "any credit repair company or credit services organization has the right to have accurate, current, and verifiable information removed from your credit report" (Cal. Civ. Code §1789.15).

Tell every client the same thing in your own words: disputing is free, and they can do it directly with the credit bureaus; free credit reports are available at AnnualCreditReport.com; accurate negative information is not an error; and no particular result is guaranteed.

Format rules differ. New York requires the statement "in writing, on a separate sheet" (N.Y. Gen. Bus. Law §458-c). Ohio requires at least ten-point boldface type (§4712.04(B)).

Retention periods differ too. Keep the longest that applies:

Rule	Keep a copy of the statement for
CROA, 15 U.S.C. §1679c(c)	2 years after signing

Rule	Keep a copy of the statement for
Texas, §393.106	2 years after it is provided
New York, §458-c	2 years
Maryland, Com. Law §14-1904(c)	2 years after acknowledgment
California, §1789.14	4 years after the agreement ends
Washington, RCW 19.134.040	4 years after the agreement ends
Florida, §817.702	5 years

What must the state contract include?

The core is the same almost everywhere. The contract is in writing, dated and signed by the consumer, and states the total of all payments, a full description of the services (including every guarantee and refund promise), an estimated completion period and your principal business address. States then add their own pieces:

- **A cap on the estimated period.** It is 180 days in Texas, California, Washington and Louisiana (Tex. Fin. Code §393.201(b)(2); Cal. Civ. Code §1789.16(a)(3); RCW 19.134.060(1)(d); La. R.S. 9:3573.7(A)(3)). Ohio's cap is sixty days, with a twelve-month limit for contracts that meet its pay-after-service conditions (§4712.05(A)(3)).
- **An in-state agent for service of process.** Texas, California and Florida each require the agent's name and address.
- **A list of report entries.** New York requires a list of "the adverse information appearing on the consumer's credit report that will be modified," with a current credit report attached (§458-f(1)(a)). Virginia requires a list of adverse information the business "expects to have modified" (§59.1-335.8(A)(3)). The research flags New York's clause as needing careful handling beside CROA's ban on misleading representations. A list of entries is not a promise of any result, and your contract, scripts and marketing must never present it as one.
- **Payment statements.** New York's contract must say, in at least ten-point type, "Under New York law no fee may be collected in advance of performance of the services specified in this contract" (§458-f(1)(b)).

A noncompliant contract can be void. New York, Maryland, Virginia and Illinois each say so (N.Y. Gen. Bus. Law §458-g(1); Md. Code Ann., Com. Law §14-1907(b); Va. Code §59.1-335.9(B); 815 ILCS 605/8). Clients cannot sign these protections away either. Texas, Florida and Washington each make a waiver void (Tex. Fin. Code §393.003; Fla. Stat. §817.705(1); RCW 19.134.070(1)).

Operating rules often come with the contract. Several states regulate how you work, not just what you sign:

- **Written authorization before contact.** California (§1789.13(m)), Washington (RCW 19.134.020(1)(f)) and Ohio (§4712.07(I)) require it before you contact a bureau or creditor for the client.
- **A factual basis for each entry.** Utah bars disputing an entry without "a factual basis for believing" it is wrong and a written statement from the person for each entry (§13-21-102(1)(c)). Washington bars submitting a dispute "without a good faith belief in the accuracy of the dispute" (RCW 19.134.020(1)(d)).
- **Monthly statements.** Washington requires a monthly statement of services performed, including copies of letters sent (RCW 19.134.020(1)(c)).
- **No impersonation.** Ohio bars contacting a bureau while stating or implying that you are the buyer or the buyer's attorney (§4712.07(K)).

These rules match the accuracy-first method in Chapter 6: dispute only what the client can truthfully say is wrong, using the client's own signed facts.

How long is the cancellation period, and which notice do you give?

The federal floor, covered in Chapter 2, lets a client cancel "at any time before midnight of the 3rd business day which begins after the date on which the contract ... is executed" (15 U.S.C. §1679e(a)). You attach a "Notice of Cancellation" form in duplicate, and you may not provide services until the three-business-day period ends (§1679d).

The state contract statements in the located statutes set these periods:

Cancellation period	Examples
Midnight of the 3rd day after the transaction	Texas (§393.202(a)), Illinois (605/7(a)(1))
Within 3 days of signing	New York (§458-f(2))
Midnight of the 3rd business day	Maryland, Massachusetts, Ohio, Virginia
Midnight of the 5th day after the transaction	Florida, Louisiana, Utah, Pennsylvania, New Hampshire
Midnight of the 5th working day after signing	California (§1789.16(a)(1))
10 days' written notice, at any time	South Carolina (§37-7-110(B)(7))

South Carolina's ten days is a notice period for cancelling at any time, not a fixed cooling-off window. Washington's contract statement says "fifth day," while its notice form says "fifth working day" (RCW 19.134.060(1)(a), (2)). Give the client the later of the two.

Refund deadlines after a cancellation vary too: 10 days in Texas, Florida, Illinois, Maryland, Massachusetts, Louisiana and Utah; 15 days in California; 5 days in New Hampshire. Under a charge-after-performance model, a client who cancels inside the window owes nothing, because no service has started.

The federal and state notices each prescribe their own words, and the statutes do not say how to merge them. A conservative approach: give each prescribed notice in its exact wording, in duplicate, with correct dates, and honor the latest deadline any of them gives. Count days as Chapter 2 describes: weekdays only, no federal holidays, and the later date whenever a day is in doubt.

Fictional example: one signing date, three deadlines

Everything in this example is invented. Bluebonnet Credit Services LLC, a made-up Texas firm, signs three new clients on Thursday, October 15, 2026. Counting Monday through Friday only, with no holiday in the span:

- **Federal, for all three clients:** the third business day after signing is Tuesday, October 20. Cancellation runs to midnight that night.
- **Texas client:** the state's third day after the transaction is Sunday, October 18. The federal deadline is later, so Tuesday, October 20 controls.
- **New York client:** three days from signing is also Sunday, October 18. Tuesday, October 20 controls.
- **California client:** the fifth working day after signing is Thursday, October 22. That is the latest, so it controls for this client.

Bluebonnet starts work for each client only after that client's latest deadline passes, records the deadline on each file, and charges nothing until a service is fully performed.

What happens if you get state law wrong?

State	What the statute provides
Texas	Class B misdemeanor (§393.501(b)); damages "not less than the amount the consumer paid" (§393.503(a)); a violation is also a deceptive trade practice (§393.504)
California	Misdemeanor (§1789.20(a)); damages not less than the amount paid, plus attorney's fees and costs (§1789.21(a))
Florida	Third-degree felony (§817.705(3))
Ohio	Fifth-degree felony for the listed violations (§4712.99(A))
Illinois	Class A misdemeanor for a first offense; Class 4 felony for a second or later offense (605/13)
Maryland	Misdemeanor, with a fine up to $5,000, imprisonment up to 3 years, or both (Com. Law §14-1915(a))
New York	Up to three times actual damages, not less than the amount paid (§458-i); civil penalty up to $1,000 per violation in an Attorney General proceeding (§458-j)

Georgia is different in kind. Its Code makes owning, operating or being affiliated with a credit repair services organization, as defined, a misdemeanor (O.C.G.A. §16-9-59(b), (c)), with listed exemptions that include 501(c)(3) nonprofits and Georgia lawyers acting within their practice. The research read the section from a mirror and the Georgia consumer protection site's reproduction, current as of March 28, 2024. Read the current official text before taking any paid work for a Georgia consumer.

Federal exposure stacks on top. Under 15 U.S.C. §1679g, a CROA violator is liable for at least the amount the consumer paid.

What if the research found no statute for a state?

For 11 jurisdictions, the research did not locate a credit services or credit repair statute: Alabama, Alaska, Kentucky, Montana, New Jersey, New Mexico, North Dakota, Rhode Island, South Dakota, Vermont and Wyoming. That is a search result, not a finding that no law applies.

CROA applies in every one of them. Several have debt adjusting, debt management or debt settlement laws that the research noted but did not evaluate for credit repair, such as Kentucky's KRS chapter 380 and Vermont's 8 V.S.A. chapter 83. General consumer protection laws apply too. Check these states like any other before taking a client there.

How do you build a state compliance map?

Build one row per state you serve. Nothing goes live in a state until its row is complete.

Checklist, for each state:

- [ ] Statute read on the official site, with the citation, the date checked and your coverage decision (and its reasons) recorded.
- [ ] Registration or license approved **before** any advertising, with the renewal date on the calendar.
- [ ] Bond, trust account or letter of credit in place, or, in Texas, the written statement explaining why security is not required.
- [ ] State information statement, contract clauses (period cap, in-state agent, required statements) and cancellation notice drafted in the prescribed wording.
- [ ] Cancellation deadline, refund clock and retention period each set to the strictest applicable rule.
- [ ] Operating rules captured: written authorization, a factual basis for each entry, monthly statements.
- [ ] A recheck date set.

Laws move. Utah's act was renumbered and amended by Chapter 95 of its 2026 General Session, effective May 6, 2026. Missouri's registration section, §407.640, was amended by 2026 H.B. 2423 in a version effective August 28, 2026 (Missouri Revisor). Appendix A gives you a starting row for every jurisdiction. Treat it as a pointer to the statute, not a substitute for reading it.

Where does CheckDispute Business fit?

CheckDispute is software. It does not register your business, post your bond or decide whether a state law covers you. Those responsibilities stay with the firm that uses it.

The CheckDispute Business plan (September 25, 2026) covers the federal layer; Chapter 10 describes what is available and what it costs. Sign-up asks the firm to attest that it complies with CROA, with the Telemarketing Sales Rule where it applies, and with its states' credit services registration and bond rules. The e-contract flow delivers the §1679c disclosure, the §1679d contract and the §1679e cancellation right, signed electronically. Client billing charges only for work already performed.

The state layer is yours to add. The template library's federal building blocks each name Check Dispute LLC and must be reissued in your own legal name: CD-145 (CROA separate statutory consumer disclosure), CD-146 (CROA cancellation notice, two copies), CD-143 (Individual service scope and completion schedule, with a service-start date after the waiting period) and CD-147 (Cancellation acknowledgment and refund-status record). CD-144, the draft fixed-scope service agreement, has a field for a state payment-restriction addendum, and the library marks it as not approved for client execution as written. None of these templates contains state-specific wording. Your compliance map supplies that.

For individual consumers, previews are free; a $29 report unlock, or a plan charged only in a month it is used, unlocks the final letters; e-signature, notarization and mailing with tracking are optional add-ons; and sales tax is added where it applies. Consumers can also dispute on their own, for free.

Key points

- CROA is the floor. State law stays in force unless inconsistent (15 U.S.C. §1679j), so meet both, following the stricter rule on each point.
- Your client's state usually decides which state law applies. The research located a statute in 40 of 51 jurisdictions, and 25 of those require registration or a license, sometimes before you advertise.
- State bonds are either a condition of doing business or a condition of being paid in advance. No state bond overrides CROA's ban on charging before a service is fully performed.
- Use the latest cancellation deadline, the longest retention period and each statute's prescribed notice wording, in duplicate.
- Nonprofit and attorney exemptions differ by state, so read each state's list instead of relying on the federal one.

- Tell every client plainly that disputing is free and can be done directly with the bureaus, free reports are at AnnualCreditReport.com, accurate negative information is not an error, and no result is guaranteed. State disclosures such as Texas's already require versions of the first and third points.

Sources

- 15 U.S.C. §1679a (definitions): https://www.law.cornell.edu/uscode/text/15/1679a
- 15 U.S.C. §1679b (prohibited practices, advance-fee ban): https://www.law.cornell.edu/uscode/text/15/1679b
- 15 U.S.C. §1679c (disclosures): https://www.law.cornell.edu/uscode/text/15/1679c
- 15 U.S.C. §1679d (contracts): https://www.law.cornell.edu/uscode/text/15/1679d
- 15 U.S.C. §1679e (right to cancel): https://www.law.cornell.edu/uscode/text/15/1679e
- FTC, Credit Repair Organizations Act (full text, including §§1679g and 1679j): https://www.ftc.gov/legal-library/browse/statutes/credit-repair-organizations-act
- AnnualCreditReport.com: https://www.annualcreditreport.com/
- Texas Finance Code Chapter 393: https://tcss.legis.texas.gov/resources/FI/htm/FI.393.htm
- Texas Secretary of State, Credit Services Organizations: https://www.sos.state.tx.us/statdoc/cso.shtml
- Texas Secretary of State, CSO FAQs: https://www.sos.state.tx.us/statdoc/faqs2800.shtml
- California Civil Code §§1789.10–1789.26: https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=CIV&division=3.&title=1.6E.&part=4.&chapter=&article=
- Florida Statutes Chapter 817, Part III: https://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0800-0899/0817/0817.html
- New York General Business Law §§458-b to 458-j: https://www.nysenate.gov/legislation/laws/GBS/458-B (and the linked sections 458-C through 458-J)
- Illinois Credit Services Organizations Act, 815 ILCS 605 (read from a mirror; the official site refused automated retrieval): https://codes.findlaw.com/il/chapter-815-business-transactions/il-st-sect-815-605-3/
- Maryland Commercial Law §§14-1901 to 14-1916: https://mgaleg.maryland.gov/mgawebsite/Laws/StatuteText?article=gcl&section=14-1901&enactments=false
- Maryland Financial Institutions §11-206: https://mgaleg.maryland.gov/mgawebsite/Laws/StatuteText?article=gfi&section=11-206&enactments=false
- Massachusetts General Laws c. 93, §§68A–68E: https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXV/Chapter93/Section68A
- Washington RCW chapter 19.134: https://app.leg.wa.gov/RCW/default.aspx?cite=19.134&full=true
- Ohio Revised Code Chapter 4712: https://codes.ohio.gov/ohio-revised-code/chapter-4712

- Virginia Credit Services Businesses Act: https://law.lis.virginia.gov/vacodefull/title59.1/chapter25.1/
- Louisiana Credit Repair Services Organizations Act, La. R.S. 9:3573.1 et seq.: https://legis.la.gov/Legis/Law.aspx?d=107702
- Utah Code Title 13, Chapter 21: https://le.utah.gov/xcode/Title13/Chapter21/C13-21-S101_2026050620260506.html
- South Carolina Code Title 37, Chapter 7: https://www.scstatehouse.gov/code/t37c007.php
- Pennsylvania Act 150 of 1992 (73 P.S. §§2181–2192): https://www.palegis.us/statutes/unconsolidated/law-information/view-statute?txtType=HTM&SessYr=1992&ActNum=0150.&SessInd=0
- New Hampshire RSA Chapter 359-D: https://www.gc.nh.gov/rsa/html/XXXI/359-D/359-D-mrg.htm
- Georgia O.C.G.A. §16-9-59 (Georgia consumer protection reproduction): https://consumer.georgia.gov/consumer-topics/ocga-section-16-9-59
- Missouri Revised Statutes §407.640: https://revisor.mo.gov/main/OneSection.aspx?section=407.640

Chapter 5: Onboarding clients the right way: intake, identity, consent, data handling and e-signed contracts

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

Compliant onboarding follows a fixed order: free information, an intake that is not a contract, the client's own reports, an identity check, consent to electronic records if you use them, the separate disclosures, a signed contract with two cancellation notices and copies, and then a wait until the longest cancellation period ends. You collect only the data the work needs, keep each permission separate, and have the client sign everything personally. Chapters 2 and 4 cover the CROA documents and state rules in depth.

What order should onboarding follow?

Step	What happens	Controlling rule
1. Information	Services and prices, no personal details asked	CFPB guidance
2. Intake	Learn the goal; screen out what no one may do	15 U.S.C. §1679b(a); CD-131
3. Reports and identity	Client supplies reports; you confirm who they are	15 U.S.C. §§1681b, 1681q; 12 CFR 1022.123
4. Electronic-records consent	Only if documents are delivered electronically	15 U.S.C. §7001(c)
5. Disclosures	CROA statement alone, plus any state statement	15 U.S.C. §1679c; state law
6. Contract	Signed, dated, two cancellation notices, copies at signing	15 U.S.C. §§1679d, 1679e
7. Waiting period	No service until the latest deadline passes	§1679d(a)(2); state law
8. First service	Each letter still needs the client's approval	CD-140

The CROA statement must come "before any contract or agreement between the consumer and the credit repair organization is executed" (15 U.S.C. §1679c(a)). Many states add a payment trigger for their own statement: before the contract "or before the receipt by the credit services organization of any money or other valuable consideration, whichever occurs first." That is Washington's wording (RCW 19.134.040); Chapter 4 covers the other states' versions. Deliver state statements before any money changes hands.

What should intake collect, and what should it leave out?

Intake has one job: to learn what the client wants and whether you can lawfully help. No paid service happens during it. The owner's template CD-131, "Client intake and safe-contact form," has the client confirm that "This intake is not a signed dispute, a contract for paid services, a power of attorney, or permission for automatic submissions."

Give information away first. The CFPB's test for a credit counselor is a fair standard for any firm: "a reputable credit counseling agency should be willing to send you free information about itself and the services it provides without requiring you to provide any details about your situation" (CFPB).

Collect (following CD-131): legal name, mailing address and state of residence, which tells you which state's rules to check (Chapter 4); preferred language, a safe contact method and contact restrictions; the goal; what looks wrong, in the client's words, with masked account numbers only; earlier disputes and results; documents on hand and missing; any attorney or authorized representative; and urgent matters such as a lawsuit, foreclosure or identity theft.

Leave out. CD-131 says: "Do not submit passwords, a full Social Security number, or unrelated medical records on this form." The FTC is blunter: "If you don't have a legitimate business need for sensitive personally identifying information, don't keep it. In fact, don't even collect it" (FTC).

Refer urgent matters out. CD-131 warns that "Intake does not stop any deadline." A client with a court date needs a referral that day.

Screen out what no one may do. Under 15 U.S.C. §1679b(a), no person may make or advise an untrue or misleading statement about creditworthiness to a bureau or creditor, or a statement meant to alter a consumer's identification to hide accurate, non-obsolete information. Decline requests to "remove everything," to call a real account "not mine," or to build a new credit identity. Two states add a factual-basis rule:

- Utah bars disputing an entry "without a factual basis for believing and obtaining a written statement for each entry from the person stating that that person believes that the entry contains a material error or omission, outdated information, inaccurate information, or unverifiable information" (Utah Code §13-21-102(1)(c)).
- Washington bars a dispute "without a good faith belief in the accuracy of the dispute" (RCW 19.134.020(1)(d)).

A signed, per-entry statement from the client is sound practice everywhere.

Handle identity theft and trafficking with care. Never infer identity theft from an unfamiliar name. A client describing actual identity theft belongs at IdentityTheft.gov, which the CFPB names as the place to report it and get a recovery plan. Filing a false identity theft report carries "criminal penalties relating to the filing of false information" (15 U.S.C. §1681a(q)(4)). If a client discloses trafficking, hand them to the official process: Regulation V lets a designated representative prepare the supporting statement, "except for a credit repair organization" (12 CFR 1022.142).

Explain the free path. Tell the client, in your own words, that disputing is free and they can do it directly with the bureaus and the companies that supplied the information; that free reports are at AnnualCreditReport.com; that accurate negative information is not an error; and that no result is guaranteed.

How should you get the client's credit reports?

Have the client get them. The simplest source is the client's own free reports from AnnualCreditReport.com, uploaded through a secure channel. The FTC says the three nationwide bureaus "have permanently extended a program that lets everyone in the U.S. check their credit report from each once a week for free" there (FTC, page dated November 2023, retrieved September 20, 2026). Client-supplied reports avoid three problems:

- **Permissible purpose.** A bureau may furnish a report "under the following circumstances and no other" (15 U.S.C. §1681b(a)), one of which is "the written instructions of the consumer to whom it relates."
- **False pretenses.** Anyone who "knowingly and willfully obtains information on a consumer from a consumer reporting agency under false pretenses" can be fined, imprisoned for up to 2 years, or both (15 U.S.C. §1681q). Do not collect client passwords, and never let staff speak to a bureau as the client. Ohio bars contacting a bureau and stating or implying that you are "the buyer or the buyer's attorney, guardian, or other legal representative" (Ohio Rev. Code §4712.07(K)).
- **Hidden costs.** A required paid monitoring product belongs in the contract total, which covers "all payments to be made by the consumer to the credit repair organization or to any other person" (§1679d(b)(1)).

A client can also ask a bureau to leave the first five digits of their Social Security number out of the file disclosure (15 U.S.C. §1681g(a)(1)(A)), so less sensitive data reaches you.

Some states need the report before signing. Connecticut requires the current report attached to the contract "with the adverse entries to be modified clearly marked" (Conn. Gen. Stat. §36a-700(c)). New York requires the current report annexed "with the adverse entries proposed to be modified clearly marked," plus a list of those entries (N.Y. Gen. Bus. Law §458-f(1)(a)). Both also call for a statement of "the results to be achieved," which needs careful handling beside CROA's ban on misleading representations (Chapter 4). A listed entry states the correction the client is asking for; it is never a promise that a bureau or creditor will make it.

How do you verify a client's identity?

Verify before you prepare anything in the client's name. Letters for the wrong person expose someone else's data. Ohio sets a floor: no disputes to a bureau "without the buyer's knowledge as evidenced by positive identification, including the buyer's correct current residence address, and written authorization personally signed by the buyer" (Ohio Rev. Code §4712.07(I)).

Model your check on the bureaus' own. Regulation V requires their proof-of-identity requirements to be enough to "match consumers with their files" and "commensurate with an identifiable risk of harm arising from misidentifying the consumer" (12 CFR 1022.123). Its examples of additional proof are "copies of government issued identification documents, utility bills, and/or other methods of authentication." The CFPB's sample dispute letter tells consumers to enclose a copy of a government-issued ID and a utility bill, bank or insurance statement, so your client will usually need these anyway.

A proportionate procedure:

1. Collect ID and proof of address only through a verified secure channel, never on the intake form or by ordinary email.
2. Compare the name and current address on them with the reports.
3. Log who checked, when, which documents and what matched.
4. Keep copies only if you will enclose them with letters, and only as long as your retention schedule allows.
5. Deal with the client directly. The contract must be "signed by the consumer" (§1679d(a)(1)). A relative can make an introduction; the client enrolls, signs and approves.

One more rule from CheckDispute's legal references: address validation is not identity verification.

Which permissions do you need, and why keep them separate?

Each permission covers one thing; bundled permissions are harder to prove. Template CD-148 says: "Consumer permissions are separate from marketing consent, permissible-purpose certification and authority to sign disputes."

Permission	What it covers	Source
Electronic-records consent	Getting required documents electronically	15 U.S.C. §7001(c)
Disclosure acknowledgment	Receipt of the CROA statement	§1679c(c)
Contract signature	Services, total price, completion estimate	§1679d
Authorization to communicate	Contact with bureaus, creditors, collectors	Cal. Civ. Code §1789.13(m); RCW 19.134.020(1)(f)

Permission	What it covers	Source
Per-entry statement	Which entry is wrong, and why	Utah Code §13-21-102(1)(c)
Per-letter approval	One exact letter and attachment set	CD-140
Records-sharing	Named records, one holder, one purpose, an end date	CD-141
Marketing consent	Promotions only, kept apart from every other permission	CD-148

- **Authorization to communicate.** California bars contacting a bureau, creditor, debt collector or debt buyer "without the prior written authorization of the consumer" (Cal. Civ. Code §1789.13 (m)), and Washington has a parallel rule. Both accept "a relevant authorization in the agreement or contract." Put it there, limited to communications the client approves.
- **Per-letter approval.** CD-140: the client must "approve and sign each letter personally," "one approval covers one exact packet," and there is "no blanket approval for automated dispute cycles or unreviewed AI-generated allegations."
- **Records-sharing.** CD-141 limits sharing to identified records, sets an expiry and a way to revoke, and says, "This is not a general power of attorney." It names Check Dispute LLC as recipient, so reissue it in your own legal name.
- **The direct-dispute exception.** Under 12 CFR 1022.43(b)(2), a furnisher need not investigate a direct dispute it reasonably believes a credit repair organization submitted or prepared, or that uses a form one supplied. Disputes filed with a bureau are not affected. CD-133 tells staff to disclose this "before choosing a direct-furnisher route" (Chapter 6).
- **No waivers.** A waiver of CROA rights is void, and "any attempt by any person to obtain a waiver from any consumer" is itself a violation (15 U.S.C. §1679f).

How do e-signed contracts work under CROA?

An e-signed contract can be valid, but going electronic removes none of CROA's content, order or copy rules, and it adds a consent step. A signature, contract or record "may not be denied legal effect, validity, or enforceability solely because it is in electronic form" (15 U.S.C. §7001(a)(1)). But "nothing in this subchapter affects the content or timing of any disclosure or other record required to be provided or made available to any consumer" (§7001(c)(2)(A)), and the Act does not "require any person to agree to use or accept electronic records or electronic signatures" (§7001(b)(2)). Offer paper to anyone who wants it.

Consent to electronic records. Where a law requires information to be given to a consumer in writing, as CROA does for the disclosure statement, an electronic record counts only after the consumer affirmatively consents (§7001(c)(1)). First, give a clear and conspicuous statement of:

- any right to paper copies;

- the right to withdraw consent, with any conditions, consequences or fees;
- whether consent covers this transaction or identified categories of records;
- how to withdraw and how to update contact details;
- how to get a paper copy later, and any fee;
- the hardware and software needed to open and keep the records.

The client then consents electronically "in a manner that reasonably demonstrates that the consumer can access information in the electronic form that will be used" (§7001(c)(1)(C)(ii)). One method: the client opens a sample PDF and types back a code printed inside it.

Order the envelope. E-signature tools bundle documents; under CROA that is a trap. The disclosure must be "separate from any written contract or other agreement between the credit repair organization and the consumer or any other written material provided to the consumer" (§1679c(b)). Send it alone and collect the acknowledgment, then any state statement on its own, then the contract with its two Notice of Cancellation forms.

Copies the client can keep. Where a law requires a written contract, an electronic one can be denied effect if it is "not in a form that is capable of being retained and accurately reproduced for later reference by all parties" (§7001(e)). CROA requires copies of the contract, the disclosure and every other signed document "at the time the contract or the other document is signed" (§1679e(c)). Deliver downloadable PDFs at signing.

Keep exactly what was signed. An electronic record meets a retention rule if it stays accurate and accessible for the required period (§7001(d)(1)). Record a fingerprint of each signed file; NIST says such digests "are used to detect whether messages have been changed since the digests were generated" (NIST FIPS 180-4).

The client signs, never staff. CD-140: "staff may not sign, e-sign or approve for the client." Washington's contract must include the consumer's "explicit written approval" for the organization to use the consumer's signature "in order to facilitate credit repair services" (RCW 19.134.060(1)(b)). Including that approval permits signature use; it does not oblige you to use it, and CD-140's rule can still govern your practice.

Keep cancellation free. CD-146: "Never require e-signature, notarization or paid mailing to cancel." Washington's notice accepts delivery "including through electronic means" (RCW 19.134.060(2)). Nor is notarization required for the contract; CD-144 notes that §1679d "requires a written, dated contract signed by the consumer, not notarization."

Match the language. Washington and Oklahoma require the Notice of Cancellation to be "written in the same language as used in the contract" (RCW 19.134.060(2); 24 O.S. §137(B)). For the federal disclosure, the template library (CD-145) delivers the statutory English text as the acknowledged text, with any translation alongside, never in its place.

No signing fees. A fee taken at signing, before any service is performed, runs into the advance-fee ban in §1679b(b).

How should you handle and keep client data?

The FTC notes that "statutes like the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act, and the Federal Trade Commission Act may require you to provide reasonable security for sensitive information." Its five principles fit a dispute business:

FTC principle	In a dispute business
Take stock	List every place client data lands, including vendors.
Scale down	Collect the minimum; give staff access "only to those resources needed to do their particular job."
Lock it	Encrypt, use multi-factor login, and keep sensitive files out of email: "Regular email is not a secure method for sending sensitive data."
Pitch it	Shred, wipe and delete on schedule; a business using consumer reports "may be subject to the FTC's Disposal Rule."
Plan ahead	Name an incident lead and write the response plan now.

Staff and vendors. The FTC recommends signed confidentiality agreements and phishing training for staff. For vendors: "Put your security expectations in writing in contracts with service providers. Then, don't just take their word for it — verify compliance."

Redact outgoing letters. Washington requires written communications to show only the last four digits of a Social Security, taxpayer or state ID number or an account or card number, and only the month and year of birth, unless the full number or date is required by law, or is legally permissible and needed to achieve the objective (RCW 19.134.100). It is a sound default everywhere.

Keep records for the longest period that applies, then dispose of them. CROA requires keeping the signed acknowledgment "for 2 years after the date on which the statement is signed" (§1679c(c)(2)). State periods run to 4 years after the agreement ends in California and Washington (Cal. Civ. Code §1789.14; RCW 19.134.040) and 5 years in Florida (Fla. Stat. §817.702); the District of Columbia requires 3 years (D.C. Code §28-4605(a)). Ohio requires a log and a copy of every contract for a period its superintendent sets (§4712.07(J)). Write it into the retention policy the FTC recommends, covering "what information must be kept, how to secure it, how long to keep it, and how to dispose of it securely." Template CD-148 is a worksheet for this, with one firm rule: "Do not check an unimplemented control as present."

Worked example: onboarding a Washington client

Everything here is invented. Harbor Line Credit Services LLC charges only after each service is performed (Chapter 8). Its client is Dana Whitfield of Spokane, Washington.

Date (2026)	What happens	Record
Mon., Oct. 19	Dana reads the public prices and free options and books a call, giving no personal details.	None
Tue., Oct. 20	Intake (CD-131). Dana wants "the negatives gone"; the advisor explains the free path and that accurate negative information is not an error.	Intake record
Tue., Oct. 20, evening	Dana uploads her three reports from AnnualCreditReport.com, her driver's license and a utility bill through the portal. Staff match her name and address across all five.	Identity log
Wed., Oct. 21, 9:40 a.m.	Electronic-records disclosures; Dana opens the sample PDF and enters its code.	Consent record
Wed., Oct. 21, 9:55 a.m.	The CROA statement arrives alone; Dana signs the acknowledgment. The Washington statement follows separately.	Two acknowledgments, fingerprinted
Wed., Oct. 21, 2:30 p.m.	Dana signs the contract, including written authorization for bureau disputes she approves letter by letter. Two completed notices; she downloads everything.	Contract, notices, delivery log
Oct. 22 to Oct. 28	Waiting period. No work.	None
Thu., Oct. 29	Work begins.	Start record

Three rules, three readings. Counting Monday through Friday, with no federal holiday in the span:

- **CROA:** the third business day after signing is Monday, October 26.
- **Washington contract statement:** "midnight of the fifth day after the date of the transaction" is also Monday, October 26.
- **Washington notice:** "the fifth working day after you sign it" is Wednesday, October 28.

The firm prints the latest, midnight Wednesday, October 28, on both notices.

What Dana flagged. An address in Tacoma where she never lived, which her lease history contradicts. A closed auto loan reported with a $3,480 balance, against the lender's June 2025 payoff letter. And a $610 collection she recognizes and has not paid. That one is accurate, so it is not disputed; Dana signs per-entry statements for the first two only.

Retention. The whole file follows Washington's longer schedule: four years after the agreement ends.

What this establishes. The steps ran in order, each document stood alone, identity was checked before any work, and the deadline followed the most protective reading.

What it does not establish. That any bureau will change the address or the balance, or that this file meets every Washington requirement (Chapter 4). Nor that Dana needed to pay anyone: she could send the same disputes herself for free.

A variation. Dana's brother calls to "sign her up" and offers to email photos of her Social Security card. The advisor declines: Dana enrolls herself, and sensitive documents go only through the portal.

Common onboarding mistakes

- **Collecting everything "just in case."** Full Social Security numbers, passwords and unrelated medical records add risk and do no work.
- **One e-signature envelope for everything.** The CROA disclosure must be separate from the contract and "any other written material."
- **Starting while the client "thinks it over."** Report review and drafting are services, and they wait.
- **Promising results at intake.** The required disclosure itself says no one has the right to have accurate, current and verifiable information removed.

Checklist: onboarding a new client

- [ ] Services, prices and free options are given without asking for personal details.
- [ ] Intake collects only what the work needs; urgent matters are referred the same day.
- [ ] Requests to dispute accurate information, deny real accounts or build a new identity are declined and logged.
- [ ] The client supplies their own reports, or a valid permissible purpose covers any pull.
- [ ] Identity is checked through a secure channel against the reports and logged.
- [ ] Electronic-records disclosures are shown, and consent shows the client can open the documents.
- [ ] The CROA statement goes alone before the contract; state statements go before the contract and any payment.
- [ ] The contract includes written authorization to communicate, the bold cancellation statement beside the signature, and two notices in the contract's language.
- [ ] Downloadable copies of every signed document are delivered at signing, and each is fingerprinted.
- [ ] No work is scheduled before the latest deadline passes, and retention follows the longest applicable period.

Completing this checklist does not show that a business complies with every applicable law, and it does not show that any dispute will succeed.

Where does CheckDispute Business fit?

CheckDispute is software. In CheckDispute Business, the firm using it is the credit repair organization, and onboarding compliance stays with the firm. The CheckDispute Business plan (September 25, 2026) builds onboarding around this chapter: a client portal where clients upload their own reports, approve letters and see mail status; an e-contract flow that delivers the §1679c disclosure, the §1679d contract and the §1679e cancellation right before any client work; a separate workspace for each client's records; and letters that state only facts the client attested, each with its source links. The built-in cancellation step is the federal one; state statements, longer periods and state notice wording are yours to add (Chapter 4). Templates CD-131, CD-140, CD-141, CD-142, CD-145, CD-146 and CD-148 support these steps, and those naming Check Dispute LLC must be reissued in your own legal name.

For individual consumers, CheckDispute works from a report the consumer obtained, with no monitoring subscription. The preview is free. A $29 report unlock, or a plan charged only in a month it is used, unlocks the final letters, with the required agreement and disclosures included. E-signature for other documents, notarization and mailing with tracking are optional add-ons, and sales tax is added where it applies. Consumers can also dispute on their own, for free.

Key points

- Onboarding runs in a fixed order: free information, intake, reports and identity, electronic-records consent, separate disclosures, the contract with two notices and copies, then the longest waiting period.
- Collect the minimum: the client pulls their own free reports, forms never ask for passwords or full Social Security numbers, and identity proof moves only through a secure channel.
- Keep each permission separate, have the client sign everything personally, and never include a waiver.
- E-SIGN makes electronic contracts valid but changes none of CROA's content, order or copy rules.
- Secure and redact client data, keep records for the longest applicable period (2 years federally, up to 5 in some states), then dispose of them.
- Tell every client that disputing is free and can be done directly, that reports are free at AnnualCreditReport.com, that accurate negative information is not an error, and that no result is guaranteed.

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Chapter 6: Dispute operations that hold up: accuracy first, bureau versus furnisher routes, the Regulation V exception and no repeated rounds

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

A dispute operation holds up when every letter it sends can answer three questions: what exactly is wrong, why this recipient, and what is new since the last letter. The dispute system corrects information that is inaccurate, incomplete or cannot be verified. It does not remove accurate negative information, and no process guarantees a particular result.

The routes are not interchangeable. A dispute filed with a credit bureau carries the bureau's duty to reinvestigate and, through the bureau's notice, the furnisher's duty to investigate. A dispute your firm prepares and sends straight to the furnisher may carry no duty at all, because Regulation V lets the furnisher decline it. And a letter that repeats an earlier one without adding anything invites a frivolous, irrelevant or duplicative determination on every route.

This chapter turns those rules into procedure: an accuracy gate, a route decision, a response-driven next step in place of monthly "rounds," and a calendar that runs from receipt. Chapter 7 covers the letters themselves. Your clients can do all of this without you: disputing is free, they can dispute directly with the bureaus and furnishers, and free reports are available at AnnualCreditReport.com.

What does "accuracy first" mean in a dispute operation?

It means no dispute leaves your office unless the client has identified a specific entry, the field on it that is wrong, the correct value, and the fact or document that shows it, and has confirmed all of that in writing.

The federal floor binds every business, covered by the Credit Repair Organizations Act or not. Under 15 U.S.C. §1679b(a)(1), no person may "make any statement, or counsel or advise any consumer to make any statement, which is untrue or misleading" about a consumer's creditworthiness to a credit bureau or a creditor. A dispute is a statement that an entry is wrong. When the entry is right, the dispute is the problem. The CFPB says consumers "generally cannot have negative information removed" from a report if it is accurate (CFPB), and it treats a company that "advises you to dispute all the information in your credit report, even if it is correct and timely" as a scam warning sign (CFPB).

Several states write the accuracy gate into the statute:

- **Utah** bars disputing an entry "without a factual basis for believing and obtaining a written statement for each entry" from the person that they believe it "contains a material error or omission, outdated information, inaccurate information, or unverifiable information" (Utah Code §13-21-102(1)(c), as renumbered effective May 6, 2026).
- **Colorado** bars making, or advising a buyer to make, a request that a bureau verify information unless the buyer tells the firm in writing that it is incorrect and "states specifically the basis of the inaccuracy or incorrectness of each disputed item of information" (Colo. Rev. Stat. §5-19-104(1)(d); FindLaw mirror, current as of January 1, 2025).
- **Washington** prohibits submitting or advising "a dispute without a good faith belief in the accuracy of the dispute" (RCW 19.134.020(1)(d)).
- **Michigan** bars helping or advising a buyer to remove adverse information "that is accurate and not obsolete" (Mich. Comp. Laws §445.1823(h)).

Our 50-state research is a verified starting point, not a clearance for any state; Chapter 4 and Appendix A cover the rest.

Make the gate a record. An **issue record** is a one-page file, one per disputed item, completed before any letter is drafted. It holds the entry (bureau, report date, furnisher, masked account number); the field and its reported value; the correct value; the evidence, or the client's own knowledge labeled as such; anything that points the other way; the client's written statement of why the entry is wrong; and the route. The owner's template CD-133, "Dispute issue and evidence assessment," uses this structure, and its stop rule works as firm policy: "Do not proceed where the proposed claim rests only on an accurate negative item, a missing wet-ink contract, a generic statute list, a false fraud allegation, or an unsupported deletion guarantee." Its companion, CD-132, adds: "Different data or timing across agencies is not by itself proof of a legal violation."

The CFPB's list of common credit report errors shows what a real error looks like: wrong identity details, a **mixed file** holding someone else's accounts, an authorized user reported as the owner, an incorrect late payment, wrong dates, a debt listed twice. An accurate late payment is not on it.

The client then approves each packet in its exact final form, confirming in template CD-140: "I have not been told to deny an account I know is mine, claim identity theft that did not occur, or conceal relevant facts."

Which route fits: the bureau, the furnisher or the collector?

For a dispute your firm prepares about a credit report entry, the bureau route is the default. The direct furnisher route belongs to the client, and a furnisher need not investigate a direct dispute it reasonably believes a credit repair organization prepared. A debt validation dispute is a collection right, not a credit report reinvestigation.

	Bureau dispute	Direct furnisher dispute	Collector validation dispute
Law	15 U.S.C. §1681i; furnisher duties after the bureau's notice, §1681s-2(b)	15 U.S.C. §1681s-2(a)(8); 12 CFR 1022.43	15 U.S.C. §1692g(b); 12 CFR 1006.38
Covers	Any item in the file disputed as inaccurate or incomplete	The client's account with that furnisher; not identifying information, employers, inquiries, most public-record information, alerts, or another furnisher's data	Whether the debt, or part of it, is owed
Recipient must	Reinvestigate free, notify the furnisher within 5 business days, consider what was sent, correct or delete what is inaccurate, incomplete or unverifiable	Investigate, review what was sent, report results, correct inaccurate data with each bureau	Stop collecting the disputed amount until it sends verification or a judgment
Clock	30 days from receipt; up to 15 more as §1681i(a)(1)(B) allows; 45 days after a free annual disclosure (§1681j(a)(3))	The period a bureau would have	No fixed deadline; collection waits
Credit repair preparer	No exception in §1681i	Need not investigate (§1022.43(b)(2))	Not a report dispute

Why the bureau route is the default.

- **No credit repair carve-out.** The Regulation V exception sits in the direct-dispute rule. Section 1681i has no counterpart.
- **It brings the furnisher in.** The bureau must send the furnisher "all relevant information regarding the dispute" within five business days (§1681i(a)(2)(A)). That notice triggers the duties in §1681s-2(b): investigate, review, report, and modify, delete or "permanently block the reporting of" an item found inaccurate, incomplete or unverifiable.
- **It covers what the direct route excludes.** Inquiries, identifying information and most public-record items fall outside the direct-dispute duty (12 CFR 1022.43(b)(1)). A bureau dispute reaches "any item of information" in the file.
- **Its enforcement is structured differently.** Subject to one cross-referenced exception, §1681s-2(c) makes the civil liability sections, §§1681n and 1681o, inapplicable to violations of subsection (a), "including any regulations issued thereunder." The direct-dispute duty sits in (a); the duties after a bureau's notice sit in (b), which (c) does not exclude. That is statutory structure, not a claim's value, and no one on your staff should tell a client a violation means money.

The CFPB adds that the right to put a statement of dispute in the file "applies only to disputes you've submitted to a credit reporting company" (CFPB).

Section 1681i speaks of an item "disputed by the consumer," so keep every bureau dispute unmistakably the client's: their facts, their signature, their approval, and no staff member posing as the client. Ohio bars contacting a bureau to "state or imply that he or she is the buyer or the buyer's attorney, guardian, or other legal representative" (Ohio Rev. Code §4712.07(K)). Check each bureau's current instructions, linked from the CFPB's dispute page, rather than assume how it handles mail sent for a client.

The collector route. If the consumer disputes a debt in writing within the thirty-day period in 15 U.S.C. §1692g, a covered collector "shall cease collection of the debt, or any disputed portion thereof, until the debt collector obtains verification of the debt or a copy of a judgment" and mails it. 12 CFR 1006.38(d)(2) applies the rule to written disputes within the validation period. As template CD-056 warns, "These rules do not automatically apply to every original creditor or business debt," and there is no universal rule that a collector must validate within 30 days. Texas adds one state route: a third-party collector that reports information related to a disputed debt to a credit bureau "shall cease collection efforts until the investigation determines the accurate amount of the debt, if any" (Tex. Fin. Code §392.202(a)); template CD-129 covers it.

Other problems run under other laws. A credit card billing error has its own notice and deadline (12 CFR 1026.13), and as template CD-046 says, "A bureau dispute does not substitute for this billing notice."

What is the Regulation V exception, and how should a firm work with it?

It lets a furnisher skip investigating a direct dispute it reasonably believes came from a credit repair organization. Work with it by keeping firm-prepared disputes on the bureau route, telling clients about their own direct right, and never disguising who prepared a letter.

The rule. Under 12 CFR 1022.43, a furnisher must reasonably investigate a direct dispute about the consumer's liability, the account's terms, the consumer's payment performance, or other account information bearing on creditworthiness. The notice must go to a qualifying address and state "the specific information that the consumer is disputing and an explanation of the basis for the dispute," with the documents the furnisher reasonably requires (§1022.43(c)–(d)). But those duties do not apply if "the furnisher has a reasonable belief that the direct dispute is submitted by, is prepared on behalf of the consumer by, or is submitted on a form supplied to the consumer by, a credit repair organization, as defined in 15 U.S.C. 1679a(3), or an entity that would be a credit repair organization, but for 15 U.S.C. 1679a(3)(B)(i)" (§1022.43(b)(2)).

Four features matter:

- **It comes from the statute.** Section 1681s-2(a)(8)(G) says the direct-dispute paragraph "shall not apply" to such notices, and Congress told regulators to weigh the impact on the credit reporting process if credit repair organizations were "able to circumvent the prohibition" (§1681s-2(a)(8)(B)(iv)).

- **The client's signature does not change it.** The business note on template CD-140 says: "A letter your company prepared remains credit-repair-prepared under 12 CFR 1022.43(b)(2) even after the client signs it."
- **It reaches nonprofits.** Section 1679a(3)(B)(i) is CROA's 501(c)(3) exclusion; the "but for" clause brings those organizations back in.
- **It can arrive as a frivolous-or-irrelevant notice.** Section 1022.43(f)(1)(iii) treats a dispute covered by an exception as frivolous or irrelevant, and the furnisher must tell the consumer within five business days, with reasons (§1022.43(f)(2)–(3)). That notice is the regulation working as written, not a violation to escalate.

What it is not. It is not a bar on the client's own direct dispute. The CFPB tells consumers: "To fully protect your rights, you should always dispute credit report inaccuracies with both" the bureaus and the furnishers (CFPB). Tell clients the right exists, that it is free, and that the CFPB publishes in structions and sample letters. Whether a particular kind of help makes a letter one "prepared on behalf of the consumer" by your firm, or puts it "on a form supplied to the consumer" by your firm, is a legal question; the careful practice is to explain the right and stop there. It does not reach bureau disputes. And it is not a hurdle to engineer around: having clients copy your template by hand, stripping your letterhead, or scripting a "write it in your own words" letter misrepresents who prepared the dispute.

Where furnisher letters still fit. Letters that say what they are have a place. CD-116, a goodwill request for an accurate late payment, is labeled "Voluntary goodwill, not a statutory dispute or guaranteed deletion." CD-041, an account-review request, states: "This letter does not claim that a consumer's direct notice alone triggers 15 U.S.C. § 1681s-2(b)." Its business note tells firms to keep the line identifying the template, never present the letter as written without help, and file the bureau dispute alongside it.

Why don't repeated rounds work?

Furnishers and collectors have express rules for a dispute that repeats one already handled, and a bureau can treat a dispute that gives it nothing to reinvestigate as frivolous or irrelevant. New wording is not new information. What the rules reward is a new fact.

- **Furnishers.** A direct dispute is frivolous or irrelevant if it is "substantially the same as a dispute previously submitted by or on behalf of the consumer, either directly to the furnisher or through a consumer reporting agency," and the furnisher has already met its duties (12 CFR 1022.43(f)(1)(ii); 15 U.S.C. §1681s-2(a)(8)(F)(i)(II)). A direct letter repeating a bureau dispute the furnisher already investigated counts. A dispute is not substantially the same if it includes required information "that had not previously been provided to the furnisher."
- **Collectors.** A **duplicative dispute** is substantially the same as one already answered and "does not include new and material information" (12 CFR 1006.38(a)(1)). The CFPB's official interpretation says a later dispute "can be substantially the same as an earlier dispute even if

the later dispute does not repeat verbatim the language of the earlier dispute." Information is material if it is "reasonably likely to change the verification the debt collector provided or would have provided." The CFPB's example is a cancelled check showing the consumer paid.

- **Bureaus.** A bureau may end a reinvestigation it "reasonably determines" is frivolous or irrelevant, "including by reason of a failure by a consumer to provide sufficient information to investigate the disputed information" (§1681i(a)(3)(A)). The statute sets no repeat test for bureaus, so do not cite one; a repeat simply gives the bureau nothing new to reinvestigate.

The state rules apply to the fifth letter as much as the first. Repeating also buys a client nothing legally: template CD-127 warns that claims "have different accrual and limitations rules; repeated disputes do not automatically restart them." Monthly rounds are usually a billing model, and CROA's ban on payment before a service is fully performed is in Chapter 8.

The new-fact test. Before any follow-up dispute, staff complete one sentence: "This letter gives [recipient] [document or fact], which it has not seen, and which shows [field] should read [value]." If the sentence cannot be completed, the letter does not go. Letters that answer a recipient's request, or ask for something the statute provides, are responses, not repeat disputes; label them that way.

What should happen after a response comes back?

Read what the response actually says, then take the step that answers it. Template CD-138, "Dispute outcome and next-action tracker," records before-and-after values and a chosen next step.

What came back	Next step	Template
Nothing yet	Confirm the receipt date and whether the 15-day extension applies before calling anything late	CD-026
"Frivolous or irrelevant"	The notice must give reasons and identify the information needed (§1681i(a)(3)(C)); supply exactly that	CD-030
Request for identification	Answer using the recipient's own requirements	CD-031
Furnisher cites the credit repair exception	Use the bureau route	CD-001 or a narrower bureau template
"Verified," with a new document	Renewed dispute naming what is new	CD-027
"Verified," disputed field ignored	Request the procedure description, due within 15 days of the request (§1681i(a)(7)); re-dispute only with the evidence and one clear question	CD-029, CD-028
"Verified," nothing new	Statement of dispute, CFPB complaint, lawyer referral, or close	CD-034, CD-124, CD-127

What came back	Next step	Template
Corrected at one bureau only	Send the correction evidence to the other	CD-040
Deleted, then back	Check the certification and notice rules in §1681i(a)(5)(B) first	CD-032

A statement of dispute is "a brief statement setting forth the nature of the dispute," which a bureau may limit to 100 words if it helps write it (§1681i(b)). A changed report alone does not prove unlawful reinsertion. And CD-138 carries two lines for every client: "A deletion at one agency does not automatically bind another," and "Do not attribute a score movement solely to this letter without evidence."

How should the dispute calendar run?

Every clock runs from a defined event, usually receipt, not the day you mailed. The FTC suggests certified mail with a return receipt "so you have a record the credit bureau got it" (FTC). Calendar that date.

Event	Period	Source
Bureau reinvestigation	30 days beginning on the date the bureau receives the dispute	§1681i(a)(1)(A)
Extension	Up to 15 more days, only if the consumer sends relevant information during the 30 days, and not if the item is found inaccurate, incomplete or unverifiable in that time	§1681i(a)(1)(B)–(C)
Notice to furnisher	5 business days from receipt	§1681i(a)(2)(A)
Frivolous notice	5 business days after the decision	§1681i(a)(3)(B); 12 CFR 1022.43(f)(2)
Written results	5 business days after completion	§1681i(a)(6)(A)
Procedure description	15 days after the request	§1681i(a)(7)
Direct furnisher dispute	Before the §1681i(a)(1) period would expire	12 CFR 1022.43(e)(3)

There is no flat "45-day rule," and a missed deadline is not an automatic deletion. Template CD-135 adds: "A mailing date is not always the legal trigger."

Worked example: one client file, run the right way

Everything in this example is fictional: the client, the firm, the companies and every figure.

Dana lives in Ohio. Her firm has completed the Chapter 2 sequence and holds what Ohio requires before any bureau dispute: "positive identification, including the buyer's correct current residence address, and written authorization personally signed by the buyer" (Ohio Rev. Code §4712.07(I)). Her reports show:

- An auto loan reported 60 days late for May 2025 at two bureaus. She has a bank statement showing the payment cleared on time and a July 2025 lender letter acknowledging a processing error.
- A collection at $1,150. She has the collector's letter accepting $600 as settlement in full, and her payment confirmation.
- A 2022 credit card charge-off she agrees is accurate.
- An address in a city where she has never lived.

Intake and routes. Three items pass the gate. The firm tells Dana in writing that the charge-off is accurate, that accurate negative information is not an error, and that it will not dispute or bill for it. The late payment goes to both bureaus on CD-007 with both documents, not to the lender as a firm-prepared direct dispute; the firm tells Dana she can dispute directly with the lender herself, free. The collection goes to the bureau on CD-010; a validation letter would not help, because the debt is resolved. The address goes to the bureau on CD-003, since identifying information is outside the direct-dispute rule (§1022.43(b)(1)(i)). Dana approves each exact packet. Certified mail goes out October 1; receipts show delivery October 6, and every clock runs from October 6.

Results. The first bureau updates the late payment, shows the collection at $0 and settled, and removes the address. The second bureau returns the late payment "verified" and sends a frivolous-or-irrelevant notice on the collection: it could not identify the account. The firm had used the account number as the first bureau displayed it. That was the firm's error.

Next steps. The firm does not resend. On the collection, it answers the notice's stated reason with CD-030, identifying the account as that bureau shows it. On the late payment, it requests the procedure description with CD-029 and sends nothing else. Three weeks later, Dana forwards a new lender letter saying it has told every bureau to report May 2025 as current. Now the new-fact test can be completed, and the firm prepares CD-040, "Correction acknowledged but not reflected in another report." It bills each service only after it is fully performed (Chapter 8).

What this establishes. Each route matched the item, and each follow-up answered a request or added something the recipient had not seen.

What it does not establish. It does not show that the second bureau will change the late payment; that depends on its reinvestigation, and the first bureau's corrections do not bind it. Dana could have done all of this herself, for free. No particular result is guaranteed.

Where does CheckDispute Business fit?

CheckDispute is software. In CheckDispute Business, the firm using it is the credit repair organization, responsible for its own disputes. Software cannot make a dispute accurate, but the Business workspace is designed around this chapter:

- Letters go to the bureaus by default. Creditor letters, such as goodwill requests and collector letters, are labeled for what they are; the direct-dispute form stays off by default; and CheckDispute never disguises who prepared a letter.
- Sequences advance only on a reply or new facts, and custom templates must pass the same compliance check as the built-in library.
- Letters state only facts the client attested in the portal, or facts the business recorded from the client and marked as such, and each keeps its source links. Clients approve letters and see mail status in their own portal.

The consumer edition runs on the same rules. Report upload, packet building and a watermarked letter preview are free. A $29 report unlock, or a monthly plan charged only in a month it is used, unlocks the final letters, including follow-up letters prepared after the consumer's answers or a bureau response, so a follow-up carries no per-round preparation fee. E-signature, notarization and mailing with tracking are optional add-ons priced per use, and sales tax is added where it applies.

Checklist: a dispute-operations audit

- [ ] Every open dispute has an issue record, including the client's written statement of why the entry is wrong.
- [ ] Accurate negative items are marked "no dispute," explained to the client in writing, and never billed.
- [ ] Every packet was approved by the client in its exact final form.
- [ ] Firm-prepared disputes go to the bureaus, and none is described as obliging a furnisher to investigate.
- [ ] No letter or call disguises who prepared it, and no staff member poses as a client.
- [ ] Clients are told they can dispute directly with furnishers themselves, for free.
- [ ] Validation letters go only to collectors, within the validation period, labeled as a collection right.
- [ ] Every clock runs from proven receipt, and nothing on the calendar says "45 days."
- [ ] Every follow-up passes the new-fact test or answers a specific response; nothing is scheduled by the month.

Key points

- Dispute only a specific field the client says, in writing, is wrong, with the document that shows it. Accurate negative information is not an error, and several states write this gate into statute.
- Bureau disputes are the default for firm-prepared work: §1681i has no credit repair exception, and the bureau's notice triggers the furnisher's duty under §1681s-2(b).
- A furnisher need not investigate a direct dispute it reasonably believes a credit repair organization submitted, prepared or supplied the form for (12 CFR 1022.43(b)(2)). Tell clients about their own free direct right, and never disguise the preparer.
- Furnishers and collectors may set aside a repeat of a dispute already handled, and a bureau may treat a dispute with nothing new as frivolous. Replace rounds with the new-fact test and a response-driven next step.
- Run every clock from proven receipt. There is no flat 45-day rule, and no process guarantees a particular result.

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Chapter 7: Letters, evidence packets, templates and customization — mail, tracking and notarization

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

A dispute letter your firm prepares is your client's statement, not yours. It names one report, one entry and one field. It says what the report shows, what the client's dated record shows and which exhibit supports it, and it asks for one correction. It goes out over the client's own signature, after the client approves that exact version, to an address verified for that recipient. No federal dispute rule requires certified mail or a notary. Both are record-keeping choices, and neither changes what the recipient must do or what the reinvestigation decides.

This chapter covers the letter, the evidence packet, templates, approval, mail, tracking and notarization. Chapter 6 covered routes; Chapter 9 covers records.

What does a dispute letter need to hold up?

It needs specificity. Under 15 U.S.C. §1681i(a)(3), a bureau may terminate a reinvestigation it reasonably determines is frivolous or irrelevant, "including by reason of a failure by a consumer to provide sufficient information to investigate the disputed information." A letter that names the entry, the field and the evidence removes that ground for stopping.

The CFPB's dispute page, last reviewed September 2, 2026, lists what a mailed dispute should include: complete name, address and telephone number; the report confirmation number, if available; each error, with the account number; a clear explanation of why; a request that the information be removed or corrected; the relevant portion of the report with the items circled or highlighted; and copies, not originals, of supporting documents. Each line has a job:

Line in the letter	Its job	Source
Name, address, report number	Lets the bureau find the file	CFPB sample-letter instructions
Account and field, as printed	Makes the dispute investigable	§1681i(a)(3)
Reported value beside the documented value	The explanation forwarded to the furnisher	§1681i(a)(2)(A)
Exhibit reference	Ties each assertion to proof	§1681i(a)(4)
One precise request	States the outcome asked for	CFPB dispute page

Line in the letter	Its job	Source
Enclosure list	Records what was sent	FTC sample letter
Template origin line	Says who supplied the form	12 CFR 1022.43(b)(2)

The explanation travels. Within five business days, the bureau must notify the furnisher, and "the notice shall include all relevant information regarding the dispute that the agency has received from the consumer" (§1681i(a)(2)(A)). The bureau must also "review and consider all relevant information submitted by the consumer" (§1681i(a)(4)). Draft every sentence for the furnisher to read.

The library's master bureau template, CD-001 (Master factual-error dispute), follows that shape: bureau, report date and number; the reported information and the correct information; the reason, with dates and amounts; the exhibit and what it shows; the precise change requested. It adds a sentence worth keeping in every letter: "I am disputing the identified information, not every entry in my file."

Put the client's own address on the letter. The library's notes for file-disclosure and procedure-description requests (CD-029, CD-036 to CD-038) say the response must go to the client's verified address, not the firm's.

What should never appear in a letter your firm prepares?

Anything the client has not attested to, and anything the law does not say. 15 U.S.C. §1679b(a)(1) binds everyone: "No person may— make any statement, or counsel or advise any consumer to make any statement, which is untrue or misleading" about creditworthiness to a bureau or creditor. A letter your firm drafted and your client signed is a statement both of you made.

The template data is built around that rule. Every blank in all 150 templates is labeled by where its value may come from: the credit report, the client's attestation, an evidence document, the business or the system. A value with no source was invented, and it stays out.

Keep these out of every letter:

- **"Not mine" without the client's truthful facts.** The note on CD-002 (mixed file) allows it only on the client's own attestation that they did not open, co-sign or become liable for the account.
- **Identity theft that did not happen.** Filing an identity theft report "subjects the person filing the report to criminal penalties relating to the filing of false information" if it is false (15 U.S.C. §1681a(q)(4)).
- **Altered identifiers or CPNs.** Section 1679b(a)(2) bars statements meant to alter a consumer's identification to hide accurate, non-obsolete information.

- **Section 609 as a contract demand.** 15 U.S.C. §1681g is a file-disclosure right, not a demand for an original contract and not a deletion trigger.
- **Metro 2 as law.** The note on CD-022 says never to present a Metro 2 formatting issue as a violation of law.
- **Invented deadlines, damages or threats.** There is no flat "45-day rule," and a missed period is not an automatic deletion.
- **A vacated rule.** The CFPB's medical-debt reporting rule was vacated on July 11, 2025. The library's medical letters keep bureau policy separate from it.
- **A dispute of accurate information.** The CFPB says: "You generally cannot have negative information removed from your credit report if it is accurate."

CD-133 (Dispute issue and evidence assessment) sets the stop rule: do not proceed on an accurate negative item, a missing wet-ink contract, a generic statute list or a false fraud allegation.

How do you build an evidence packet?

One exhibit per assertion, copies only, relevant pages only, indexed, and one packet per recipient whose report shows the error.

Match every assertion to a document. For direct furnisher disputes, 12 CFR 1022.43(d)(3) names examples of supporting documentation: "a copy of the relevant portion of the consumer report that contains the allegedly inaccurate information; a police report; a fraud or identity theft affidavit; a court order; or account statements." The list works for bureau packets too.

Look for the evidence that cuts the other way. CD-133 has a field for "Evidence that contradicts the proposed dispute." If the client's own records contradict the claim, the claim does not go out.

Send copies. The CFPB and FTC both say so, and CD-134 (Exhibit and document index) adds: "Send copies, not irreplaceable originals."

One packet per bureau. The FTC says to "dispute with each credit bureau that has the mistake." Each packet uses that bureau's own report page. A bureau that reports the entry correctly gets no letter about it.

Send it complete. The 30-day period "may be extended for not more than 15 additional days if the consumer reporting agency receives information from the consumer during that 30-day period that is relevant to the reinvestigation" (§1681i(a)(1)(B)). A packet sent in pieces can stretch the timeline.

Index it. For each exhibit, CD-134 records the document, source, date, relevant page, fact supported and redactions. Its caution says redactions "must not hide relevant contradictory facts," and its checklist asks whether unrelated third-party or medical data was removed.

Handle identity documents sparingly. The CFPB's sample-letter instructions suggest one copy of a government-issued ID and one utility bill, bank or insurance statement, noting that "requirements may vary by company." The FTC's data-security guide is blunt: "If you don't have a legitimate business need for sensitive personally identifying information, don't keep it." The note on CD-031 keeps ID copies out of shared notes and deletes them when no longer needed.

How far can you customize a template?

Customize the facts and the wording. Never customize the law, the origin line, the statutory text or the approval step.

The library's editing rules:

- Replace every bracketed field with verified facts, and remove branches that do not apply.
- Copy only the text between LETTER START and LETTER END. Guidance and source lists are for the preparer, never the recipient.
- Keep the closing line "Prepared using a Check Dispute LLC template." The README says: "Do not hide that a supplied form originated with Check Dispute LLC to try to evade a legal exception."

The origin line matters most on letters sent straight to a furnisher. Under 12 CFR 1022.43(b)(2), a furnisher need not investigate a direct dispute it reasonably believes "is submitted by, is prepared on behalf of the consumer by, or is submitted on a form supplied to the consumer by, a credit repair organization." That exception does not reach disputes filed with a bureau. The notes on CD-041 to CD-043 give the working rule: keep the origin line, never present the letter as written without help, and file the bureau dispute alongside it. Never tell a client that a firm-prepared direct dispute obligates the furnisher to investigate.

Two documents are never reworded. CD-145 (the CROA disclosure) and CD-146 (the cancellation notice) carry statutory text, and the README says "their legal wording must not be replaced by generic marketing disclaimers."

State law can add a letter of its own. Under Texas Finance Code §392.202(a), a third-party collector that reports disputed information to a credit bureau "shall initiate an investigation of the dispute" and "shall cease collection efforts until the investigation determines the accurate amount of the debt, if any." Under §392.202(b), it must send a written statement "not later than the 30th day after the date a notice of inaccuracy is received" (Tex. Fin. Code ch. 392). CD-129 is built for that route and calls it "not a claim that every federal validation request requires a response within 30 days." Confirm that a state statute applies and is current before using its letter.

How do approval and signature work?

The client approves one identified final version and signs it personally. Any change to an allegation, an attachment or a recipient starts approval over.

CD-140 (Individual-letter review and approval) is the model. The client confirms: "I have not been told to deny an account I know is mine, claim identity theft that did not occur, or conceal relevant facts." The approval "does not permit new allegations, new recipients, recurring disputes or an altered signature without further approval," and its caution rules out "blanket approval for automated dispute cycles." CD-136 (Mailing and submission manifest) adds: "No simulated signature, false consumer identity, undisclosed content change, account login impersonation, or automatic resend."

Three timing rules sit around approval:

- **Nothing goes out in the cancellation window.** CROA bars services "before the end of the 3-business-day period beginning on the date the contract is signed" (15 U.S.C. §1679d).
- **Deadline letters do not wait in a queue.** A billing-error notice generally must reach the card issuer within 60 days after the first statement showing the error (12 CFR 1026.13). The note on CD-046 says review queues "must not delay mailing."
- **Follow-ups are never batch jobs.** The note on CD-026 says not to "generate delay letters in bulk," and the note on CD-028 says not to use it "as an automatic 'round two'."

E-signatures are valid, not proof. Under 15 U.S.C. §7001(a), a signature "may not be denied legal effect, validity, or enforceability solely because it is in electronic form." That validates the form, not the truth of the letter. Where a law requires information to be given to a consumer in writing, §7001(c) adds consent steps first. Chapter 5 applies them to onboarding documents.

Tie approval to the exact file. NIST's Secure Hash Standard (FIPS 180-4) says digests "are used to detect whether messages have been changed since the digests were generated." In CheckDispute, rebuilding a packet creates a new revision and fingerprint and resets approval. Signing changes the file too, so keep the signed copy.

Which mail service should a dispute go by?

The one that produces the record you need. Section 1681i starts its clock when the bureau "receives the notice of the dispute" and names no mail class.

The CFPB says: "You can choose to send your dispute letter by certified mail and ask for a return receipt, so that you have a record that your letter was received." For furnishers: "Send disputes to furnishers in writing, using certified mail." The FTC suggests a return receipt "so you have a record the credit bureau got it."

The USPS manual, DMM 503, defines the service: "Certified Mail provides the sender with a mailing receipt and, upon request, electronic verification that an article was delivered or that a delivery attempt was made." It travels "as ordinary mail," and a delivery record requires a return receipt bought "at the time of mailing." And: "Except for Registered Mail and COD items, the USPS keeps no mailing records for mail pieces bearing extra services." Your firm keeps the receipts.

Service	What it documents	What it does not
First-Class	Only your own copy	Mailing date, delivery, contents
Certified	Mailing receipt; delivery or attempt	Contents; when the bureau logged it
Certified with return receipt	Adds the delivery record	Contents; who read it

The template data sets a default for each template: 110 of the 150 are marked certified recommended, 19 First-Class acceptable (including the goodwill request, CD-116, and the file-disclosure request, CD-036), and 21 are not mailed at all (worksheets, client forms, the contract and disclosure, and portal filings).

Verify the address first. Read it from the client's report, then confirm it on the recipient's current contact page. The CFPB's own page prints no Equifax mailing address; it points to Equifax's contact page. For furnishers, 12 CFR 1022.43(c) attaches the duty to the address on the report, an address the furnisher clearly specified for disputes, or any business address if none was specified. CD-136 records the source and date.

What does tracking prove, and what does it not?

Tracking documents a mailpiece. The statutory clock runs from the bureau's receipt of the notice. They are related events, not the same event.

A "Delivered" scan shows USPS delivered an envelope to an address on a date. It does not show who opened it, when the bureau logged it, or that a reinvestigation began. CD-135 (Receipt and deadline calculation worksheet) warns: "A mailing date is not always the legal trigger." Calendar a check date, never a deletion date. A reinvestigation can end with an entry corrected, deleted or verified, and the calendar decides none of those.

Your tracker should expect these notices:

- **Frivolous or irrelevant determination:** within five business days of the decision, with reasons and what is needed (§1681i(a)(3)(B)–(C)). Answer with what was missing (CD-030), not the same letter.
- **Results:** within five business days after completion, with a report based on the revised file (§1681i(a)(6)).
- **Procedure description:** within 15 days of the client's request (§1681i(a)(7)). Not a new deletion deadline.

Returned mail is a routing problem. USPS marks the reason. "Unclaimed" means "Addressee abandoned or failed to call for mail" (DMM 507). Fix what the endorsement names, re-verify the address and send one corrected letter, not three.

When does notarization help, and when does it get in the way?

Notarization is rarely required, sometimes useful and never leverage. A notary confirms who signed, not that the contents are true.

None of the 150 templates requires notarization. The template data marks it optional on 104, not needed on 43 and recommended on three. The note on CD-001 states the baseline: "Not required: 15 U.S.C. § 1681i does not call for a notarized dispute. Available if the consumer wants a notarized signature on file; it does not change how the bureau must investigate."

The three recommended templates turn on identity: CD-031 (answering a bureau's identity-verification request; a notary "does not replace the identity documents the agency asked for"), CD-076 (the identity-theft block request under 15 U.S.C. §1681c-2, where notarization adds assurance "to a statement that must be truthful") and CD-089 (identity theft in a deposit-account specialty report).

Elsewhere a notary adds nothing or does harm:

- **CROA documents.** Sections 1679c and 1679d call for signatures, not notarization. The statutory cancellation form accepts "a signed, dated copy of this cancellation notice, or any other written notice" (15 U.S.C. §1679e). CD-146: "Never require e-signature, notarization or paid mailing to cancel."
- **Deadline notices.** The billing-error note says: "never hold the letter for notarization."
- **Records and portal filings.** Worksheets, approvals and CFPB portal complaints have no signed paper to notarize.

Selling notarization as what makes a bureau "take it seriously" misrepresents your services under §1679b(a)(3). Offer it when a client wants signer verification, and say what it does not do. Where a law requires notarization, E-SIGN §7001(g) accepts the notary's electronic signature with the other required information. Notaries themselves are governed by state law, which this book does not survey.

How does CheckDispute handle letters, mail and notarization?

CheckDispute is software. In CheckDispute Business, your firm is the credit repair organization and answers for its own conduct. The product follows this chapter:

- **Letters** state only facts the client supplied or attested to, and each keeps its source links. The watermarked preview ("PREVIEW - NOT FOR MAILING") and packet building are free. The final

PDF, approval, recording a letter as sent, mailing, e-signature and notarization need a $29 report unlock or a plan charged only in a month it is used.

- **Approval** is tied to the exact version. A rebuilt packet needs a new approval.
- **Mailing with tracking** is one recipient per order, black and white, double-sided, with six printed pages plus an inserted address page included. Extra pages are $0.25 each up to 12; larger packets need a reviewed quote. Retail: $6.99 First-Class, $24.99 Certified, $32.99 Certified with electronic return receipt; members pay less; sales tax is added where it applies. Each mailing needs fresh authorization, and a transport retry never adds a charge.
- **E-signature** is $6.99, charged when signing completes. The required CROA disclosure, contract and cancellation signatures are included, never sold as an add-on.
- **Notarization** is a remote online session through OneNotary with knowledge-based identity verification: $50, itemized as a $25 notary session fee plus $25 handling, with $15 per extra seal or signer. The card is authorized at checkout and charged only after the notarized PDF returns.

CheckDispute Business is designed to add bulk generation across clients, merged-PDF printing and batch mailing, while each letter still needs its own approval and signature. Custom templates must pass the same compliance check as the built-in library, sequences advance only on a reply or new fact, and furnisher letters stay off by default. Chapter 10 covers Business pricing.

Tell clients the free path too. Disputing is free, directly with the bureaus and furnishers, and free reports are at AnnualCreditReport.com. Accurate negative information is not an error, and no letter, mail class or notary seal guarantees any particular result.

A worked example: one balance error, two packets

Cedar Row Credit Services and its client are fictional.

Owen paid off an auto loan on June 14. He has the lender's paid-in-full letter dated June 20 showing $0, and a bank statement showing the June 14 payoff. His August 30 reports from two bureaus show the loan open with a $1,240 balance "as of July 31." The third bureau shows it paid and closed at $0.

Assessment. An analyst completes CD-133: a balance reported as of July 31 conflicts with two earlier documents. She looks for contrary evidence, such as a later statement or a reversed payment, and finds none. Owen confirms the facts. Route: bureau disputes to the two bureaus showing the error. The third gets nothing, because its entry matches his records.

Packets. Using CD-009 (Paid account still shows an unpaid balance), each letter quotes that bureau's entry. Exhibit 1 is that bureau's report page with the entry circled, Exhibit 2 the paid-in-full letter, and Exhibit 3 the bank statement, with unrelated transactions masked and the payoff line and name visible. With ID and utility-bill copies and a one-page letter, each packet is six printed pages.

Approval. Owen spots that the second packet holds the first bureau's page. The analyst swaps it, the packet gets a new fingerprint, and Owen approves and e-signs each final version separately.

Notarization. Owen asks whether a notary would help. The analyst explains that CD-009 marks it optional, that a notary confirms only who signed, and that it does not change how a bureau investigates. He declines.

Mail and tracking. After the three-business-day window, the firm places two orders, Certified with electronic return receipt. Both show "Delivered" on September 15. The tracker logs that as mailpiece evidence and sets a check date, not a deletion date.

Results. One bureau updates the balance to $0; the other reports it verified. Cedar Row does not resend the same letter. It records the outcome in CD-138, asks Owen whether he has a document the bureau has not seen, and explains his options, including a procedure description and a consumer statement. It bills only after the work is fully performed (Chapter 8).

What this establishes. Two dated documents disagree with a reported balance, and each bureau showing it saw the disagreement. It does not establish that the entry was wrong or guarantee any outcome. The reinvestigation decides.

Checklist: before a packet leaves the office

- [ ] CD-133 complete: one specific factual error, its evidence, and contrary evidence reviewed.
- [ ] Every factual sentence cites an exhibit; every exhibit supports a sentence.
- [ ] Each packet goes only to a recipient whose report shows the error, with that recipient's own page.
- [ ] Copies and relevant pages only, indexed in CD-134, redactions hiding nothing relevant.
- [ ] No brackets or preparer notes left; origin line intact.
- [ ] Address verified from the report or current contact page, with source and date recorded.
- [ ] Client approved this exact version (CD-140) and signed it; cancellation window over.
- [ ] Mail class chosen for the record needed; order, tracking and sent copy logged in CD-136.
- [ ] Any notarization offer described accurately and not delaying a deadline notice.
- [ ] Client told that disputing is free, accurate negative information is not an error, and no result is guaranteed.

Passing this checklist shows a packet is accurate and complete. It does not show the entry is wrong or that it will change.

Key points

- A firm-prepared letter is the client's statement: one entry, one field, its proof, one request, and only facts the client attested to.
- Packets carry one exhibit per assertion, copies and relevant pages only, one per bureau showing the error, sent complete.
- Customize facts and wording, never the law. Keep the origin line and statutory text; the furnisher exception in 12 CFR 1022.43(b)(2) does not apply to bureau disputes.
- Every version needs its own approval and the client's signature. Bulk preparation never means bulk approval.
- Certified mail and notarization are record-keeping choices. A delivery scan is not the bureau's receipt date, and a notary confirms who signed, not what is true.
- Disputing is free, free reports are at AnnualCreditReport.com, accurate negative information is not an error, and no letter guarantees a result.

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Chapter 8: Billing without breaking the law: charge after performance, holds and captures, refunds, chargebacks and sales tax

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

A credit repair organization may not charge or receive money, or anything else of value, for a service until that service is fully performed. That sentence is the federal billing rule in the Credit Repair Organizations Act (CROA), 15 U.S.C. §1679b(b). The rest of this chapter follows from it: how you price, when a card hold becomes a charge, and how you handle refunds, chargebacks and sales tax.

The statute sets no billing schedule, and this chapter does not certify one. It gives you a test for any schedule: name each service, name the event that completes it, keep the record that proves the event, and take the money only after that. Billing built this way is also your best chargeback defense.

Two facts belong in every billing conversation. Disputing is free: a consumer can dispute inaccurate information directly with the credit bureaus without paying anyone, and free reports are available at AnnualCreditReport.com. And you sell work, not outcomes: accurate negative information is not an error, and no particular result is guaranteed.

What does "fully performed" mean in a billing system?

A service is fully performed when the deliverable your contract describes has been delivered; your records should show when. Until then, you may not charge or receive anything for it. Section 1679b(b) reads:

> "No credit repair organization may charge or receive any money or other valuable consideration for the performance of any service which the credit repair organization has agreed to perform for any consumer before such service is fully performed."

Four phrases carry the rule:

- **"Charge or receive."** Billing the client counts, and so does accepting their money.
- **"Money or other valuable consideration."** The form does not matter. A post-dated check or signed note taken at signing is value received early.
- **"Any service which the credit repair organization has agreed to perform."** You bill by the service as your contract defines it.

- **"Fully performed."** Partly done is not done. If the service is a final letter the client has approved, a draft awaiting approval is not complete.

Regulators read the rule broadly. The CFPB warns that "Some companies will structure monthly payment plans to try to avoid this requirement. You should know that all forms of upfront payment before services are completed are illegal" (CFPB). The FTC tells consumers it is illegal for credit repair companies to "charge you before they help you" (FTC).

Define each service as a deliverable. The owner's template CD-143, "Individual service scope and completion schedule," gives every deliverable a "Completion criterion: [OBJECTIVE EVENT]" line. It also warns that "A completion label does not make an advance fee lawful." Calling a service complete does not make it complete. The event has to have happened.

Service	Completion event	Record that proves it
Review of reports the client supplies	Written findings delivered	Delivery log with date and time
Dispute letter	Final letter approved by the client and delivered	Approval record (CD-140), delivery log
Mailing	Packet accepted for mailing, tracking number issued	Mailing manifest (CD-136), tracking record
Notarization	Notarized document returned	The notarized file and its timestamp
Review of a bureau's response	Written explanation delivered	Delivery log

Telemarketing pushes the payment date later. For services "represented to remove derogatory information from, or improve, a person's credit history, credit record, or credit rating," the Telemarketing Sales Rule bars requesting or receiving payment until two conditions are met. First, the promised time frame must have expired. Second, the seller must have given the person a consumer report showing the promised results, "issued more than six months after the results were achieved" (16 CFR 310.4(a)(2)). Chapter 3 covers when the rule applies.

Which pricing models fail the test?

Any model that takes money before the work it pays for is complete fails, whatever you call it.

Structure	Assessment
Setup, enrollment or onboarding fee at signing	Fails. Nothing has been performed.
"Audit" or "first work" fee charged before delivery	Fails until the deliverable exists.
Monthly fee charged at the start of the month	Fails. The CFPB warns that some companies use monthly plans to try to avoid the rule.

Structure	Assessment
Deposit, retainer, prepaid package or "refundable" prepayment	Fails. A refundable payment is still received early.
Flat monthly fee billed afterward for an open-ended "program"	High risk. If the service you agreed to is the whole program, it is not fully performed after month one.
Fee per deletion	High risk. It ties your pay to a bureau's or creditor's decision, rewards disputing accurate items and sells removal as the product. Phone sales still face the TSR's six-month report condition.
Fee for the required disclosure, contract, cancellation form or copies	Avoid. These are legal duties, not services, and cancelling must be "without penalty or obligation" (§1679e(a)).
Itemized deliverables, each charged after its completion event	Fits the statute's text.
Card hold when a service starts, captured only after completion	Not addressed by CROA. Workable only if the capture is treated as the charge; no hold at all is the most cautious course (next section).

State law adds a second layer. Under §1679j (in the FTC's text of the Act), state law stays in force unless it is inconsistent with CROA. A firm the Act covers must satisfy both.

- **Some states repeat the ban.** California and Colorado bar charging "prior to full and complete performance of the services" (Cal. Civ. Code §1789.13(a); Colo. Rev. Stat. §5-19-104(1)(a)). New York makes advance fees unlawful (N.Y. Gen. Bus. Law §458-e). Its contracts must also state, "Under New York law no fee may be collected in advance of performance of the services specified in this contract" (§458-f(1)(b)).
- **Some states allow advance fees only with security.** Texas requires a surety bond or surety account (Tex. Fin. Code §393.302). Arkansas, Florida and Washington require a bond plus an in-state trust account (Ark. Code Ann. §4-91-202(e)(1); Fla. Stat. §817.7005(1); RCW 19.134.020(1)(a)). None of these lifts the federal ban. Chapter 4 explains the bond models.
- **South Carolina limits licensed credit counseling organizations.** They may charge only fees "established by the department by regulation" (S.C. Code §37-7-112). They may not "collect a payment from a consumer before the payment being earned as specifically defined in the contract" (§37-7-116(A)(11)).

How do card holds and captures fit the rule?

A card payment can happen in two steps. An **authorization**, usually called a hold, asks the card issuer to approve an amount and set it aside. A **capture** completes the charge. If you never capture a hold, you can **release** it, and it lapses on its own after a period set by the card networks and your processor.

CROA does not mention holds, and no source behind this book says whether placing one counts as "charging." The most cautious course is no hold at all: charge once, after the completion event. If you use holds, treat the capture as the charge, as CheckDispute's own billing does, and never capture before the completion event. A hold still costs the client something. It reduces their available credit, and on a debit card it can tie up money in their bank account. Keep holds narrow:

1. **No holds during the cancellation window.** No service may start until the three-business-day period ends (§1679d(a)(2)), so there is nothing to hold for yet.
2. **Hold for one service when it starts:** that service's price plus any tax. Never hold for future months or a package.
3. **Capture only after the completion event is recorded,** and never more than the amount held and shown to the client.
4. **Release promptly** if a service fails, is not performed or the client cancels.
5. **Never capture early to beat an expiring hold.** Let the hold lapse, then charge after completion.
6. **Get a new authorization for each new service.** A second mailing is a separate order.
7. **Put the mechanics in the contract,** which must state "the terms and conditions of payment" (§1679d(b)(1)).

How CheckDispute applies this. Its pricing policy says every charge "is captured when its service is delivered and before the deliverable unlocks (CROA 1679b(b)). Holds may be placed up front." The report unlock is held when letter preparation starts and captured when the letters are ready; failed processing and rounds that produce no letter are never charged. A plan fee is held when a month's first plan service starts and captured on delivery, and an unused month costs nothing. Notarization is captured only after the notarized PDF comes back. A retried mail transmission never creates a new charge.

What must the contract and invoice say about money?

The contract must state "the terms and conditions of payment, including the total amount of all payments to be made by the consumer to the credit repair organization or to any other person" (§1679d(b)(1)). "Any other person" means postage, notary fees and e-signature fees belong in that total, not in a surprise line later. The owner's draft agreement, CD-144, says: "No deposit, enrollment fee, monitoring charge, postage label, or differently named charge may be used to evade an applicable advance-fee prohibition."

Contract payment terms should cover each service's price and the event that triggers its charge; third-party charges itemized by payee; the maximum total and how sales tax is shown; when holds are placed, captured and released; and that a client who stops work owes only for completed services. **Every receipt** should show the service, its completion date, the price, tax on its own line and the total.

Invoice lines describe your services, so they must be true. Section 1679b(a)(3) bars "any untrue or misleading representation of the services of the credit repair organization." Never bill for "guaranteed deletion," a "609 original-contract demand," or a "Metro 2 violation letter" presented as if Metro 2 were law. Never bill for "medical debt removal under the new CFPB rule": that rule was vacated on July 11, 2025 (CFPB). Offer no CPN or "new credit file" service under any name.

Use a descriptor clients will recognize. Put your business name on card statements. Clients dispute charges they can't identify.

Phone sales add payment-method rules. In a telemarketing sale, get "express informed consent" to the charge and the account used (16 CFR 310.4(a)(7)). Do not accept remotely created payment orders, cash-to-cash money transfers or cash reload mechanisms (§310.4(a)(9)–(10)).

How should refunds work?

Refund quickly, refund in full anything taken without a completed service, and report refund status truthfully. Never make a refund depend on a waiver, a withdrawn complaint or a removed review.

Situation	What you owe	Authority or template
Client cancels inside the window	Nothing should have been charged. Release any hold; return anything received.	§1679e(a): cancel "without penalty or obligation"
Client stops work after the window	Only completed, chargeable services. Release holds for work in progress.	CD-144 §10: "There is no termination penalty."
Charge captured before completion	Refund in full and fix the cause. The refund limits harm but does not undo the early charge.	§1679b(b)
Duplicate charge or wrong amount	Refund the difference at once.	Your reconciliation
Written guarantee or refund promise	Honor it exactly.	§1679d(b)(2)(A): "all guarantees of performance" go in the contract
Complaint resolution	What you agree, with no conditions attached.	CD-149; §1679f(b)
Contract did not comply with CROA	Review everything collected. The contract is void and unenforceable (§1679f(c)), and liability is at least the amount paid (§1679g).	§§1679f, 1679g

State refund deadlines. These apply when a client who paid something cancels:

- **California:** payments "must be returned within 15 days following receipt by the seller of your cancellation notice" (Cal. Civ. Code §1789.16(b)).
- **Texas:** "within 10 days after the date of receipt by the seller of your cancellation notice" (Tex. Fin. Code §393.202(b)).

- **Colorado and Arkansas:** ten days (Colo. Rev. Stat. §5-19-107(2); Ark. Code Ann. §4-91-202(d)(2)).
- **South Carolina:** clients of licensed credit counseling organizations are told they are "entitled to a refund of all unexpended funds" once services are canceled (S.C. Code §37-7-110(B)(7)).

Chapter 4 lists more states. If you charge only after performance, these deadlines should rarely apply. When they do, it is because a mistaken or early charge was taken.

Refund promises go in writing. Texas requires the contract to describe "each guarantee and each promise of a full or partial refund" (§393.201(b)(2)). California's contract rules also require refund promises to be stated (§1789.16(a)(3)). Do not tie a refund to an outcome, as in "money back if nothing is deleted." That sells removal as the product and invites disputes of accurate items. It also contradicts the disclosure every client receives: no one has the right to have accurate, current and verifiable information removed.

Report status honestly. The owner's cancellation record, CD-147, tracks refunds as "[NOT YET INITIATED / INITIATED ON DATE / COMPLETED WITH VERIFIED REFERENCE]" and commits: "We will not describe an uninitiated refund as completed." Refund to the original payment method, include the tax on the charge, and log the processor's reference. And the complaint template's rule covers every refund: "Never condition a refund or resolution on withdrawing a regulator complaint, removing a review or waiving a right."

What should you do when a client disputes a charge with their card issuer?

Treat a chargeback as a billing complaint. If the client is right, refund. If you are right, send the records showing the charge followed a completed service. Never retaliate.

A chargeback is a card issuer reversing a charge after the cardholder disputes it. The issuer decides. Card-network rules and your processor agreement govern the merchant side, which this book does not cover. Federal rules give cardholders their rights:

- **Credit cards: billing errors.** Regulation Z defines a billing error to include a charge "for property or services not accepted by the consumer or the consumer's designee, or not delivered to the consumer or the consumer's designee as agreed" (12 CFR 1026.13(a)(3)). The issuer must receive the notice within 60 days after sending the first statement showing the error. It must resolve it within two complete billing cycles, no later than 90 days (§1026.13(b)(1), (c)(2)).
- **Credit cards: claims and defenses.** A cardholder can also assert against the issuer claims or defenses they have against the merchant. They must first make "a good faith attempt to resolve the dispute" with the merchant, and other conditions apply (12 CFR 1026.12(c)). The official interpretation says validity is determined "under state or other applicable law," so a client may point to a contract that is void under §1679f(c).

- **Debit cards and bank transfers.** Regulation E covers errors in electronic fund transfers, including "an unauthorized electronic fund transfer" and "an incorrect electronic fund transfer to or from the consumer's account" (12 CFR 1005.11(a)).

So an early charge is a weak position twice over: it bills for services not yet delivered, and it breaks §1679b(b). A responsive refund channel keeps disputes where you can fix them. And the documents that show you followed CROA also answer most disputes.

Evidence packet for a disputed charge:

- [ ] signed acknowledgment of the separate §1679c disclosure, with its date;
- [ ] the signed contract and both Notices of Cancellation;
- [ ] the cancellation deadline, and proof no service started before it;
- [ ] the completion record: delivery log, CD-140 approval, CD-136 manifest and tracking, or the notarized file;
- [ ] the receipt, showing the capture came after completion;
- [ ] communications with the client (CD-137 call log).

What not to do:

- **No "no chargebacks" clause.** It does not change the issuer's duties, and a clause limiting the client's CROA cancellation right runs into §1679f, under which waivers are void and seeking one is a violation.
- **No chargeback fee.** It charges for no service.
- **No threats** of collection or credit reporting, and no withholding the client's files.
- **No enforcing a noncompliant contract.** It "may not be enforced by any Federal or State court or any other person" (§1679f(c)).

Record every chargeback reason; a pattern is a compliance signal (Chapter 9).

How should you handle sales tax?

Whether your services are taxable depends on state law, sometimes local law, and how the service is classified. This book's verified research covers credit services and credit reporting law, not tax law, so it does not say which states tax credit repair or counseling. For each state where you have clients, get an answer from its revenue department or a tax professional, record it with its date, and recheck it every year. The credit repair rules then shape how you disclose and time the tax:

- **Tax is part of the total.** Section 1679d(b)(1) requires "the total amount of all payments." If the exact tax isn't known at signing, state the pre-tax maximum and that sales tax is added where it applies, then show the exact tax before each payment.

- **Tax follows the charge.** Collect it at capture, never at signing, and include it in the hold so the capture never exceeds what the client approved.
- **Show it on its own line,** and refund it with the charge it belongs to.
- **Itemize pass-through charges.** A notary's fee, postage and your handling charge may be taxed differently.
- **Label only real tax as tax.** An amount called tax that you do not collect for a tax authority misrepresents the charge.

Worked example: one client's billing, from contract to chargeback

This example is fictional. It follows Marisol Vega, a client of Juniper Lane Credit Coaching LLC, the made-up firm from Chapter 2. To keep the federal rules in view, assume her state adds no longer cancellation period. For the arithmetic only, assume Juniper Lane's tax review found its services taxable at 6% in her state. That figure says nothing about any real state.

Service	Price	Completion event
1. Review of three reports Marisol supplies, with written findings	$95	Findings delivered in the client portal
2. A dispute letter for each item she identifies as inaccurate and documents	$40 each, up to 3	Final letter approved by her and delivered
3. Certified mailing of each approved letter	$15 each, up to 3	Packet accepted for mailing, tracking recorded

The contract states a $260 maximum before tax. It says sales tax is added where it applies, at most $15.60 here, for a $275.60 maximum total. It explains holds and guarantees no deletion, correction or score change. On the intake call, the advisor told Marisol she could dispute for free herself and get free reports at AnnualCreditReport.com.

Date (2027)	Event	Hold	Captured	Refunded
Mon., Jan. 11	Separate §1679c disclosure delivered and acknowledged	—	—	—
Wed., Jan. 13	Contract signed; card saved, nothing held	—	—	—
Thu. 14, Fri. 15, Tue. 19	Business days one to three (Mon., Jan. 18 is Martin Luther King Jr. Day, a federal holiday). Window closes at midnight Jan. 19	—	—	—
Wed., Jan. 20	Service 1 starts	$100.70	—	—
Tue., Jan. 26	Findings delivered	—	$100.70	—
Wed., Jan. 27	Drafting starts	$42.40	—	—
Fri., Jan. 29	Marisol approves the final letter (CD-140); it is delivered	—	$42.40	—
Mon., Feb. 1	Marisol orders certified mailing	$15.90	—	—

Date (2027)	Event	Hold	Captured	Refunded
Tue., Feb. 2	Packet accepted, tracking recorded (CD-136)	—	$15.90	—
Tue., Feb. 2	A system retry captures the mailing charge again	—	$15.90	—
Thu., Feb. 4	Weekly reconciliation finds the duplicate; refund initiated, and Marisol is told "initiated" with the reference	—	—	$15.90

Net charged: $159.00, every dollar after a completed service.

Why only one letter. Marisol flagged three items. Two 30-day late payments from 2025 match her own bank records. An auto loan shows a $4,870 balance, but her lender's payoff letter shows it paid in full in December 2026. Accurate negative information is not an error, so only the balance went forward.

The chargeback. On Monday, March 8, the processor reports that Marisol's issuer has opened a dispute on the $100.70 charge, marked "not recognized." Her statement showed "JLCC SVCS." Juniper Lane emails Marisol, who recognizes the charge. It also sends its evidence: the disclosure acknowledgment, the contract, the January 19 deadline and January 20 start record, the January 26 delivery log and the receipt. The issuer decides. Juniper Lane changes its descriptor to its full business name.

What this establishes: every capture followed a recorded completion event, and no money moved during the cancellation window. Routine reconciliation caught a billing error and refunded it within two days. The firm answered a dispute from its ordinary records.

What it does not establish: that this fee design satisfies every state (see Chapter 4 and Appendix A), or that the bureau will correct the balance, which its reinvestigation decides. It also does not show that Marisol needed a paid service. She could have sent the same dispute herself, for free.

A variation. Had Marisol emailed "please cancel" at 10:50 p.m. on January 19, the notice would be timely. With no hold and no charge, there is nothing to refund; Juniper Lane confirms in writing and logs it on a CD-147 record. In Colorado, she could cancel until "midnight of the fifth working day after the date of the transaction" (Colo. Rev. Stat. §5-19-107(1)(a)), so work would wait for that later deadline.

Checklist: billing controls for every client

- ☐ Each service has a price, a completion event and a named record that proves it.
- ☐ The contract states all payments, including third-party charges and sales tax, and explains holds.
- ☐ Nothing is held, charged or accepted before the cancellation deadline passes.
- ☐ Holds cover one started service in the amount shown. Captures come only after the completion record. Open holds are released when work stops.

- [ ] Phone sales follow 16 CFR 310.4(a)(2) and (a)(7)–(10).
- [ ] Invoices name completed services truthfully and show tax separately. The card descriptor is your business name.
- [ ] Weekly reconciliation matches every capture to a completion record.
- [ ] Refunds meet the shortest applicable deadline, carry no conditions and are reported truthfully.
- [ ] Chargebacks are answered from the compliance file or refunded, with no fees or threats.
- [ ] Sales tax treatment is decided and dated for every state where you have clients.

Completing this checklist does not show that a business complies with every federal and state law, and it does not show that any dispute will succeed.

Where does CheckDispute fit?

CheckDispute is software the consumer controls. The consumer supplies their own report, approves every word of each letter, and chooses whether to mail it free on their own or pay for mailing. Previewing, report reading, packet building and guides are free. A $29 report unlock, or a plan (Basic $19.99, Plus $29.99, Premium $49.99) charged only in a month it is used, unlocks the final letters. Add-ons are charged when performed: e-signature at $6.99; mailing with tracking at $6.99 First-Class, $24.99 Certified or $32.99 Certified with return receipt; and notarization at $50, itemized as a $25 notary session fee plus $25 handling. Sales tax is added where it applies. No result is guaranteed.

CheckDispute Business is designed to make this chapter's rules the default for firms. Its client billing through Stripe Connect is designed to charge a client only for work already performed, with no option for upfront or monthly-in-advance client charges. The firm remains the credit repair organization, responsible for its own contracts, prices, refunds, registrations, bonds and taxes. Software can make the compliant path the default. It cannot make a business compliant. Chapter 10 covers setup and the Business subscription.

Key points

- Section 1679b(b) bars charging or receiving anything of value for a service before it is fully performed. Define each service by a completion event and a record, and bill only after the event.
- Setup fees, monthly-in-advance plans, deposits, prepaid packages and fees for required documents fail. Per-deletion pricing and open-ended monthly programs are high risk. State bond or trust-account permissions do not lift the federal ban.
- Treat the capture as the charge. Hold only for a service that has started, capture only after completion, and release when work stops.

- Refund quickly and truthfully, with no waiver or withdrawn complaint as a condition. State deadlines apply after a cancellation, such as 15 days in California and 10 days in Texas.
- Answer chargebacks from your compliance file. Early charges, "no chargeback" clauses, dispute fees and threats add exposure, not defense.
- Decide sales tax state by state, show it before payment, collect it at capture and refund it with the charge. Disputing is free, reports are free at AnnualCreditReport.com, accurate negative information is not an error, and no result is guaranteed.

Sources

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Chapter 9: Records, audits and complaint handling

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

A compliant credit repair business runs three connected systems:

- **Records** prove what happened in each client file.
- **Audits** find problems before a client or a regulator does.
- **Complaint handling** fixes the problems that get through, then changes the process so they do not recur.

Federal law names only one record a credit repair organization must keep for a fixed period: the client's signed acknowledgment of the "Consumer Credit File Rights" disclosure, kept for two years (15 U.S.C. §1679c(c)). Several states require longer. You keep the rest of the file because it answers the questions a client or regulator will ask: was each service performed before it was charged, did the client approve this exact letter, was a cancellation honored?

What records does the law require a credit repair business to keep?

Federal law requires one. Under §1679c(c), a credit repair organization "shall maintain a copy of the statement signed by the consumer acknowledging receipt," kept "for 2 years after the date on which the statement is signed by the consumer." State laws add rules for their own information statements, with different periods and starting events:

Rule	What to keep	For how long
CROA, 15 U.S.C. §1679c (c)	Signed acknowledgment of the federal disclosure	2 years after the consumer signs
Texas, Fin. Code §393.106	Signed disclosure document	Until the second anniversary of the date it is provided
Maryland, Com. Law §14-1904(c)	Signed information statement	2 years from the consumer's acknowledgment
Missouri, RSMo §407.641.2	Signed statement	2 years after the statement is provided
New York, Gen. Bus. Law §458-c	Exact copy of the information statement, "on file or microfilm"	2 years from the acknowledgment
California, Civ. Code §1789.14	Exact copy of the statement	4 years "following the completion or termination" of the agreement

Rule	What to keep	For how long
Washington, RCW 19.134.040	Exact copy of the statement	4 years following completion or termination of the agreement
Florida, Fla. Stat. §817.702	Signed statement	5 years

California and Washington start the clock when the agreement *ends*, not when the statement is signed. Florida's five years is the longest period in the 50-state research. Appendix A covers the other states.

Some states require a written authorization before you act. There, the authorization is what makes the letter lawful, so file it next to the letter:

- **California** bars a credit services organization from calling or submitting "any communication to a consumer credit reporting agency, creditor, debt collector, or debt buyer without the prior written authorization of the consumer" (Cal. Civ. Code §1789.13(m)).
- **Washington** bars sending "any communication to a consumer reporting agency, creditor, collection agency, or regulatory entity without the prior written authorization of the consumer" (RCW 19.134.020(1)(f)).
- **Ohio** bars submitting a buyer's disputes without the buyer's knowledge "as evidenced by positive identification, including the buyer's correct current residence address, and written authorization personally signed by the buyer" (Ohio Rev. Code §4712.07(I)).

Telemarketing brings its own records. If you make sales calls (Chapter 3), the Telemarketing Sales Rule's do-not-call safe harbor at 16 CFR 310.4(b)(3) depends on written procedures, trained staff, a list of numbers you may not call, and a registry version no more than 31 days old, with "records documenting this process." Section 310.4 also refers to the Rule's recordkeeping section, §310.5. Read it before you start calling.

Electronic records count. Under 15 U.S.C. §7001(d)(1), an electronic copy meets a legal duty to keep a record if it accurately reflects the information and remains "accessible to all persons who are entitled to access" for the required period, "in a form that is capable of being accurately reproduced for later reference." A PDF on one staff member's laptop fails that test.

What belongs in each client file?

A client file should show that the required steps happened in order and that every charge followed a completed service. Build it as the work happens. The owner's template library covers most of it:

Record	What it proves	Template
Intake with state of residence	Which state rules apply. Account numbers are masked.	CD-131

Record	What it proves	Template
Disclosure acknowledgment, dated and timed	The disclosure came before the contract (§1679c(a))	CD-145
Contract, both cancellation notices, copy-delivery record	Required terms and copies were given at signing (§§1679d, 1679e)	CD-144 (rebuilt in your name), CD-146
Service scope and completion schedule	What "fully performed" means for each service	CD-143
Cancellation record, if any	When notice arrived, that work stopped, refund status	CD-147
Written authorization for communications	State prerequisites such as Cal. Civ. Code §1789.13(m)	Your own form
Issue assessment and exhibit index	Each dispute rests on a specific fact and document	CD-133, CD-134
Approval of each exact letter	The client approved these words, attachments and recipient	CD-140
Mailing manifest	What was sent, when, how and in which version	CD-136
Communication log	Calls, emails and promises, recorded as facts	CD-137
Outcome tracker	What came back, and the next step based on the facts	CD-138
Billing ledger	Each charge, and the completion record it followed	Your own ledger
Complaint log	Every complaint and how it was resolved	CD-149

The templates come from the Check Dispute LLC library, so reissue each one in your own legal name before use.

Three habits make a file trustworthy:

1. **Record facts, not conclusions.** CD-137 puts it this way: "Keep observations separate from conclusions; a log entry alone does not establish illegality."
2. **Add, never rewrite.** Record a correction as a new dated entry that says what changed and why. A note that can be edited without leaving a history cannot prove the order of events.
3. **Keep only what you need.** The FTC's data security guide for businesses says: "If you don't have a legitimate business need for sensitive personally identifying information, don't keep it. In fact, don't even collect it." CD-131 asks for masked account references only, and CD-148 lists passwords among the data a firm does not collect.

How long should you keep client records?

Keep each record for the longest period that applies, measured from the right starting event, then dispose of it securely unless a hold applies. Three inputs set the date.

1. Retention rules. These are the periods in the table above. Where two apply, the longer one wins.

2. Claim windows. State credit services statutes also set deadlines for consumer lawsuits. These are not retention rules, but deleting a file before the window closes destroys evidence you may need. Examples from the research:

- **4 years after the contract is executed:** Texas (Fin. Code §393.505), Louisiana (R.S. 9:3573.12), Michigan (MCL 445.1824(2)), Missouri (RSMo §407.644.4) and Ohio (§4712.10(A)(4)).
- **3 years after the contract is signed:** the District of Columbia (D.C. Code §28-4607(c)).
- **2 years:** Maryland, from the violation (Com. Law §14-1913(a)); Virginia (§59.1-335.11) and Tennessee (§47-18-1009), from the date the liability arises.

3. Holds. When a complaint, a regulator inquiry or a threatened claim arrives, stop any scheduled deletion for that file until the matter is closed. CD-147 states the principle: "No deletion promise that conflicts with a mandatory retention obligation."

Write the policy down. The FTC's guide says to "develop a written records retention policy to identify what information must be kept, how to secure it, how long to keep it, and how to dispose of it securely." It says to shred, burn or pulverize paper, and adds that a business using consumer credit reports "may be subject to the FTC's Disposal Rule."

A fictional retention schedule. Cedar Row Credit Services LLC, a made-up firm, sets one review date per file: the later of the retention period and the claim window. That is a policy choice, not a legal requirement.

Client	Key dates	Statement kept at least until	File review date
Florida client	Statement signed Feb. 2, 2026	Feb. 2, 2031 (Florida's 5 years)	Feb. 2, 2031
Washington client	Agreement ended Aug. 14, 2026	Aug. 14, 2030 (4 years after it ended)	Aug. 14, 2030
Texas client	Statement signed Mar. 9, 2026; contract signed Mar. 11, 2026	Mar. 9, 2028 (federal and Texas)	Mar. 11, 2030 (Texas claim window)

How do you make records you can prove later?

Tie every approval and every mailing to an exact version of the document. Then take timestamps from the system, not from staff, for each step whose order the law cares about.

Versions. The mailing manifest, CD-136, records a "final file name/hash or other version identifier." It also sets the rule that "any changed allegation, attachment or recipient requires new consumer approval." NIST's Secure Hash Standard explains why a hash, or digital fingerprint, works for this: digests "are used to detect whether messages have been changed since the digests were generated" (FIPS 180-4). A matching fingerprint shows that the mailed file is the file the client approved. It does not show that the letter's statements are true.

The order of events. An auditor will compare four pairs of timestamps:

- The disclosure acknowledgment should come before the contract signature.
- The first work should come after the cancellation window closes.
- Each charge should come after the delivery record for that service.
- Each mailing should come after the client's approval of that exact version.

Access. The FTC's guide recommends the "principle of least privilege," cutting off access for workers who leave or transfer, "central log files of security-related information," and naming "a senior member of your staff" to coordinate your response to a security incident.

What should a compliance audit check?

An internal audit re-tests each rule the business says it follows against the records. CROA sets no audit schedule, so the cadence below is a practical design, not a legal requirement.

How often	What to audit	Scope
Weekly	Billing: every charge captured against a completion record	All charges
Monthly	Client files: sequence, approvals, mailings	A sample, such as 10 files
Monthly	Complaint log: open items, repeat causes	All complaints
Quarterly	Ads, scripts and letter templates (Chapter 3)	Everything live
Quarterly	Access: who can see client data	All accounts
Annually and at each renewal	State registrations, licenses and bonds (Chapter 4)	Every state served

The file test. For each sampled file, answer yes or no, and name the record that proves the answer:

1. Was the disclosure acknowledged before the contract was signed (§1679c(a))?
2. Does the contract carry the §1679d(b) terms, the client's state terms and two correctly dated cancellation notices?
3. Did work start only after the cancellation window ended (§1679d(a)(2))?

4. Was each charge captured after its service was fully performed (§1679b(b)), with refund status stated truthfully?
5. Does every mailed letter have an approval for that exact version, plus a written authorization where state law requires one?
6. Does each dispute rest on a specific, documented fact, with no dispute of accurate information and no "not mine" or identity-theft claim beyond the client's truthful facts?
7. Did any round repeat without a reply or a new fact? A bureau may end a reinvestigation it "reasonably determines" is "frivolous or irrelevant" (15 U.S.C. §1681i(a)(3)).
8. Does any direct letter to a furnisher hide who prepared it, or ignore the Regulation V exception (12 CFR 1022.43(b)(2))?
9. Does any message in the communication log promise an outcome?

The renewal calendar. Registration dates vary by state. For example:

- A Texas registration "expires on the first anniversary of its date of issuance" (Fin. Code §393.101(d)).
- A California certificate "shall expire one year after it was issued" (Civ. Code §1789.25(d)).
- Kansas licenses expire "on April 30 of each year" (K.S.A. 50-1118(d)).
- The District of Columbia charges an annual fee due "before April 2" (D.C. Code §28-4602(a)(2)).

Write down every finding: the rule, the record examined, what was wrong, the fix owner, the fix date and the verifier. If a finding touched a client, such as a charge taken too early, fix it for that client as well as in the process.

How should you handle a client complaint?

Handle every complaint in six steps, which the owner's template CD-149, "Client complaint acknowledgment and resolution log," follows. Its categories are billing, unapproved letter, data, cancellation, outcome claim and other.

1. **Log it the same day,** whatever channel it arrived through. Record the date, the subject, the client's requested resolution and a named owner.
2. **Protect first.** Take any immediate protective action the complaint calls for, such as freezing billing on the file or pausing mailings.
3. **Acknowledge in writing.** Include a reference number, your summary of the request, a way to correct that summary, and a response date you will actually meet. CD-149's acknowledgment says it "is not a finding that the complaint is resolved and does not require you to withdraw a regulator complaint or waive a right."
4. **Investigate against the records.** List the evidence examined, the facts substantiated, the facts still unresolved, and the root cause.

5. **Resolve and verify.** State the action, amount and date, then record the evidence that it happened. Report status truthfully. CD-147's rule: "We will not describe an uninitiated refund as completed."
6. **Close and prevent.** Record the closure reason, the date the client was notified, the process change and its owner. Keep the records under your retention policy, or under a hold if one applies.

What you must never do:

- **Trade a refund for silence.** Never make a refund or resolution depend on withdrawing a complaint, removing a review or waiving a right. A consumer's waiver of CROA rights "shall be treated as void," and "any attempt by any person to obtain a waiver" is "treated as a violation" (15 U.S.C. §1679f).
- **Settle an outcome complaint with an outcome promise.** "Next round will get it removed" is an "untrue or misleading representation of the services" (§1679b(a)(3)). No particular result is guaranteed.

Outcome complaints. When a client says "nothing came off my report," answer from the file: what the contract promised (no guarantee), what was disputed on which facts, and what came back (CD-138). Accurate negative information is not an error, and a dispute will not remove it. If your sales material suggested otherwise, you have a marketing finding and possibly a refund to make.

What happens when a client complains to the CFPB, the FTC or a state?

Clients may complain to regulators, and the FTC tells them to. Treat an outside complaint as the same complaint, answered from the same records. The FTC's Fixing Your Credit FAQs says that anyone with "a problem with a credit repair company" can report it to the FTC at ReportFraud.ftc.gov, to their state attorney general, or to their state's consumer protection office.

The CFPB. Its complaint page lists "Debt and credit management" and "Credit reports and other personal consumer reports" among the products it takes complaints about. Its process page describes what happens next:

- The CFPB sends the complaint to the company. "Companies generally respond in 15 days," and some give a final response in 60 days.
- It publishes the complaint without information that directly identifies the consumer, and shares complaints with certain state and federal agencies, including for supervision and enforcement.
- The consumer has 60 days to give feedback on your response.
- The CFPB keeps complaints for 25 years, so a complaint about your firm will outlast any file you delete.

The states. The Texas Secretary of State's CSO FAQ says a consumer may complain to the attorney general, and that "the attorney general or a district or county attorney may investigate an alleged violation." The Secretary of State is only a filing officer and "cannot resolve disputes about CSO services." In California, the attorney general, district attorneys and city attorneys may seek injunctions (Civ. Code §1789.20).

Respond with the same dated chronology and documents as your internal log. Say what you have done and what you will do by when, do not characterize the client, and include no more personal data than the response needs.

When you help a client complain about a bureau or furnisher, check the CFPB's rules first:

- **Dispute first.** For inaccurate information, the CFPB says: "You are required by law to first dispute the information directly with the credit or consumer reporting agency."
- **Say who you are.** Someone filing for another person "must disclose your relationship to the consumer and that you are submitting a complaint on their behalf."
- **Get written authorization.** Companies "generally require signed, written authorization," and Washington's rule covers communications to a "regulatory entity."
- **Get it right the first time.** A consumer "generally can't submit a second complaint about the same problem."

A complaint is an escalation. It does not remove information from a credit report.

Worked example: one complaint that became an audit

This example is fictional. Cedar Row Credit Services LLC is a made-up firm that prints and mails client letters in batches. Its contract prices a dispute letter at $40 and a tracked mailing at $15, each charged after it is completed.

Date	What happens	Record kept
Mon., Oct. 5, 2026, 9:12 a.m.	Dana Whitfield, a Washington client, emails: "You charged me $55 for a second letter I never saw."	Complaint C-26-041, logged as billing and unapproved letter
Mon., Oct. 5, 11:00 a.m.	Billing on Dana's file is frozen, and nothing further mails. The written acknowledgment gives her reference number, restates her request, commits to a response by Friday, Oct. 9, and says she need not withdraw anything.	CD-149 acknowledgment
Tue., Oct. 6	The ledger shows two $55 charges. Letter 1 has an approval dated Sept. 14, and its fingerprint matches the mailing manifest. Letter 2 has no approval, but the manifest shows it went out in the Sept. 18 batch.	Ledger, CD-140, CD-136
Tue., Oct. 6	Root cause: the batch picked up every letter marked "ready," including drafts still waiting for approval. Because Dana lives in Washington, mailing letter 2 without her approval also raises a problem under RCW 19.134.020(1)(f), which requires her prior written authorization.	CD-149 root cause

Date	What happens	Record kept
Wed., Oct. 7	A $55 refund is initiated and the processor reference is logged. Dana gets a written explanation and a copy of letter 2 exactly as mailed, with the recipient and date, so she knows what was sent in her name. The status reads "initiated," not "completed."	Refund status record
Fri., Oct. 9	The refund is confirmed complete and Dana is told. The complaint closes as substantiated. The batch step now refuses any letter whose fingerprint does not match an approval.	Closure, process change

The audit that followed. The cause was the system, not one employee, so the compliance lead audited every batch since the feature launched on Monday, Aug. 3: 14 batches and 412 letters. Two other client files held three letters mailed without a matching approval; in one, an exhibit had been added after approval, so the fingerprint no longer matched. Cedar Row contacted both clients before either complained, started refunds and logged each case.

What this establishes: the file showed exactly what was sent, when and on whose approval, and one complaint exposed a defect affecting three other letters. **What it does not establish:** that Cedar Row has no further obligations for the unauthorized letters (a question on which a firm may want legal advice), or that any letter will change anything at a bureau.

Common mistakes that turn a fixable problem into a finding

- **"We delete everything the day a client cancels."** A deletion that destroys a record you must keep is a new problem.
- **"We'll refund if the review comes down."** Asking for a waiver is itself a violation under §1679f(b).
- **"Our CRM notes are the record."** Editable notes, and letters that can change after approval, cannot prove what happened in what order.
- **"The audit passed."** A checklist that never finds anything is not testing the records.
- **"Just dispute it again."** A repeat without new facts invites a frivolous-dispute determination and does not answer a service complaint.

Checklist: records, audits and complaints

- [ ] A written retention policy lists each record, its rule, starting event and period; the longest applicable period controls, and disclosure acknowledgments are kept at least two years from signing.
- [ ] Written authorization is on file before any communication in states that require it.
- [ ] Every mailed letter matches an approval of the same version, and any change triggers a new approval.

- ☐ Every charge is matched to a completion record, and refunds are reported as initiated or completed, truthfully.
- ☐ Electronic records are accurate, accessible to everyone entitled to them and reproducible for the full period.
- ☐ Access is limited to need, departing staff lose access at once, paper is shredded, and holds suspend deletion.
- ☐ The audit calendar runs on schedule, and every finding has an owner, a fix date and a verifier.
- ☐ Every complaint is logged the same day, acknowledged in writing, investigated against the records, resolved with evidence and closed with a process change.
- ☐ No refund, cancellation or resolution depends on withdrawing a complaint, removing a review or waiving a right.

Completing this checklist does not show that a business complies with every federal and state law, and it does not show that any dispute will succeed.

Where does CheckDispute fit?

CheckDispute is software. It does not set your retention schedule, run your audits or resolve your complaints. What it can do is produce records that are hard to get wrong.

For consumers. Approval is tied to the exact file. Rebuilding a packet "creates a new revision, produces a new fingerprint and resets approval." Mailing with tracking is optional, and the software does not guess a receipt date. Each charge is taken when its service is delivered:

- **Free:** the preview.
- **Unlock:** a $29 report unlock, or a plan (Basic $19.99, Plus $29.99, Premium $49.99) charged only in a month it is used.
- **Add-ons:** e-signature $6.99; mailing at $6.99 First-Class, $24.99 Certified or $32.99 Certified with return receipt; notarization $50, charged after the notarized PDF returns.
- **Tax:** sales tax is added where it applies.

No result is guaranteed, and consumers can always dispute for free on their own.

For firms. The CheckDispute Business plan (September 25, 2026) keeps each client's data in its own workspace. The e-signed CROA disclosure, contract and cancellation right come before any work, and client billing covers only work already performed. Letters state only facts the client attested to and keep their source links. Chapter 10 covers what is available and what it costs.

Key points

- Federal law requires one record for a fixed period: the signed disclosure acknowledgment, kept two years from signing (§1679c(c)). States can require longer: four years after the agreement ends in California and Washington, and five years in Florida. Keep the longest period that applies, from the right starting event.
- A client file should prove the order of events (disclosure, contract, cancellation window, work, completion, charge) and that each letter was mailed in the exact version the client approved.
- Audits re-test your rules against your records on a set calendar. Any finding that touched a client gets fixed for that client, not only in the process.
- Handle every complaint the same way: log it, protect the client, acknowledge in writing, investigate against the records, resolve with evidence, and change the process. Never make a refund depend on withdrawing a complaint, removing a review or waiving a right.
- Clients may complain to the CFPB, the FTC or their state. Answer from the same records; the CFPB says companies generally respond within 15 days.
- Disputing is free and consumers can do it directly with the bureaus. Free reports are at AnnualCreditReport.com, accurate negative information is not an error, and no particular result is guaranteed.

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Chapter 10: Running it on CheckDispute Business: team, clients, calendar, bulk letters, pricing and the partner program

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

CheckDispute Business is a multi-client workspace for credit repair and credit counseling firms. It runs the same letter engine as the consumer product (report reading, question cards, source-linked letters, a compliance check, printing, mailing and tracking) for a team serving many clients. Your firm stays the credit repair organization, responsible for its registrations, bonds, contracts, billing and conduct. CheckDispute is the software. It can make the compliant path the default, but it cannot make a firm compliant, and it never submits a dispute on its own, signs for a client or promises a result.

This chapter follows the workspace in the order a firm uses it. Chapters 2 through 9 explain the rules behind each feature.

Status on the date of writing. On September 25, 2026, when this chapter's sources were checked, CheckDispute Business was being built in phases and was not yet available to firms. This chapter describes the design documented on that date. Features, limits and prices can change, and the Business terms in force when you sign up control.

What is CheckDispute Business, and what does it leave to you?

It is software for the middle of a dispute practice, planned in five phases:

Phase	What it adds
1. Foundation	Business sign-up with a compliance attestation, team roles, clients, working inside a client's workspace, the client limit, custom templates, a dashboard and a dates calendar
2. Letters at scale	Bulk generation across clients, bulk printing as one merged PDF per batch, bulk mailing, letter sequences
3. Clients	A client portal, e-signed CROA onboarding, and client billing that charges only for work already performed
4. Integrations	API keys and webhooks, then a Zapier app
5. Public	A Business page and pricing in English and Spanish

Sign-up records your legal name, EIN and address. You then attest that the firm complies with the Credit Repair Organizations Act (CROA, 15 U.S.C. §§1679–1679j), with the Telemarketing Sales Rule where it applies, and with your states' credit services registration and bond rules. The acceptable-use terms forbid false statements to bureaus or creditors, disputes of accurate information and CPNs. Accounts that break them are suspended.

What stays with you: state registrations and bonds (Chapter 4), contracts and charge timing (Chapters 2 and 8), marketing (Chapter 3), and deciding, entry by entry, whether a client has a truthful factual dispute (Chapter 6).

How should you set up your team?

Invite only people who need client files, give each the lowest role that fits, and train them before their first login. Team size is unlimited, and there are three roles:

Role	What it can do
Owner (one per business; cannot be changed or removed)	Everything: team, billing, the client limit, archiving and reopening clients, erasing a client's documents, and creating, editing and publishing templates
Admin	The same as the owner, except that an admin can invite, change or remove only staff
Staff	Read every open client, add and edit clients, work inside open clients, and use published templates only

An invitation is a link that is shown once, expires after seven days and works only for the invited email address.

The law reaches your staff. CROA's list of prohibited practices in 15 U.S.C. §1679b(a) begins "No person may." Its standard for statements that should be known to be untrue or misleading names "the credit repair organization, officer, employee, agent, or other person." Washington's statute applies its prohibitions to a credit services organization and "its salespersons, agents, and representatives, and independent contractors who sell or attempt to sell" its services (RCW 19.134.020(1)). Train every staff member on the statements they may never make or suggest, starting with "say it isn't yours."

Protect client files the way the FTC describes. The FTC's Protecting Personal Information: A Guide for Business says to "Follow the 'principle of least privilege.'" It advises limiting personal information to employees with a "need to know," cutting off access for workers who leave, regular training and strong passwords, and suggests considering multi-factor authentication. Template CD-148 (*Data-use, access and retention configuration worksheet*) helps you write the plan down: "Do not mark a control as implemented unless it is."

Roles decide who manages the team, billing and templates. They do not limit which clients a member can open: every active member can see every open client. So apply least privilege to membership itself. Add a person only if they need client files, and remove them the day they leave.

Staff never approve or sign for a client. The business note on template CD-140 (*Individual-letter review and approval*) is direct: "staff may not sign, e-sign or approve for the client, and one approval covers one exact packet."

How does a client move through the workspace?

Every client follows the same order: intake, the CROA documents, a waiting period with no work, then disputes built only from the client's own facts, with the client approving every letter.

1. Add the client. A client counts toward your client limit while it is open. Archiving a client frees its place, pauses its workspace and keeps its records. Reopening it needs a free place. Owners and admins can erase a client's documents, but check retention first. CROA requires you to keep the signed §1679c acknowledgment "for 2 years after the date on which the statement is signed" (15 U.S.C. §1679c(c)(2)). Florida requires 5 years for its own statement (Fla. Stat. §817.702).

2. Intake. Template CD-131 (*Client intake and safe-contact form*) carries this business note: "Intake is not a contract." Collect identity documents only through a verified secure channel.

3. The CROA documents. Give the client three things:

- The separate disclosure (CD-145), before any contract.
- The written, dated contract with every §1679d(b) term. The service schedule template, CD-143, fits here.
- Two copies of the Notice of Cancellation (CD-146), as 15 U.S.C. §1679e(b) requires.

In the Business template editor, CD-145 and CD-146 are locked to their statutory text. Only your firm's details change. No service may begin before the end of the 3-business-day period starting on the day the contract is signed (15 U.S.C. §1679d(a)(2)). State periods can run longer. California's is "before midnight on the fifth working day after you sign it," and any payment must be returned within 15 days after the seller receives the cancellation (Cal. Civ. Code §1789.16).

The phase 3 e-contract flow is designed to deliver these documents by e-signature before any client work. Until it exists, the workspace relies on your attestation and does not itself hold a client's work until the waiting period ends, so your intake process must. If electronic records are to satisfy CROA's writing requirements, the E-SIGN Act requires the consumer's affirmative consent, given after a clear and conspicuous statement of their rights, including any right to paper copies (15 U.S.C. §7001(c)(1)). Chapter 5 covers onboarding.

4. Work inside the client. A banner shows whose workspace you are in, and each client's records sit in a separate workspace. While your subscription is active and the client is open, letters are not watermarked and no $29 report unlock, card hold or plan fee applies. Letters state only facts the client attested, or facts your firm recorded from the client and marked as such, and every letter keeps its source links.

5. The client portal (phase 3). Clients upload their own reports, answer question cards, approve letters and see mail status, in English or Spanish. The portal also shows the free options: disputing is free and can be done directly with the bureaus, free reports are at AnnualCreditReport.com, accurate negative information is not an error, and no result is guaranteed. The CFPB puts the first point plainly: disputing inaccuracies "is already a legal right available to you for free" (CFPB).

Where letters go. Under 12 CFR 1022.43(b)(2), a furnisher need not investigate a direct dispute it reasonably believes a credit repair organization prepared, an exception that does not reach bureau disputes. So bureau disputes are the default, direct furnisher disputes are off by default, and creditor letters (goodwill requests, inquiry questions, collector letters) are labeled for what they are. The workspace never disguises who prepared a letter.

One template is never available to firms: CD-090, the trafficking-related referral. For trafficking-related relief, Regulation V lets the consumer or "any designated representative" prepare the statement identifying the adverse items, "except for a credit repair organization" (12 CFR 1022.142). Refer those clients to a qualified victim-services provider, legal aid or a government entity.

What does the calendar show, and what doesn't it?

The calendar shows planning reminders built from recorded mail events, not legal deadlines, and it says so on every follow-up item. Across your open clients it lists:

- **Mailed:** the date a letter was recorded as sent.
- **Delivered:** the delivery date, when one is recorded.
- **Follow-up check:** 30 days after a bureau letter's recorded delivery date, labeled "not a legal deadline." A letter with no recorded delivery date gets no follow-up item.

The dashboard shows up to 10 upcoming dates in the next 90 days.

Why a follow-up check is not a deadline. Under 15 U.S.C. §1681i(a)(1)(A), the bureau's 30-day period begins "on the date on which the agency receives the notice of the dispute." A delivery record is evidence of receipt, not always the same date. Template CD-135 (*Receipt and deadline calculation worksheet*) warns: "A mailing date is not always the legal trigger." Three more rules move the dates:

- The period can be extended by up to 15 days if the bureau receives relevant information from the consumer during the first 30 days, but not if it finds the information inaccurate, incomplete or unverifiable within those 30 days (§1681i(a)(1)(B)–(C)).
- The written results notice is due "not later than 5 business days after the completion of the reinvestigation" (§1681i(a)(6)(A)).
- A furnisher answering a direct dispute works to the same period a bureau would have (12 CFR 1022.43(e)(3)).

None of this turns a missed date into a deletion. CD-135's business note: "Never tell a client that a missed deadline means deletion, debt cancellation or a damages award."

A worked example. *Everything here is fictional.* Lakeside Credit Services mails a bureau dispute for its client Marcus by Certified Mail. Tracking shows delivery on October 5, so the calendar shows a follow-up check on November 4. On October 20, Marcus finds a statement that supports his dispute, and with his approval the firm sends it to the bureau, which may extend the period by up to 15 days. On November 4, staff check for results and tell Marcus the period may have been extended. The results arrive on November 12.

What this does not establish: the date the bureau's period began, that the bureau missed any deadline, or that any particular result was due.

Your firm's own compliance calendar. The workspace tracks letters, not licenses. Keep a firm-level calendar for dates like these, confirmed in this book's state research:

Item	Rule	Citation
Texas registration	"expires on the first anniversary of its date of issuance"	Tex. Fin. Code §393.101(d)
California registration	"shall expire one year after it was issued"	Cal. Civ. Code §1789.25(d)
Kansas license	"shall expire on April 30 of each year"	K.S.A. 50-1118(d)
Ohio registration	"shall expire annually on the thirtieth day of April"	Ohio Rev. Code §4712.02(H)(1)
Wisconsin registration	"expires on December 1 of the even-numbered year after issuance"	Wis. Stat. §422.502(4)
District of Columbia	"annual fee of $200 before April 2 of each subsequent year," unless regulation sets another time	D.C. Code §28-4602(a)(2)
Washington clients	Failing "to provide a monthly statement to the consumer detailing the services performed," including copies of letters sent, is prohibited	RCW 19.134.020(1)(c)
Record retention	Signed §1679c acknowledgment kept 2 years; Florida's statement, 5 years	15 U.S.C. §1679c(c)(2); Fla. Stat. §817.702

This is a sample, not a complete list. A state missing from it has not been found to lack such a rule. Appendix A has a row for every jurisdiction.

How do bulk letters work without turning into blanket disputes?

Bulk handles the mechanics: generating, printing, mailing and tracking. It does not batch the judgment. Each letter stays tied to one entry, one client's attested facts and one approval.

Phase 2 is designed to add:

- **Bulk generation** across clients, with each letter still source-checked.
- **Bulk printing** as one merged PDF per batch, for firms that mail themselves.
- **Bulk mailing** through CheckDispute's print-and-mail provider, with tracking. The USPS describes Certified Mail as a way to "Prove you sent it" and to see when it was delivered or that delivery was attempted (USPS extra services).
- **Letter sequences**, which advance only on a reply or a new fact.

Rules that do not scale away:

- **One approval per packet.** CD-140 warns: "No blanket approval for automated dispute cycles or unreviewed AI-generated allegations."
- **No repeated rounds.** A bureau may end a reinvestigation it "reasonably determines" is frivolous or irrelevant (15 U.S.C. §1681i(a)(3)). A furnisher may treat a direct dispute that is "substantially the same" as an earlier one as frivolous or irrelevant, unless it includes information not provided before (12 CFR 1022.43(f)(1)(ii)).
- **Answer a frivolous finding with what it asks for.** The bureau's notice must state its reasons and identify the information it needs to investigate (§1681i(a)(3)(C)). That list, not a resend, is your next step.
- **A change means a new approval.** The mailing manifest, CD-136, says: "Any changed allegation, attachment or recipient requires new consumer approval."
- **Each mailing is its own order.** Every mailing needs fresh authorization, and a transport retry never creates a new charge.

Custom templates. Owners and admins can adapt library templates or write their own. Every save creates a new, fixed version, each version runs through the same compliance check as the built-in library, and any finding blocks publishing. Staff use only published versions. The check blocks wording that denies anyone helped prepare the letter, such as "I prepared this without assistance" or "no credit repair company." Wording that says an account is not the client's triggers a warning, and a letter using it needs the client's own attestation. Each letter records the template version it came from, which gives you an audit trail (Chapter 9). Keep your own templates to current law as well: no 609 "original contract" demands, no Metro 2 cited as a statute, and no reliance on the CFPB's 2025 medical-debt reporting rule, which a federal court vacated on July 11, 2025 (CFPB rule page).

A worked example. *Everything here is fictional.* On a Tuesday, Northfield Credit Services generates 42 letters for 19 clients. Before anything reaches a client, a reviewer pulls three: one repeats a dispute the bureau already answered with nothing new attached, one lacks the client's attestation, and one is a goodwill request drafted as if the late payment were an error. The other 39 go to clients, 36 are approved by Friday, and those print as one merged PDF, go out by Certified Mail and are recorded packet by packet in the manifest.

What this does not establish: that any entry will be corrected, or that the three held letters should ever be sent.

What does CheckDispute Business cost?

The Business plan (September 25, 2026) sets these default prices, which can change before release:

Item	Price
Business subscription	$299 a month, billed monthly to the firm, with 50 open clients included
Additional clients	$4 a month for each client above 50
Team members	Unlimited, at no extra charge
E-signature	$2.80 per use
Mailing with tracking	$2.80 First-Class, $10.00 Certified, $13.20 Certified with electronic return receipt, per recipient per order
Extra printed pages	Six printed pages included per mailing; $0.25 for each additional page up to 12, with larger packets quoted after review
Notarization	$50 per use, charged after the notarized PDF returns

The per-use prices match the consumer Premium member prices. Sales tax is added where it applies.

How the client limit works. Before you raise the limit, the workspace shows the new monthly total, for example "51 clients: $303/month," and asks you to confirm. Increases apply immediately, prorated; decreases apply at the next billing date and never below your open clients. Nothing is metered after the fact.

If the subscription lapses, client letters return to locked previews and paid actions stop. While payment is past due, you can still read client records.

Why the firm pays in advance and clients cannot. Section 1679b(b) bars a credit repair organization from charging for a service it has agreed to perform "for any consumer before such service is fully performed." The subscription is software sold to your firm, not a service to a consumer, so it is billed monthly in advance. Your charges to your clients stay under §1679b(b).

A worked example. *Everything here is fictional.* Harbor Lane Credit Services has 62 open clients, so its subscription is $299 plus 12 × $4, or $347 a month. In October it mails 45 bureau letters by Certified Mail ($450.00) and 10 goodwill requests First-Class ($28.00), and one client asks for a notarized signature ($50.00), plus sales tax where it applies. Harbor Lane may recover these costs from clients only as its contracts allow and only after each service is performed.

Consumers who would rather work alone can use the consumer edition: a free preview, then a $29 report unlock or a Basic ($19.99), Plus ($29.99) or Premium ($49.99) plan charged only in a month it is used, with optional add-ons. Disputing directly with the bureaus costs nothing.

How should you price your own services on top of it?

Price each service so the charge follows a recorded completion event, and never turn the subscription into an advance fee. Chapter 2's four questions apply to every line of your price list:

1. What is the service?
2. What event means it is fully performed?
3. What record proves that event?
4. Is the charge taken after that event?

Client billing through Stripe Connect (phase 3) is designed to charge only for work already performed, with no upfront or monthly-in-advance option. Five mistakes to avoid:

- **Passing the subscription through as a monthly fee.** "$25 a month per client, billed on the 1st" is an advance fee whatever it pays for.
- **Leaving third-party charges out of the total.** The contract must state "the total amount of all payments to be made by the consumer to the credit repair organization or to any other person" (15 U.S.C. §1679d(b)(1)), so pass-through postage and notary fees belong in it.
- **Ignoring the telemarketing trigger.** For services sold by telemarketing, no payment may be requested or received until the promised time frame has expired and the seller has provided a consumer report showing the promised results, "issued more than six months after the results were achieved" (16 CFR 310.4(a)(2)).
- **Treating a state bond as permission.** A Texas bond condition does not lift the federal ban, and California bars charging before "full and complete performance" (Chapters 2 and 4).
- **Forgetting state statements.** Washington's monthly statement must detail the services performed and include copies of letters sent on the client's behalf. The workspace's letter records help you assemble it.

A worked example. *Fictional prices, not a recommendation.* Harbor Lane's service schedule, built on CD-143, lists each service, its completion event and its price:

Service	Complete when	Price
Review of three reports and a written findings memo	Memo delivered to the client	$90
Preparation of each bureau dispute packet	Client-approved packet mailed	$40 per packet
Postage and tracking, passed through at cost	Mailing recorded	At cost, itemized

The contract states the maximum total, including pass-through charges, plus sales tax where it applies. Each charge follows its event, so a client who ends the engagement after the memo owes only for the memo. Chapter 8 covers holds, refunds and chargebacks.

What is the partner program, and should your firm join it?

CheckDispute Partners is a planned referral program for CheckDispute's consumer product. It was not open on September 25, 2026; it is to start as an invitation-only beta, with rates and rules in a published Partner Agreement. As designed:

- Partners earn a percentage of money CheckDispute has actually captured, less refunds and chargebacks, for the $29 report unlock and the Basic, Plus and Premium plan fees, for 12 months from a referred customer's first qualifying payment. A card hold never counts.
- Add-ons and taxes do not count, and the first version pays nothing on Business subscriptions.
- Consumers pay the same price with or without a partner, and partners never receive consumer data, only counts and totals.
- Every promotion must disclose the paid relationship, use approved claims and promise no deletion or score change.
- Telemarketing of any kind, text messages, live transfers, cold or purchased-list email, bidding on the CheckDispute name, coupon and incentive sites, paying people to sign up and multi-level recruiting are banned. The phone ban reflects the Telemarketing Sales Rule's payment trigger for credit repair offers (16 CFR 310.4(a)(2)).

Can a credit repair firm be a partner? As designed, a firm that charges consumers for credit repair is approved only if its CheckDispute promotion is separate from any fee it charges consumers. In practice, do not bundle a referral into a paid service, do not tell a client they must buy anything, and tell clients about both the paid relationship and the free path. Section 1679b(a)(4) reaches fraud or deception "directly or indirectly" in the offer or sale of your services, and a recommendation that hides a paid relationship invites that problem.

The FTC's endorsement guidance is not in this book's source set, so confirm its current text before you publish a partner link. Your own referral partners, such as loan officers and real estate agents, are a separate relationship covered in Chapter 3.

A first-month setup checklist

- [ ] Registrations, licenses and bonds are current in every state where you have clients, and renewal dates are on the firm calendar.
- [ ] Your contract, CD-145 disclosure and two CD-146 notices are issued in your own legal name and address.
- [ ] Intake holds all client work until the longest applicable cancellation period ends.
- [ ] Team roles are set, staff are trained, departures are removed the same day, and nobody approves or signs for a client.
- [ ] Every price line has a completion event and a record, and nothing is billed to a client in advance.

- [ ] Clients are told that disputing is free and can be done directly with the bureaus, that reports are free at AnnualCreditReport.com, that accurate negative information is not an error, and that no result is guaranteed.

Completing this checklist does not show that a business complies with every law that applies to it, or that any dispute will succeed.

Key points

- CheckDispute Business is software; the firm remains the credit repair organization. It was being built in phases and was not yet available on September 25, 2026.
- Roles control management, not client visibility, so apply least privilege to membership, and never let staff approve or sign for a client.
- The calendar's follow-up check is a planning reminder. The legal period runs from the bureau's receipt, can be extended, and a missed date never means deletion.
- Bulk tools batch the mechanics, not the judgment: one approval per exact packet and no repeated rounds.
- The firm's subscription ($299 a month for 50 clients, $4 per additional client) is billed in advance, but the firm's charges to clients must follow each service's completion (§1679b(b)).
- Disputing is free and can be done directly with the bureaus, free reports are at AnnualCreditReport.com, accurate negative information is not an error, and no particular result is guaranteed.

Sources

- 15 U.S.C. §1679b: https://www.law.cornell.edu/uscode/text/15/1679b
- 15 U.S.C. §1679c: https://www.law.cornell.edu/uscode/text/15/1679c
- 15 U.S.C. §1679d: https://www.law.cornell.edu/uscode/text/15/1679d
- 15 U.S.C. §1679e: https://www.law.cornell.edu/uscode/text/15/1679e
- FTC, Credit Repair Organizations Act: https://www.ftc.gov/legal-library/browse/statutes/credit-repair-organizations-act
- 15 U.S.C. §1681i: https://www.law.cornell.edu/uscode/text/15/1681i
- 12 CFR 1022.43: https://www.consumerfinance.gov/rules-policy/regulations/1022/43/
- 12 CFR 1022.142: https://www.consumerfinance.gov/rules-policy/regulations/1022/142/
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- CFPB, Prohibition on Creditors and Consumer Reporting Agencies Concerning Medical Information (Regulation V), vacated July 11, 2025: https://www.consumerfinance.gov/rules-policy/final-rules/prohibition-on-creditors-and-consumer-reporting-agencies-concerning-medical-information-regulation-v/
- AnnualCreditReport.com: https://www.annualcreditreport.com/
- Texas Finance Code chapter 393: https://tcss.legis.texas.gov/resources/FI/htm/FI.393.htm
- California Civil Code §§1789.10–1789.26: https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=CIV&division=3.&title=1.6E.&part=4.&chapter=&article=
- Florida Statutes chapter 817, part III: https://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0800-0899/0817/0817.html
- Kansas K.S.A. 50-1118: https://www.ksrevisor.org/statutes/chapters/ch50/050_011_0018.html
- Ohio Revised Code chapter 4712: https://codes.ohio.gov/ohio-revised-code/chapter-4712
- Wisconsin Statutes chapter 422, subchapter V: https://docs.legis.wisconsin.gov/statutes/statutes/422/V/501
- D.C. Code §28-4602: https://code.dccouncil.gov/us/dc/council/code/sections/28-4602
- Washington RCW chapter 19.134: https://app.leg.wa.gov/RCW/default.aspx?cite=19.134&full=true

Appendix A: 50-state credit services organization table (registration, bond, cancellation days, advance-fee rule, citation)

State research recorded September 25, 2026. This appendix is a research record, not legal advice. Read the statute itself before you rely on any row.

This appendix lists, for all 50 states and the District of Columbia, what our research recorded about each state's credit services organization law: where the statute is, whether it requires registration or a license, whether it requires a bond, how long the client's cancellation period is, and when the state text lets a business be paid. The research located and quoted a statute for 40 of the 51 jurisdictions. For the other 11, it found none. That is a search result, not a finding that no law applies.

Every value in the tables is taken from the structured research file for that jurisdiction, and every row names its statute so you can read the text yourself. A row says what the research recorded, including its gaps.

What is this appendix, and what is it not?

It is a research record. The research behind this book read state statutes, saved the text, quoted the key provisions and recorded structured fields for each jurisdiction. This appendix prints those records. It does not rewrite the legal details to make them tidier, because a simplified statute can be a wrong one.

It is not legal advice. A table cell cannot tell you whether your business model falls inside a state's definition, whether an exemption covers you, or how a regulator or court reads the text. Several research notes say so directly: for Texas, "Whether any particular product falls within the § 393.001(3) definition is not decided here." If you are unsure, consult a lawyer licensed in that state.

It is a snapshot. Every record was made on September 25, 2026. Statutes are amended, renumbered and repealed. Before you rely on a row, open the linked statute and check that it still says what the table says.

It is not complete. "No statute found in our research" means the research looked and did not find one. It does not mean the state has no law that reaches credit repair. The research notes name general consumer protection laws, and debt adjusting or debt management laws, in several of those states, and did not evaluate whether they reach credit repair.

It does not decide which state's law applies to a client. Some statutes reach businesses with no office in the state. South Carolina's licensing section, for example, applies "whether or not the person has any office, facility, agent, or other physical presence in South Carolina" (S.C. Code Ann. § 37-7-102). Chapter 4 explains why the client's state usually matters. Map every state where you have clients, not just the state where your office is.

What does federal law require in every state, whatever the row says?

The federal Credit Repair Organizations Act (CROA) applies in all 51 jurisdictions, including every row marked "No statute found in our research." State law adds to it. Under 15 U.S.C. §1679j, state law stays in force unless it is inconsistent with CROA, so meet both and follow the stricter rule on each point. Four federal rules sit under every row:

- **No payment before the service is done.** "No credit repair organization may charge or receive any money or other valuable consideration for the performance of any service which the credit repair organization has agreed to perform for any consumer before such service is fully performed" (15 U.S.C. §1679b(b)). A state bond or trust account that lets you take advance fees under state law does not change this federal rule.
- **Three business days to cancel.** A consumer may cancel "at any time before midnight of the 3rd business day which begins after the date on which the contract or agreement ... is executed" (15 U.S.C. §1679e(a)), and no services may be provided "before the end of the 3-business-day period beginning on the date the contract is signed" (§1679d(a)(2)). Where a state period is longer, the client gets the longer one.
- **A written contract and a separate disclosure.** CROA requires the "Consumer Credit File Rights" statement before any contract (§1679c) and a written, dated contract with the bold cancellation statement (§1679d). Many state statutes in Table A-1 add their own disclosure and contract wording on top.
- **No false statements.** No person may make, or advise a consumer to make, an untrue or misleading statement about creditworthiness to a credit bureau or creditor (§1679b(a)).

Every client should hear the same four facts from you, whatever state they live in. Disputing is free, and consumers can do it directly with the credit bureaus: the FTC says "Disputing mistakes or outdated things on your credit report is free" and that anything a credit repair company can do legally, consumers can do for themselves for little or no cost (FTC, Fixing Your Credit FAQs). Free reports are available at AnnualCreditReport.com; the same FTC page, retrieved September 20, 2026, says everyone in the U.S. can check their report from each nationwide bureau once a week for free there. Accurate negative information is not an error: the FTC says credit repair companies "can't remove negative information that's accurate and current." And no particular result is guaranteed.

How do I read the tables?

Table A-1 covers where the statute is, registration and bonds. Table A-2 covers the cancellation period and the advance-fee rule. Table A-3 lists the jurisdictions where no statute was found. Rows are alphabetical, and the District of Columbia is included.

What each column means:

- **Statute found.** The citation as recorded, linked to the first statute page the research saved, then the statute's title in italics. The title matters: in some states the law that reaches credit repair is a debt management, loan broker, collection agency or credit counseling law.
- **Registration or license.** "Yes" or "No" is the recorded flag, followed by the office the research named. Where a "No" row carries a recorded note, the note is printed.
- **Bond required.** The recorded flag. Read it together with the next column. In several states the flag is "No" because the bond is a condition for taking payment before full performance rather than a condition of doing business at all (Iowa, Illinois and Massachusetts, for example). The amount column says which.
- **Bond or security as recorded.** The amount and conditions exactly as the research recorded them, with section numbers.
- **Cancellation period.** The recorded value first. A bold number is the number of days; the quoted words tell you whether they are calendar days, business days or working days, and when the count starts. Where the research recorded two different wordings in one statute, both are quoted. "No fixed period recorded" means the research found no state cooling-off window in the text it read (Kansas and Mississippi give a right to cancel by written notice with no fixed window, quoted in their rows); CROA's three business days still apply. South Carolina's **10** is different in kind: it is the written notice for cancelling at any time, not a ten-day window.
- **Advance-fee flag.** The recorded "advance fee prohibited" field. **Do not rely on the flag alone.** The research recorded it state by state, and conditional rules were not coded the same way everywhere. For example, Arizona and Missouri are recorded "Yes" and Texas and Washington "No," yet all four state texts bar payment before full performance unless the required bond or security (in Washington, a bond plus a trust account) is in place. Louisiana's flag is blank. Read the rule column.
- **Advance-fee rule in the state text.** The section number and the research's plain-English summary of the provision on when you may be paid, including any stated exception. Where no such provision was recorded, the cell says so.

Checklist for each row you use:

- [ ] Open the linked statute and confirm the section still reads as quoted.
- [ ] Look for a dagger (†). It means the research read the text from an unofficial copy on FindLaw. Confirm it against the state's official code.

- ☐ Read "Not recorded," "None recorded" and "—" as gaps in the research, not as "no."
- ☐ Read the bond flag and the advance-fee flag together with the text beside them.
- ☐ Apply CROA on top: no payment before a service is fully performed, and the later of the federal and state cancellation deadlines.
- ☐ Check "Which rows need a second look?" below before you finish a state.

Statutes read from an unofficial copy (marked †): Arkansas, Colorado, Georgia, Illinois, Indiana, Tennessee.

What do the counts show?

Across the 40 jurisdictions where a statute was located:

- 25 are recorded as requiring registration or a license.
- 30 are recorded as requiring a bond and 10 as not, though four of the "No" rows (Iowa, Illinois, Massachusetts and New Hampshire) still tie a bond to taking payment early.
- 32 have a recorded cancellation value (South Carolina's is a notice period, not a window); the other 8 have no fixed period in the text read.
- The advance-fee flag is "Yes" in 23, "No" in 16 and blank in 1. As explained above, the flag is not a reliable count of which states ban advance fees.

Counts describe the research record, not the law's reach. They say nothing about whether any particular business is covered.

A worked example (fictional)

Everything in this example is invented. Sandhill Credit Services LLC, a made-up firm, plans to take clients in Nebraska, Iowa and South Dakota. Its compliance lead uses this appendix to start a compliance map, one row per state.

1. **Nebraska.** Table A-1 shows Neb. Rev. Stat. §§ 45-801 to 45-815. It records registration as required (Nebraska Secretary of State) and this bond: $100,000 surety bond or surety account (45-805(1)), required of every credit services organization conducting business in Nebraska. So the bond is needed to do business in Nebraska at all, not only to charge early. Table A-2 shows a cancellation value of 3, worded "You, the buyer, may cancel this contract at any time before midnight of the third day after the date the contract is signed." (§ 45-808(1)(a)), and the advance-fee rule at § 45-804(1). Sandhill registers and posts the bond before it advertises or signs anyone.
2. **Iowa.** The row records registration as required (Iowa Secretary of State). The bond flag is "No," and the amount column explains why: $10,000 minimum bond or surety account (538A.4(6)), required only for a CSO that charges or receives payment before completing all agreed services (538A.3(1)). Sandhill never charges before a service is fully performed,

because CROA forbids it everywhere. It still reads Iowa Code § 538A.3(1) and the bond and registration sections itself, and writes its bonding decision, with reasons, into the Iowa row.

3. **South Dakota.** Table A-2 says "No statute found in our research." Table A-3 adds what the research noted: "No South Dakota credit services organization statute was found. A business that also offers debt management or debt settlement should note SDCL chapter 37-34 (Debt Adjusting), which makes engaging in the business of debt adjusting a Class 2 misdemeanor unless an exception applies, including one for a person that files and maintains a $50,000 bond approved by the attorney general." Sandhill does not read the blank as permission. It applies CROA, checks the debt adjusting chapter and general consumer protection law for its own service model, and records what it checked and when.
4. **All three states.** Each client gets CROA's three-business-day cancellation right and every prescribed state notice, and the latest deadline controls. No client is charged for any service until that service is fully performed. Each client is also told, in writing, that disputing is free and can be done directly with the credit bureaus, that free reports are at AnnualCreditReport.com, that accurate negative information is not an error, and that no result is guaranteed.

Notice what Sandhill does not do. It does not treat a table cell as clearance to operate. Each row is a pointer to a statute that someone at the firm reads, applies and dates.

Table A-1: Where is the statute, and does it require registration or a bond?

Short answer: the research located a statute in 40 of 51 jurisdictions; 25 of those are recorded as requiring registration or a license, and the bond rules split between a bond required to do business and a bond required only to take payment before full performance.

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
Alabama	No statute found in our research	—	—	—
Alaska	No statute found in our research	—	—	—
Arizona	Ariz. Rev. Stat. §§ 44-1701 to 44-1712. *Title 44, Chapter 11, Article 7 (credit services organizations)*	No	Yes	Conditional: required only to charge before full performance (§ 44-1703(1)); 5% of fees charged in the previous twelve months, minimum $5,000, maximum $25,000 (§ 44-1708(C)); copy filed with the corporation commission

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
Arkansas	Ark. Code Ann. §§ 4-91-201, 4-91-202 †. *Credit Repair Services Organizations Act of 2017*	No	Yes	Conditional: $10,000 surety bond plus a federally insured in-state trust account, required only to charge or receive payment before complete performance (§ 4-91-202(e)(1))
California	Cal. Civ. Code §§ 1789.10-1789.26. *Credit Services Act of 1984*	Yes: California Department of Justice (Attorney General); bond filed with the Secretary of State	Yes	$100,000 surety bond (§ 1789.18); deposit in lieu of bond under CCP § 995.710 addressed in § 1789.24
Colorado	Colo. Rev. Stat. §§ 5-19-101 to 5-19-114 †. *Colorado Credit Services Organization Act*	No	No	None recorded
Connecticut	Conn. Gen. Stat. § 36a-700. *Credit clinics*	No	No	None recorded
Delaware	6 Del. C. §§ 2401-2414. *Credit Services Organizations (Chapter 24)*	Yes: Delaware Secretary of State	Yes	$15,000 surety bond or surety account (required to charge before completing all services; § 2403(1), § 2404(e))
District of Columbia	D.C. Code §§ 28-4601-28-4608. *Consumer Credit Service Organizations (District of Columbia Consumer Credit Service Organization Amendment Act of 1990, D.C. Law 8-236)*	Yes: The Mayor (D.C. Code § 28-4602); $300 registration fee and $200 annual fee. The administering department is not named in the Code text.	Yes	Conditional: $25,000 surety bond, or a trust account with a minimum $25,000 balance at a federally insured bank or savings and loan in the District, required to charge or receive payment before services are completed (§§ 28-4603(1), 28-4604(a))
Florida	Fla. Stat. §§ 817.7001-817.706. *Credit Service Organizations (Chapter 817, Part III)*	No	Yes	$10,000 surety bond plus a Florida trust account (required to charge before full performance; § 817.7005(1))
Georgia	O.C.G.A. § 16-9-59 †. *Operation of credit repair services organization*	No	No	None recorded
Hawaii	Haw. Rev. Stat. § 481B-12. *Credit repair organizations*	No	No	None recorded

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
Idaho	Idaho Code §§ 26-2222(5), 26-2223(8), 26-2226, 26-2229(3), 26-2229A(8)-(9), 26-2232A, 26-2238, 26-2239. *Idaho Collection Agency Act (Title 26, Chapter 22) as applied to credit repair organizations*	Yes: Idaho Department of Finance (license issued by the director)	Yes	$15,000 at licensing; on renewal the greater of $15,000 or two times average monthly funds held for others, up to $100,000 (certificate of deposit allowed in lieu)
Illinois	815 ILCS 605/1 et seq. (sections 3-16 retrieved) †. *Credit Services Organizations Act*	Yes: Illinois Secretary of State	No	$100,000 (605/10(c)), required when the CSO charges or receives payment before full performance (605/5(1)); maintained 2 years after ceasing operations
Indiana	IC 24-5-15-1 to 24-5-15-11 †. *Credit Services Organizations (IC 24-5-15)*	No	Yes	$25,000 surety bond filed with the Indiana Attorney General (IC 24-5-15-8(a)); an irrevocable letter of credit of equivalent amount may be accepted instead (IC 24-5-15-8(b))
Iowa	Iowa Code §§ 538A.1-538A.14. *Credit Services Organizations (chapter 538A)*	Yes: Iowa Secretary of State	No	$10,000 minimum bond or surety account (538A.4(6)), required only for a CSO that charges or receives payment before completing all agreed services (538A.3(1))
Kansas	K.S.A. 50-1116 through 50-1135. *Kansas credit services organization act*	Yes: Kansas Office of the State Bank Commissioner (license issued by the commissioner; deputy commissioner of the consumer and mortgage lending division)	Yes	$25,000 (commissioner may increase up to $1,000,000 by regulation)
Kentucky	No statute found in our research	—	—	—
Louisiana	La. R.S. 9:3573.1 through 9:3573.16. *Credit Repair Services Organizations Act*	Yes: Louisiana Attorney General (registration statement required before advertising; bond filed with the Attorney General)	Yes	$100,000

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
Maine	9-A M.R.S. §§ 10-101 to 10-401 (Maine Consumer Credit Code, Article 10). *Loan Brokers (Maine Consumer Credit Code Article 10; the "loan broker" definition covers improving a consumer's credit record, history or rating)*	Yes: The administrator under the Maine Consumer Credit Code (license under 9-A M.R.S. §10-201)	Yes	$25,000 aggregate; $10,000 for a broker acting solely as a refund anticipation loan/check facilitator
Maryland	Md. Code Ann., Com. Law §§ 14-1901 to 14-1916; Md. Code Ann., Fin. Inst. §§ 11-301 to 11-305 and §11-206. *Maryland Credit Services Businesses Act*	Yes: Commissioner of Financial Regulation, Maryland Department of Labor (license; NMLS)	Yes	Not less than $50,000 and not more than $200,000, set by the Commissioner for each licensee (Fin. Inst. §11-206(d)(1), applied through Fin. Inst. §11-304 and Com. Law §14-1908)
Massachusetts	M.G.L. c. 93, §§ 68A-68E. *Credit services organizations (M.G.L. c. 93, §§ 68A-68E)*	No	No	Not less than $10,000, required only if the organization charges or receives payment before full, complete and satisfactory performance (together with an in-state trust account) (M.G.L. c. 93, §68B(1))
Michigan	Mich. Comp. Laws §§ 445.1821-445.1826. *Credit Services Protection Act (1994 PA 160)*	No	No	None recorded
Minnesota	Minn. Stat. §§ 332.52-332.60. *Credit Services Organizations*	Yes: Minnesota Commissioner of Commerce	Yes	$10,000 annual surety bond (cash or eligible securities may be deposited in lieu)
Mississippi	Miss. Code Ann. §§ 81-22-1 to 81-22-28 (Mississippi Debt Management Services Act), as brought forward in 2026 H.B. 1265. *Mississippi Debt Management Services Act*	Yes: Mississippi Department of Banking and Consumer Finance (Commissioner) - license	Yes	$50,000 (cash, certificate of deposit or government bonds may be filed in lieu)

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
Missouri	RSMo §§ 407.635-407.644. *Credit services organizations (L. 1991 S.B. 112)*	Yes: Missouri director of finance (per current text of 407.640, effective Aug. 28, 2026)	Yes	$10,000 surety bond or surety account (407.639.5); required as a condition of charging before services are complete (407.638(1))
Montana	No statute found in our research	—	—	—
Nebraska	Neb. Rev. Stat. §§ 45-801 to 45-815. *Credit Services Organization Act*	Yes: Nebraska Secretary of State	Yes	$100,000 surety bond or surety account (45-805(1)), required of every credit services organization conducting business in Nebraska
Nevada	Nev. Rev. Stat. §§ 598.741-598.787; registration and security §§ 598.721-598.736. *Credit Service Organizations (NRS Chapter 598)*	Yes: Division of Mortgage Lending, Department of Business and Industry (Commissioner of Mortgage Lending)	Yes	$100,000 security deposited with the Division (corporate surety bond, irrevocable letter of credit or other form under NRS 598.726)
New Hampshire	N.H. Rev. Stat. Ann. §§ 359-D:1-359-D:11. *Credit Services Regulation Act (RSA Chapter 359-D, Credit Services Organizations)*	No. Recorded note: No registration found; a copy of any required surety bond, or trust account details, is filed with the Secretary of State (RSA 359-D:8, I)	No	Conditional: required only to charge before full and complete performance; surety bond or trust account equal to 5% of fees charged in the previous 12 months, minimum $5,000, maximum $25,000 (RSA 359-D:8, IV)
New Jersey	No statute found in our research	—	—	—
New Mexico	No statute found in our research	—	—	—
New York	N.Y. Gen. Bus. Law §§ 458-a to 458-k (Article 28-BB). *Credit Services Business (General Business Law Article 28-BB)*	No	No	None recorded
North Carolina	N.C. Gen. Stat. §§ 66-220 to 66-226 (Chapter 66, Article 30). *Credit Repair Services Act*	No	Yes	$10,000 surety bond or trust account in favor of the State of North Carolina (G.S. 66-222)

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
North Dakota	No statute found in our research	—	—	—
Ohio	Ohio Rev. Code §§ 4712.01-4712.15, 4712.99. *Credit Services Organization Act*	Yes: Division of Financial Institutions (superintendent of financial institutions)	Yes	$50,000
Oklahoma	24 O.S. §§ 131-148. *Credit Services Organization Act*	Yes: Administrator of the Oklahoma Department of Consumer Credit (license)	Yes	$10,000 surety bond plus a trust account at a federally insured Oklahoma bank or savings and loan association, required as a condition of charging or receiving any payment before full and complete performance (24 O.S. § 133(1))
Oregon	ORS 697.602-697.842. *Debt Management Service Providers (ORS chapter 697)*	Yes: Director of the Department of Consumer and Business Services (Division of Financial Regulation)	Yes	Minimum $10,000, or an amount the director specifies by rule (ORS 697.642(1)(a))
Pennsylvania	73 P.S. §§ 2181-2192 (Act of Dec. 16, 1992, P.L. 1144, No. 150). *Credit Services Act*	No	Yes	5% of fees charged buyers in the previous 12 months, minimum $5,000, maximum $25,000 (surety bond or trust account); required only if the organization charges or receives payment before full performance
Rhode Island	No statute found in our research	—	—	—
South Carolina	S.C. Code Ann. §§ 37-7-101 to 37-7-122. *Consumer Credit Counseling (Title 37, Chapter 7)*	Yes: South Carolina Department of Consumer Affairs (license under 37-7-102; individual credit counselors also licensed under 37-7-104)	Yes	At least $25,000, and not less than South Carolina clients' trust-account funds (37-7-103(A)); the department may increase it by up to $25,000 (37-7-119(C))
South Dakota	No statute found in our research	—	—	—

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
Tennessee	Tenn. Code Ann. §§ 47-18-1001 to 47-18-1012 †. *Tennessee Credit Services Businesses Act*	Yes: Tennessee Department of Commerce and Insurance (bond registration under 47-18-1003(6) and 47-18-1011; administered by the Division of Regulatory Boards per 47-18-1011(e))	Yes	Amount set by the commissioner per location; $100,000 if no rule sets it (47-18-1011(a)(2)); $10,000 for businesses registered with the Division of Consumer Affairs on or before May 1, 1998 (47-18-1011(d))
Texas	Tex. Fin. Code §§ 393.001-393.505 (Subchapters A-F); Subchapter G (§§ 393.601 et seq.) covers credit access businesses. *Chapter 393. Credit Services Organizations*	Yes: Texas Secretary of State (§ 393.101)	Yes	$10,000 surety bond or surety account for each location (§§ 393.302, 393.403); the statute makes it a condition of charging or receiving consideration before completely performing all agreed services
Utah	Utah Code §§ 13-21-101 to 13-21-110 (renumbered and amended by Chapter 95, 2026 General Session, effective 5/6/2026). *Credit Services Organizations Act (Title 13, Chapter 21)*	Yes: Utah Division of Consumer Protection (§§ 13-21-101(6), 13-21-102(1)(a)(i), 13-21-103)	Yes	$100,000 surety bond or certificate of deposit (§ 13-21-102(1)(a)(ii)); a salesperson or agent covered by the organization's bond need not post a separate one (§ 13-21-104)
Vermont	No statute found in our research	—	—	—
Virginia	Va. Code §§ 59.1-335.1 to 59.1-335.12. *Virginia Credit Services Businesses Act (Title 59.1, Chapter 25.1)*	Yes: Commissioner of Agriculture and Consumer Services (§ 59.1-335.2, § 59.1-335.3)	Yes	Bond or FDIC-insured bank letter of credit equal to 100 times the standard fee, minimum $5,000, maximum $50,000 (§ 59.1-335.4(A))
Washington	RCW 19.134.010-19.134.900. *Credit Services Organization Act (chapter 19.134 RCW)*	No	Yes	$10,000 surety bond plus an in-state trust account, as a condition of charging before full performance (RCW 19.134.020(1)(a))

State	Statute found (citation, then title)	Registration or license	Bond required	Bond or security as recorded
West Virginia	W. Va. Code §§ 46A-6C-1 to 46A-6C-12. *Credit Services Organizations (Chapter 46A, Article 6C)*	Yes: West Virginia Secretary of State (§ 46A-6C-5)	Yes	$15,000 surety bond or surety account (§ 46A-6C-4(e)), required to charge before full performance and maintained until two years after operations cease (§ 46A-6C-5(f))
Wisconsin	Wis. Stat. §§ 422.501-422.506 (ch. 422, subch. V). *Credit Services Organizations (Wisconsin Consumer Act, ch. 422, subchapter V)*	Yes: The administrator (§ 422.502); the required contract statement names the Department of Financial Institutions (§ 422.505(1)(e)), and DFI's Bureau of Consumer Affairs publishes the registration forms	Yes	$25,000 surety bond or irrevocable letter of credit from a federally insured in-state bank or savings and loan association, required of every registrant (§ 422.502(1), (3)(a))
Wyoming	No statute found in our research	—	—	—

Table A-2: How long is the cancellation period, and when may you be paid?

Short answer: the recorded state windows run from 3 to 5 days, counted in calendar, business or working days depending on the statute's words, and several states record none. South Carolina's recorded 10 is the written notice for cancelling at any time, not a window. CROA's three-business-day right applies everywhere. On payment, whatever a state's text allows, CROA §1679b(b) still bars charging for a service before it is fully performed.

State	Cancellation period as recorded, and the statute's words	Advance-fee flag	Advance-fee rule in the state text
Alabama	No statute found in our research	—	—
Alaska	No statute found in our research	—	—
Arizona	**3**. “You, the buyer, may cancel this contract at any time before midnight of the third day after the date of the transaction.” (§ 44-1706(A)(1))	Yes	§ 44-1703(1): A credit services organization may not take payment before fully performing unless it has a surety bond under § 44-1708.

State	Cancellation period as recorded, and the statute's words	Advance-fee flag	Advance-fee rule in the state text
Arkansas	5 days (contract statement: before midnight of the fifth day after the date of the transaction; notice form: within five days from the date the contract is signed); refund within 10 days. “You, the Buyer, may cancel this contract at any time before midnight of the fifth day after the date of the transaction.” (§ 4-91-202(d)(1)(C))	No	§ 4-91-202(e)(1): Charging before complete performance is prohibited unless the organization has both a $10,000 surety bond (§ 4-91-202(e)(1)(A)) and a federally insured in-state trust account (§ 4-91-202(e)(1)(B)).
California	5 working days (before midnight on the fifth working day after signing); refund within 15 days of the cancellation notice. “You, the consumer, may cancel this contract at any time before midnight on the fifth working day after you sign it.” (§ 1789.16(a)(1))	Yes	§ 1789.13(a): A credit services organization may not charge or collect before it has fully performed the agreed services.
Colorado	5 working days (before midnight of the fifth working day after the transaction); refund within 10 days. “You, the buyer, may cancel this contract at any time prior to midnight of the fifth working day after the date of the transaction.” (§ 5-19-107(1)(a))	Yes	§ 5-19-104(1)(a): A credit services organization may not charge or collect before fully performing the agreed services.
Connecticut	No fixed period recorded	Yes	§ 36a-700(e): A credit clinic may not charge or collect for a service until that service is fully performed.
Delaware	**3**. “You, the buyer, may cancel this contract at any time before midnight of the 3rd day after the date of the transaction.” (§ 2407(a)(1))	No	§ 2403(1): A CSO may not take payment before completing all services unless it has the required bond or surety account.
District of Columbia	**5**. “Notice of a consumer's right to cancel a contract within 5 calendar days of signing the contract;” (§ 28-4605(d)(1))	No	§ 28-4603(1): A CSO may not take payment before completing services unless it has the required bond or trust account.
Florida	**5**. “You, the buyer, may cancel this contract at any time prior to midnight of the fifth day after the date of the transaction.” (§ 817.704(1)(a))	No	§ 817.7005(1): A CSO may not take payment before full performance unless it has a $10,000 surety bond and a Florida trust account. § 817.7005(1): Money taken before full performance must be held in the trust account until services are fully performed.
Georgia	No fixed period recorded	No	No advance-fee provision recorded in the text we read
Hawaii	No fixed period recorded	No	No advance-fee provision recorded in the text we read

State	Cancellation period as recorded, and the statute's words	Advance-fee flag	Advance-fee rule in the state text
Idaho	No fixed period recorded	Yes	§ 26-2229A(8): A credit repair organization may not charge or collect for a service before that service is fully performed.
Illinois	**3**. "You, the buyer, may cancel this contract at any time before midnight of the third day after the date of the transaction." (§ 605/7(a)(1))	Yes	§ 605/5(1): A CSO may not charge or receive payment before fully performing the agreed services unless it has obtained a surety bond under Section 10.
Indiana	**3**. "You, the buyer, may cancel this contract at any time before midnight of the third business day after the date of the transaction." (IC 24-5-15-7(a)(1))	No	IC 24-5-15-5(1): Charging before complete performance is a deceptive act unless the CSO has the section 8 surety bond or irrevocable letter of credit.
Iowa	**3**. "You, the buyer, may cancel this contract at any time before midnight of the third day after the date of the transaction." (§ 538A.7(1)(a))	Yes	§ 538A.3(1): A CSO may not charge or receive payment before completing all agreed services unless it has a bond or an Iowa surety account as section 538A.4 requires.
Kansas	No fixed period recorded. "a notice of the consumer's right to rescind the debt management services agreement at any time by giving written notice of rescission to the licensee;" (§ 50-1120(c)(4))	No	§ 50-1126(a)(1): Apart from limited counseling or education fees, no fee may be charged before the agreement is signed.
Kentucky	No statute found in our research	—	—
Louisiana	**5**. "You, the buyer, may cancel this contract at any time before midnight of the fifth day after the date of the transaction." (§ 9:3573.7(A)(1))	Not recorded	§ 9:3573.3(1): No payment may be charged or received unless the required surety bond has been obtained.
Maine	No fixed period recorded	No	9-A M.R.S. §10-301: Consumer fees, other than bona fide third-party fees, must be held in a separate escrow account until the services offered are completed.
Maryland	3 business days (prior to midnight of the third business day after the date of the transaction). "You, the buyer, may cancel this contract at any time prior to midnight of the third business day after the date of the transaction." (Com. Law §14-1906(a)(2)(i))	Yes	Com. Law §14-1902(6): A credit services business may not charge or receive payment before it fully and completely performs the agreed services.

State	Cancellation period as recorded, and the statute's words	Advance-fee flag	Advance-fee rule in the state text
Massachusetts	3 business days (until midnight of the third business day following the date of the contract). “You, the buyer, have the right to cancel this contract or agreement at any time prior to midnight of the third business day following the date thereon.” (M.G.L. c. 93, §68D(a))	Yes	M.G.L. c. 93, §68B(1): A credit services organization may not take payment before full, complete and satisfactory performance unless it has a surety bond of at least $10,000 and a Massachusetts trust account.
Michigan	No fixed period recorded	Yes	§ 445.1823(b): A credit services organization may not charge or receive payment before completing all agreed services. § 445.1823(f)(iii): The ongoing-services exception applies only if, among other conditions, the written agreement lets the buyer cancel at any time without penalty and payments are periodic for ongoing performance.
Minnesota	**5**. “You may cancel this contract at any time prior to midnight of the fifth day after the date of the transaction.” (§ 332.58, subd. 1(1))	Yes	§ 332.56, subd. 1(1): No payment may be charged or received before full and complete performance of the agreed services.
Mississippi	No fixed period recorded. “The right of a party to cancel the agreement by providing a written notice of cancellation to the other party;” (§ 81-22-11(2)(e))	No	§ 81-22-13: Fees are limited to the listed categories and caps.
Missouri	**3**. “YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD DAY AFTER THE DATE OF THE TRANSACTION.” (§ 407.642.1(1))	Yes	§ 407.638(1): Payment before all services are complete is prohibited unless the organization has a surety bond or surety account as section 407.639 requires.
Montana	No statute found in our research	—	—
Nebraska	**3**. “You, the buyer, may cancel this contract at any time before midnight of the third day after the date the contract is signed.” (§ 45-808(1)(a))	Yes	§ 45-804(1): Payment before all services are complete is prohibited unless the organization has the surety bond or surety account required by 45-805.

State	Cancellation period as recorded, and the statute's words	Advance-fee flag	Advance-fee rule in the state text
Nevada	**5**. “A statement that the buyer may cancel a contract for the services of an organization within 5 days after its execution by written notice mailed or delivered to the organization.” (§ 598.757(1)(d)); “You have a right to give written notice of your intent to cancel a contract with a credit service organization for any reason within 5 working days from the date you signed it.” (§ 598.757(2))	Yes	§ 598.746(1): An organization may not charge or receive payment before full and complete performance of the agreed services.
New Hampshire	**5**. “You, the buyer, may cancel this contract at any time prior to midnight of the fifth day after the date of the transaction.” (§ 359-D:6, I(a)); “You may cancel this contract, without any penalty or obligation, within 5 days from the date the contract is signed.” (§ 359-D:6, II)	No	§ 359-D:3, I: Payment before full performance is prohibited unless the organization has a surety bond or an in-state federally insured trust account under RSA 359-D:8.
New Jersey	No statute found in our research	—	—
New Mexico	No statute found in our research	—	—
New York	**3**. “You may cancel this contract, without any penalty or obligation, within three days from the date the contract is signed.” (§ 458-f(2))	Yes	§ 458-e: A credit services business may not collect any fee before performing the services specified in the contract.
North Carolina	3 business days. “YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THE TRANSACTION.” (§ 66-224(a)(1))	Yes	§ 66-223(1): A credit repair business may not charge or collect anything before fully and completely performing the agreed services.
North Dakota	No statute found in our research	—	—
Ohio	**3**. “You may cancel this contract at any time before midnight of the third business day after the date you signed it.” (§ 4712.05(A)(1))	Yes	§ 4712.07(A): The organization may not collect payment until all agreed services are completed within the contract time period.
Oklahoma	**5**. “You, the buyer, may cancel this contract at any time prior to midnight of the fifth day after the date of the transaction.” (24 O.S. § 137(A)(1))	Yes	24 O.S. § 133(1): An organization may not collect payment before fully performing its services unless it has a $10,000 surety bond and a trust account at a federally insured Oklahoma bank or savings and loan.

State	Cancellation period as recorded, and the statute's words	Advance-fee flag	Advance-fee rule in the state text
Oregon	**3**. “At any time before midnight of the third business day after the consumer entered into the agreement with the debt management service provider” (ORS 697.652(1)(j)(A)(i))	No	ORS 697.707(1): Required written disclosures must be made before any fee is charged or received. ORS 697.692(1)(a): An initial fee of up to $50 is permitted, and it counts as the first month's fee for credit-improvement-only agreements.
Pennsylvania	**5**. “You, the buyer, may cancel this contract at any time prior to 12 midnight of the fifth day after the date of the transaction.” (Act 150 § 6(a)(1) (73 P.S. § 2186))	Yes	Act 150 § 3(1) (73 P.S. § 2183): A credit services organization may not take payment before full performance unless it has a surety bond or trust account under section 7.
Rhode Island	No statute found in our research	—	—
South Carolina	**10**. “You may cancel this contract without penalty or obligation for any reason and at any time by giving ten days' written notice of rescission to the licensee. Once your services are canceled, you are entitled to a refund of all unexpended funds you have paid to the credit counseling organization” (§ 37-7-110(B)(7))	Yes	§ 37-7-116(A)(11): A licensee may not collect a payment before it is earned as the contract defines it.
South Dakota	No statute found in our research	—	—
Tennessee	**5**. “You, the buyer, may cancel this contract at any time prior to twelve o'clock midnight (12:00) of the fifth business day after the date of the transaction.” (§ 47-18-1006(a)(1))	Yes	§ 47-18-1003(1): A credit services business may not take payment before it has fully performed the agreed services. § 47-18-1003(1): An installment plan of up to six months approved by the commissioner is an exception to the advance-payment ban.
Texas	**3**. “You, the buyer, may cancel this contract at any time before midnight of the third day after the date of the transaction.” (§ 393.202(a))	No	§ 393.302: A CSO may collect payment before fully performing only if it has a surety bond or surety account for each location.
Utah	**5**. “You, the buyer, may cancel this contract at any time prior to midnight of the fifth day after the date of the transaction.” (§ 13-21-107(1)(a))	Yes	§ 13-21-102(1)(b): A CSO may not charge or receive payment before fully performing the agreed services.
Vermont	No statute found in our research	—	—

State	Cancellation period as recorded, and the statute's words	Advance-fee flag	Advance-fee rule in the state text
Virginia	**3**. “You, the buyer, may cancel this contract at any time prior to midnight of the third business day after the date of the transaction.” (§ 59.1-335.8(A)(1))	Yes	§ 59.1-335.5(1): Charging before full performance is prohibited unless the consumer agreed to periodic payments under a written subscription agreement.
Washington	**5**. “You, the consumer, may cancel this contract at any time prior to midnight of the fifth day after the date of the transaction.” (§ 19.134.060(1)(a)); “You may cancel this contract, without any penalty or obligation before midnight on the fifth working day after you sign it.” (§ 19.134.060(2))	No	§ 19.134.020(1)(a): Charging before full performance is prohibited unless the organization holds a $10,000 surety bond and has established an in-state trust account.
West Virginia	**3**. “You, the buyer, may cancel this contract at any time before midnight of the third day after the date of the transaction.” (§ 46A-6C-7(a)(1))	No	§ 46A-6C-3(1): Charging before full performance is prohibited unless the organization holds the required surety bond or surety account.
Wisconsin	**5**. “YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE 5TH DAY AFTER THE DATE OF THE TRANSACTION.” (§ 422.505(1)(a))	No	No advance-fee provision recorded in the text we read
Wyoming	No statute found in our research	—	—

Table A-3: Where did the research find no statute?

Short answer: in 11 jurisdictions: Alabama, Alaska, Kentucky, Montana, New Jersey, New Mexico, North Dakota, Rhode Island, South Dakota, Vermont, Wyoming. The research recorded what it checked and, in several, related laws it did not evaluate. CROA applies in every one of them.

State	What the research recorded
Alabama	No Alabama-specific registration, bond or contract statute for credit repair was located; the federal Credit Repair Organizations Act still governs, and the Alabama Deceptive Trade Practices Act (§ 8-19-5) was not reviewed.
Alaska	No Alaska-specific registration, bond or contract statute for credit repair was located; the federal Credit Repair Organizations Act still governs, and general Alaska consumer protection law (AS 45.50) was not reviewed.
Kentucky	No Kentucky credit services or credit repair organization statute was found; the federal Credit Repair Organizations Act applies. Telemarketing that asks for an advance fee to remove derogatory information or improve credit is a prohibited practice under KRS 367.46955(2), and a service that also does debt management or settlement would need to review KRS chapter 380 (debt adjusting).

State	What the research recorded
Montana	No Montana-specific credit services registration or bond statute was located; a credit repair business serving Montana consumers remains subject to the federal Credit Repair Organizations Act and the general Montana Consumer Protection Act, which were not analyzed here.
New Jersey	No New Jersey credit services organization or credit repair statute was found in this pass; the federal Credit Repair Organizations Act still applies, and other New Jersey laws of general application were not reviewed.
New Mexico	No New Mexico-specific credit repair registration, bond or contract statute was located; federal CROA (15 U.S.C. § 1679 et seq.) still applies. The New Mexico Debt Adjusters provisions (Chapter 56, Article 2) cover paid intermediaries who settle or alter payment of a debtor's debts and were not analyzed for applicability to credit repair.
North Dakota	No North Dakota credit services organization statute was found; a credit repair business serving North Dakota consumers still falls under the federal Credit Repair Organizations Act (15 U.S.C. 1679 et seq.).
Rhode Island	No Rhode Island-specific credit services organization registration, bond or contract statute was identified in this pass; the federal Credit Repair Organizations Act (15 U.S.C. § 1679 et seq.) applies, and whether Rhode Island's debt-management licensing under title 19 reaches a given service model was not established.
South Dakota	No South Dakota credit services organization statute was found. A business that also offers debt management or debt settlement should note SDCL chapter 37-34 (Debt Adjusting), which makes engaging in the business of debt adjusting a Class 2 misdemeanor unless an exception applies, including one for a person that files and maintains a $50,000 bond approved by the attorney general (SDCL 37-34-2, 37-34-3(10)).
Vermont	No Vermont credit services organization registration, bond or contract statute was located; a credit repair business should note the federal Credit Repair Organizations Act and Vermont's general consumer protection law, and should separately assess whether any debt-adjustment activity falls under 8 V.S.A. ch. 83 (Debt Adjusters), whose section list includes license and bond sections (§§ 2752, 2755; text not reviewed here).
Wyoming	No state registration, bond or contract statute for credit services organizations was located; federal CROA requirements (written contract, 3-business-day cancellation, § 1679c disclosure, no advance fees) still apply. Wyoming's separate Debt Adjusters chapter (Title 33, Chapter 14) was not reviewed and may matter if a business also offers debt adjusting.

Which rows need a second look?

The research notes flag rows where the table alone could mislead. Read these before you finish a state's entry in your compliance map.

- **Georgia is different in kind.** O.C.G.A. § 16-9-59 (read from an unofficial copy) does not register or license credit repair businesses. It provides: "A person commits the offense of operating a credit repair services organization when he or she owns, operates, or is affiliated with a credit repair services organization" (§ 16-9-59(b)), with listed exemptions, and § 16-9-59(c) makes the offense a misdemeanor. Read the current official text before taking any paid work for a Georgia consumer.

- **Hawaii is conduct rules only.** The research found no registration, bond, contract, cancellation or advance-fee terms in Haw. Rev. Stat. § 481B-12, which bars false claims about changing accurately reported history and related conduct.
- **Some laws were written for other businesses.** Idaho regulates credit repair inside its Collection Agency Act; Kansas's act is written around debt management plans but expressly includes credit improvement (K.S.A. 50-1117(d)(2)); Maine uses its loan broker article (9-A M.R.S. Article 10); Mississippi's closest statute is its Debt Management Services Act; Oregon regulates credit improvement as a debt management service (ORS 697.602(2)(b)); and South Carolina's is its consumer credit counseling chapter (S.C. Code Ann. Title 37, Chapter 7). For South Carolina, Mississippi and Oregon, the research notes that how the debt-management-style requirements apply to a credit-repair-only business is not established by the text. For Mississippi, the notes add that the Governor's approval of 2026 H.B. 1265, which carries the Act forward, was not confirmed from an official source.
- **Some statutes word the cancellation period two ways.** Arkansas's contract statement says "fifth day after the date of the transaction" and its notice form says "within five (5) days from the date the contract is signed." New Hampshire's say "fifth day after the date of the transaction" and "within 5 days from the date the contract is signed." Nevada says "5 days after its execution" in one place and "5 working days from the date you signed it" in another. Washington says "fifth day" in the contract statement and "fifth working day" in the notice. Minnesota's prescribed disclosure in § 332.57 says the buyer may cancel within three business days, while § 332.58 requires a five-day right and notice. Use every prescribed text in its exact words and honor the latest deadline any of them gives.
- **South Carolina's 10 is not a window.** The prescribed statement lets the client cancel "at any time by giving ten days' written notice of rescission" (S.C. Code Ann. § 37-7-110(B)(7)). The research notes say the ten-day figure is the notice period for cancelling at any time, not a fixed cooling-off window.
- **Some advance-fee rules carry exceptions.** Virginia allows periodic payments under a written subscription agreement the consumer can cancel at any time (Va. Code § 59.1-335.5(1)). Michigan has an ongoing-services exception with cancel-anytime terms (Mich. Comp. Laws § 445.1823(f)). Tennessee allows a commissioner-approved installment plan of up to six months (Tenn. Code Ann. § 47-18-1003(1)). For Virginia, the notes say the interaction with CROA §1679b(b) was not analyzed. South Carolina's flag is "Yes" on the basis of S.C. Code Ann. § 37-7-116(A)(11), which bars collecting a payment before it is earned as the contract defines it; the notes call that narrower than the federal rule. CROA applies independently, so a state exception does not remove the federal rule.
- **Some states regulate fees instead of banning advance fees.** Kansas bars fees before the agreement is signed and caps fees (K.S.A. 50-1126); the notes say its text contains no CROA-style ban on fees before services are performed. Mississippi limits fees to listed categories and caps (Miss. Code Ann. § 81-22-13). Oregon requires disclosures before any fee and caps credit-improvement fees (ORS 697.692, 697.707). Maine requires consumer fees to be held in

escrow until the services are completed (9-A M.R.S. §10-301). None of these displaces CROA §1679b(b).

- **Some bond rows depend on things the research did not retrieve.** Tennessee's bond is set by the commissioner per location, with $100,000 applying if no rule sets it, and the rules were not retrieved. Maryland's range comes through cross-references, and whether the Commissioner applies it to credit services businesses in practice was not confirmed from a regulator source. For Illinois, the notes point out that other sections refer to "the surety bond required under Section 10," so the practical expectation of a bond may be broader than the conditional wording suggests.
- **Some texts changed recently or may be out of date.** Utah's act was renumbered and amended by Chapter 95 of its 2026 General Session, effective May 6, 2026. Missouri's registration section § 407.640 was read in a version effective August 28, 2026. The unofficial copies carry their own currency dates: Tennessee's January 2, 2024; Arkansas's and Georgia's March 28, 2024; Colorado's and Illinois's January 1, 2025; Indiana's January 1, 2026.
- **Louisiana routes CROA through state law.** The research left the advance-fee flag blank because La. R.S. 9:3573.3(1) bars any charge unless the bond is in place, and 9:3573.3(10) makes any federal CROA violation a state violation, so the notes treat CROA's advance-fee rule as enforceable as Louisiana law through that clause.

How do I turn a row into a compliance-map entry?

For each state where you have or will have clients:

- [ ] Copy the citation, open the official text and record the date you checked it.
- [ ] Decide, with reasons written down, whether your service model falls inside the state's definition and whether any exemption applies. Get legal advice where you are unsure.
- [ ] Complete registration or licensing before you advertise or sign clients, where the statute requires it, and calendar the renewal.
- [ ] Put any required bond, surety account, trust account or letter of credit in place, in the recorded amount.
- [ ] Build the state disclosure, contract clauses and cancellation notice in the statute's exact words, alongside the CROA documents.
- [ ] Set your cancellation deadline to the latest of the federal and state periods, and block all work until it passes.
- [ ] Charge only after each service is fully performed, whatever the state's bond rules allow.
- [ ] Re-check the row whenever the statute changes, and at least once a year.

Where does CheckDispute Business fit?

CheckDispute is software. It does not register your business, post your bond or decide whether a state law covers you. Those responsibilities stay with the firm that uses it, and this appendix is the starting point for that work, not a substitute for it. Chapter 10 describes the Business workspace and what it costs.

Key points

- This appendix is a research record made on September 25, 2026, not legal advice. Each row names its statute; read the statute before you rely on the row.
- The research located a credit services statute in 40 of 51 jurisdictions. "No statute found in our research" means none was found, not that no law applies.
- CROA applies everywhere: no payment before a service is fully performed, and at least three business days to cancel. A state bond never makes an advance fee lawful under federal law.
- Read the bond and advance-fee flags together with the amount and rule columns, because conditional rules were recorded differently from state to state.
- Use every prescribed notice in its exact words and honor the latest cancellation deadline any federal or state text gives.
- Tell every client that disputing is free and can be done directly with the credit bureaus, free reports are at AnnualCreditReport.com, accurate negative information is not an error, and no result is guaranteed.

Sources

Federal and general sources:

- 15 U.S.C. §1679b (prohibited practices, including the advance-payment ban in §1679b(b)): https://www.law.cornell.edu/uscode/text/15/1679b
- 15 U.S.C. §1679c (Consumer Credit File Rights disclosure): https://www.law.cornell.edu/uscode/text/15/1679c
- 15 U.S.C. §1679d (contract requirements): https://www.law.cornell.edu/uscode/text/15/1679d
- 15 U.S.C. §1679e (right to cancel): https://www.law.cornell.edu/uscode/text/15/1679e
- FTC, Credit Repair Organizations Act (full text, including §1679j on state law): https://www.ftc.gov/legal-library/browse/statutes/credit-repair-organizations-act
- FTC, Fixing Your Credit FAQs: https://consumer.ftc.gov/articles/fixing-your-credit-faqs
- AnnualCreditReport.com: https://www.annualcreditreport.com/

State statute pages (the first page the research recorded for each located statute; unofficial copies are labeled). Where a statute spans several pages, use the statute's own table of contents for the rest.

- Arizona, Ariz. Rev. Stat. §§ 44-1701 to 44-1712: https://www.azleg.gov/ars/44/01701.htm
- Arkansas, Ark. Code Ann. §§ 4-91-201, 4-91-202 (unofficial copy): https://codes.findlaw.com/ar/title-4-business-and-commercial-law/ar-code-sect-4-91-201.html
- California, Cal. Civ. Code §§ 1789.10-1789.26: https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=CIV&division=3.&title=1.6E.&part=4.&chapter=&article=
- Colorado, Colo. Rev. Stat. §§ 5-19-101 to 5-19-114 (unofficial copy): https://codes.findlaw.com/co/title-5-consumer-credit-code/co-rev-st-sect-5-19-101.html
- Connecticut, Conn. Gen. Stat. § 36a-700: https://www.cga.ct.gov/current/pub/chap_669.htm
- Delaware, 6 Del. C. §§ 2401-2414: https://delcode.delaware.gov/title6/c024/index.html
- District of Columbia, D.C. Code §§ 28-4601-28-4608: https://code.dccouncil.gov/us/dc/council/code/titles/28/chapters/46
- Florida, Fla. Stat. §§ 817.7001-817.706: https://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0800-0899/0817/0817.html
- Georgia, O.C.G.A. § 16-9-59 (unofficial copy): https://codes.findlaw.com/ga/title-16-crimes-and-offenses/ga-code-sect-16-9-59/
- Hawaii, Haw. Rev. Stat. § 481B-12: https://data.capitol.hawaii.gov/hrscurrent/Vol11_Ch0476-0490/HRS0481B/HRS_0481B-0012.htm
- Idaho, Idaho Code §§ 26-2222(5), 26-2223(8), 26-2226, 26-2229(3), 26-2229A(8)-(9), 26-2232A, 26-2238, 26-2239: https://legislature.idaho.gov/statutesrules/idstat/title26/t26ch22/sect26-2222/
- Illinois, 815 ILCS 605/1 et seq. (sections 3-16 retrieved) (unofficial copy): https://codes.findlaw.com/il/chapter-815-business-transactions/il-st-sect-815-605-3/
- Indiana, IC 24-5-15-1 to 24-5-15-11 (unofficial copy): https://codes.findlaw.com/in/title-24-trade-regulation/in-code-sect-24-5-15-1/
- Iowa, Iowa Code §§ 538A.1-538A.14: https://www.legis.iowa.gov/docs/code/2026/538A.html
- Kansas, K.S.A. 50-1116 through 50-1135: https://www.ksrevisor.org/statutes/chapters/ch50/050_011_0016.html
- Louisiana, La. R.S. 9:3573.1 through 9:3573.16: https://legis.la.gov/Legis/Law.aspx?d=107702
- Maine, 9-A M.R.S. §§ 10-101 to 10-401 (Maine Consumer Credit Code, Article 10): https://legislature.maine.gov/statutes/9-A/title9-Ach10sec0.html
- Maryland, Md. Code Ann., Com. Law §§ 14-1901 to 14-1916; Md. Code Ann., Fin. Inst. §§ 11-301 to 11-305 and §11-206: https://mgaleg.maryland.gov/mgawebsite/Laws/StatuteText?article=gcl&section=14-1901&enactments=false
- Massachusetts, M.G.L. c. 93, §§ 68A-68E: https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXV/Chapter93/Section68A

- Michigan, Mich. Comp. Laws §§ 445.1821-445.1826: https://www.legislature.mi.gov/Laws/MCL?objectName=mcl-Act-160-of-1994
- Minnesota, Minn. Stat. §§ 332.52-332.60: https://www.revisor.mn.gov/statutes/cite/332/full
- Mississippi, Miss. Code Ann. §§ 81-22-1 to 81-22-28 (Mississippi Debt Management Services Act), as brought forward in 2026 H.B. 1265: https://billstatus.ls.state.ms.us/documents/2026/html/HB/1200-1299/HB1265SG.htm
- Missouri, RSMo §§ 407.635-407.644: https://revisor.mo.gov/main/OneSection.aspx?section=407.635
- Nebraska, Neb. Rev. Stat. §§ 45-801 to 45-815: https://nebraskalegislature.gov/laws/statutes.php?statute=45-801
- Nevada, Nev. Rev. Stat. §§ 598.741-598.787; registration and security §§ 598.721-598.736: https://www.leg.state.nv.us/nrs/nrs-598.html
- New Hampshire, N.H. Rev. Stat. Ann. §§ 359-D:1-359-D:11: https://www.gc.nh.gov/rsa/html/XXXI/359-D/359-D-mrg.htm
- New York, N.Y. Gen. Bus. Law §§ 458-a to 458-k (Article 28-BB): https://www.nysenate.gov/legislation/laws/GBS/458-B
- North Carolina, N.C. Gen. Stat. §§ 66-220 to 66-226 (Chapter 66, Article 30): https://www.ncleg.gov/EnactedLegislation/Statutes/HTML/ByArticle/Chapter_66/Article_30.html
- Ohio, Ohio Rev. Code §§ 4712.01-4712.15, 4712.99: https://codes.ohio.gov/ohio-revised-code/chapter-4712
- Oklahoma, 24 O.S. §§ 131-148: https://www.oscn.net/applications/oscn/index.asp?ftdb=STOKST24&level=1
- Oregon, ORS 697.602-697.842: https://www.oregonlegislature.gov/bills_laws/ors/ors697.html
- Pennsylvania, 73 P.S. §§ 2181-2192 (Act of Dec. 16, 1992, P.L. 1144, No. 150): https://www.palegis.us/statutes/unconsolidated/law-information/view-statute?txtType=HTM&SessYr=1992&ActNum=0150.&SessInd=0
- South Carolina, S.C. Code Ann. §§ 37-7-101 to 37-7-122: https://www.scstatehouse.gov/code/t37c007.php
- Tennessee, Tenn. Code Ann. §§ 47-18-1001 to 47-18-1012 (unofficial copy): https://codes.findlaw.com/tn/title-47-commercial-instruments-and-transactions/tn-code-sect-47-18-1001/
- Texas, Tex. Fin. Code §§ 393.001-393.505 (Subchapters A-F); Subchapter G (§§ 393.601 et seq.) covers credit access businesses: https://tcss.legis.texas.gov/resources/FI/htm/FI.393.htm
- Utah, Utah Code §§ 13-21-101 to 13-21-110 (renumbered and amended by Chapter 95, 2026 General Session, effective 5/6/2026): https://le.utah.gov/xcode/Title13/Chapter21/C13-21-S101_2026050620260506.html
- Virginia, Va. Code §§ 59.1-335.1 to 59.1-335.12: https://law.lis.virginia.gov/vacodefull/title59.1/chapter25.1/

- Washington, RCW 19.134.010-19.134.900: https://app.leg.wa.gov/RCW/default.aspx?cite=19.134&full=true
- West Virginia, W. Va. Code §§ 46A-6C-1 to 46A-6C-12: https://code.wvlegislature.gov/46A-6C/
- Wisconsin, Wis. Stat. §§ 422.501-422.506 (ch. 422, subch. V): https://docs.legis.wisconsin.gov/statutes/statutes/422/V/501

Related statutes cited in Table A-3 (not credit services organization acts):

- Kentucky, KRS 367.46955 (unofficial copy): https://codes.findlaw.com/ky/title-xxix-commerce-and-trade/ky-rev-st-sect-367-46955.html
- Kentucky, KRS chapter 380 (Debt Adjusting): https://apps.legislature.ky.gov/law/statutes/chapter.aspx?id=39145
- South Dakota, SDCL 37-34-2: https://sdlegislature.gov/api/Statutes/37-34-2.html
- South Dakota, SDCL 37-34-3: https://sdlegislature.gov/api/Statutes/37-34-3.html

Appendix B: compliance checklists and a glossary

The Compliant Credit Repair Playbook · Sources checked September 25, 2026 · General information, not legal advice

This appendix turns the book's rules into checklists your team can run, then defines the terms that appear in contracts, letters and bureau responses. Each item names its source. Federal items apply to every client; state items apply where the client lives, and Appendix A lists each state's statute.

Four statements belong in every client channel. Disputing is free, and a consumer can do it directly with the credit bureaus and with the company that supplied the information. Free reports are available at AnnualCreditReport.com. Accurate negative information is not an error. And no particular result is guaranteed.

Completing a checklist does not establish that a business complies with every law that applies to it, or that any dispute will succeed.

How should a firm use these checklists?

Run each checklist at its stated moment, give every item an owner, and record the evidence: a file, a date or a citation. An item you cannot prove is not done.

- **Hold on any gap.** Template CD-150, the release checklist, states the rule: "Any unverified required item means HOLD." A held packet costs a day. A noncompliant contract can be void (15 U.S.C. §1679f).
- **Meet both layers.** CROA leaves state law in force unless it is inconsistent (§1679j, on the FTC's Credit Repair Organizations Act page). Follow the stricter rule: the later cancellation deadline, the longer retention period, the tighter payment rule.
- **Date everything.** Utah's act, for one, was renumbered and amended effective May 6, 2026. Record when you read each statute and when you will read it again.

Checklist 1: Before you open, or before your first client in a new state

Covers Chapters 1, 4 and Appendix A.

- [ ] A written coverage decision under 15 U.S.C. §1679a(3), with reasons. Paid "advice or assistance" counts, whatever the service is called.
- [ ] Any federal exclusion you rely on checked against each state's own exemption list (Chapter 4).

- ☐ For each state you serve: the statute read on an official site, with its citation, the date read and your coverage decision.
- ☐ Registration or a license in place where required, before you advertise where the statute says so. California bars advertising "in any manner" without Department of Justice registration (Cal. Civ. Code §1789.13(j)).
- ☐ Bond, trust account or other security posted where required. Examples: $50,000 in Ohio (Ohio Rev. Code §4712.06(A)(3)), and $10,000 per location in Texas as the condition for payment before full performance (Tex. Fin. Code §§393.302, 393.403). No state bond lifts the federal advance-fee ban.
- ☐ Renewal dates on the calendar. Texas and California registrations last one year (Tex. Fin. Code §393.101(d); Cal. Civ. Code §1789.25(d)). Ohio certificates expire each April 30 (§4712.02(H)(1)), and so do Kansas licenses (K.S.A. 50-1118(d)).
- ☐ Georgia checked before any paid Georgia work: O.C.G.A. §16-9-59(b)–(c) makes owning, operating or being affiliated with a credit repair services organization a misdemeanor, subject to listed exemptions.
- ☐ A written list of refused tactics: CPNs, "not mine" claims without the client's truthful facts, false identity theft reports, disputes of accurate information, and repeated rounds.
- ☐ A decision on phone sales, and a written data plan before you collect anything (Checklists 2 and 7).

Checklist 2: Marketing and sales

Covers Chapter 3. Run it before anything is published.

- ☐ Claims describe work, not results. CROA bars any "untrue or misleading representation of the services" (§1679b(a)(3)).
- ☐ Figures are provable from your own records. CD-138's business note: do not use recorded deletions or score changes "in marketing as typical or promised results."
- ☐ Copy agrees with the §1679c disclosure: disputing is free, reports are free at AnnualCreditReport.com, and no one can have accurate, current, verifiable information removed.
- ☐ No "erase bad credit" or deletion promise without the disclosure that this is possible only for inaccurate or obsolete history (Tex. Fin. Code §393.304(1)(A); Ohio Rev. Code §4712.07(C)(1)).
- ☐ Price and payment timing match your real billing. "$99 to start" is an advance fee.
- ☐ Registration or license numbers shown where a state requires them (Ohio Rev. Code §4712.13; K.S.A. 50-1120(d)).
- ☐ Testimonials true, permissioned and documented, with any connection to the reviewer disclosed, and none describing a prohibited tactic. Partners use approved copy only.

- [ ] Phone sales take no payment until 16 CFR 310.4(a)(2) is met: the promised time frame has expired, and the seller has provided a consumer report "issued more than six months after the results were achieved" that shows them.
- [ ] Do-not-call procedures, calling hours (8 a.m. to 9 p.m. at the called person's location, absent consent) and opening disclosures are in writing (§310.4(b)–(d)).
- [ ] A dated copy of every ad is filed.

Checklist 3: Onboarding, from intake to the first day of work

Covers Chapters 2 and 5. Run it for every new client.

- [ ] Intake (CD-131) collects only what the work needs: no passwords, no full Social Security number, no unrelated medical records. The client's state of residence is recorded.
- [ ] Urgent matters (a lawsuit, hearing, foreclosure or repossession) are referred out the same day. CD-131: "Intake does not stop any deadline."
- [ ] The client pulls their own reports, or any report you obtain rests on a permissible purpose, such as "the written instructions of the consumer to whom it relates" (15 U.S.C. §1681b(a)(2)). No one logs in or speaks to a bureau as the client (§1681q).
- [ ] Identity checked through a secure channel, and logged.
- [ ] Before electronic delivery, the client gets the E-SIGN disclosures and consents in a way that "reasonably demonstrates" they can open the records (15 U.S.C. §7001(c)(1)(C)(ii)).
- [ ] The "Consumer Credit File Rights Under State and Federal Law" statement goes alone, before any contract (§1679c(a)–(b)). State statements follow their own timing; Utah's comes before the contract or any payment, "whichever occurs first" (Utah Code §13-21-105(1)).
- [ ] The written, dated contract states the total of all payments, each service, any guarantees of performance (or that there are none), a completion estimate, and your name and principal business address (§1679d(b)). The estimate meets any state cap, such as 180 days in Texas (§393.201(b)(2)) and Washington (RCW 19.134.060(1)(d)).
- [ ] The bold cancellation statement sits beside the signature. Two completed Notice of Cancellation forms are attached, and copies of everything signed are delivered at signing (§1679e).
- [ ] Written authorization to contact bureaus and creditors, where a state requires it (Cal. Civ. Code §1789.13(m); RCW 19.134.020(1)(f); Ohio Rev. Code §4712.07(I)).
- [ ] The latest cancellation deadline is calculated and recorded: the third business day under CROA, the fifth working day in California (§1789.16(a)(1)), or a later state date. No work, hold or charge happens before it passes.
- [ ] No waiver appears anywhere, including terms of use and consent screens (§1679f).

Checklist 4: Every dispute file

Covers Chapter 6. Run it before each dispute and at each response.

- ☐ One entry, one field, and a document showing what it should say. CD-133 blocks a claim that rests "only on an accurate negative item, a missing wet-ink contract, a generic statute list, a false fraud allegation, or an unsupported deletion guarantee."
- ☐ The client's written statement of why the entry is wrong is on file. Utah requires "a factual basis for believing" and a written statement for each entry (Utah Code §13-21-102(1)(c)). Washington bars a dispute "without a good faith belief in the accuracy of the dispute" (RCW 19.134.020(1)(d)).
- ☐ Accurate negative items are marked "no dispute," explained to the client in writing and never billed as disputes. A goodwill request, if offered, is labeled as one.
- ☐ The identity theft route is used only when the client confirms each entry resulted from identity theft and relates to no transaction they made. Filing a false identity theft report carries criminal penalties (§1681a(q)(4)).
- ☐ Firm-prepared disputes go to the bureaus. No letter says a furnisher must investigate a firm-prepared direct dispute (12 CFR 1022.43(b)(2)), and no letter disguises who prepared it.
- ☐ Clients know they can dispute directly with the furnisher themselves, for free.
- ☐ Collection disputes run as a separate collection right: to the collector, within the validation period printed on the notice (12 CFR 1006.38).
- ☐ Every clock runs from receipt. A bureau reinvestigation has 30 days, extendable by up to 15 only if the consumer sends relevant information within the 30 (§1681i(a)(1)). Nothing on the calendar says "45 days."
- ☐ Each follow-up passes the new-fact test or answers a specific response. Nothing is scheduled by the month.
- ☐ Washington clients receive a monthly statement of services performed (RCW 19.134.020(1)(c)).

Checklist 5: Every packet before it is mailed

Covers Chapter 7.

- ☐ Every factual sentence cites an exhibit. Exhibits are copies, indexed in CD-134, with nothing relevant redacted.
- ☐ Identifiers cut to the last four digits, as Washington requires with listed exceptions (RCW 19.134.100). It is a sound default anywhere.
- ☐ No brackets, preparer notes or myths remain: no "609 deletion," no "Metro 2 violation," no HIPAA medical-debt claim, and no reliance on the vacated CFPB medical debt rule.

- [ ] The recipient's address comes from the report or the recipient's current contact page, with the source and date recorded (CD-136).
- [ ] The client approved this exact version and signed it personally. CD-140: "No blanket approval for automated dispute cycles or unreviewed AI-generated allegations."
- [ ] The mail class matches the record you need. Certified mail documents mailing and delivery, not contents.
- [ ] The order, tracking number and exact copy sent are logged in CD-136.
- [ ] Any notarization offer is described accurately: a notary confirms who signed, not that the contents are true.

Checklist 6: Billing

Covers Chapter 8.

- [ ] Each service has a price, a completion event and a record that proves it.
- [ ] Nothing is charged before the service it pays for is fully performed (§1679b(b)). The CFPB warns that "all forms of upfront payment before services are completed are illegal" (CFPB).
- [ ] Where a state ties payment to completion of all agreed services, such as Ohio (§4712.07(A)), the client is billed once, at the end.
- [ ] A card hold, if used, covers one started service. The capture follows the completion record, and open holds are released when work stops.
- [ ] The contract total includes third-party charges and says sales tax is added where it applies.
- [ ] New York contracts carry the statutory sentence: "Under New York law no fee may be collected in advance of performance of the services specified in this contract" (N.Y. Gen. Bus. Law §458-f(1)(b)).
- [ ] Refunds after a cancellation meet the shortest applicable deadline, such as 15 days in California (Cal. Civ. Code §1789.16(b)).
- [ ] No refund carries conditions, and none is described as sent before it is (CD-147).
- [ ] Chargebacks are answered from the file or refunded, with no fee and no threat.

Checklist 7: Records, data, cancellations and complaints

Covers Chapters 5 and 9.

- [ ] Signed disclosure acknowledgments kept for the longest period that applies:

Rule	Keep the signed statement for
CROA, 15 U.S.C. §1679c(c)	2 years after signing

Rule	Keep the signed statement for
Texas, Tex. Fin. Code §393.106	Until the second anniversary of providing it
Maryland, Com. Law §14-1904(c)	2 years from the acknowledgment
District of Columbia, D.C. Code §28-4605(a)	3 years
California, Cal. Civ. Code §1789.14; Washington, RCW 19.134.040	4 years after the agreement is completed or terminated
Florida, Fla. Stat. §817.702	5 years

- ☐ Each signed file fingerprinted and stored so it stays accurate and accessible for its period (15 U.S.C. §7001(d)(1)).
- ☐ Staff access follows "the principle of least privilege," and vendor contracts state your security expectations (FTC).
- ☐ Disposal is scheduled for the end of each retention period.
- ☐ Cancellations accepted in any written form, work stopped, holds released and the cancellation confirmed in writing (CD-147).
- ☐ Complaints logged in CD-149. Its business note: "Never condition a refund or resolution on withdrawing a regulator complaint, removing a review or waiving a right."
- ☐ An incident response plan names an owner.

Checklist 8: The recurring audit

Monthly:

- ☐ Match every capture to a completion record.
- ☐ Sample client files against Checklists 3 to 5.
- ☐ Review complaints, cancellations, chargebacks, live ads and partner posts.

Yearly, and at each renewal:

- ☐ Renew registrations, licenses and bonds.
- ☐ Re-read each served state's statute, and update your Appendix A rows.
- ☐ Re-check rule status on the CFPB's pages. The medical debt reporting rule was vacated on July 11, 2025, and is not law (CFPB).
- ☐ Run disposal and retrain staff.

When should staff stop work and escalate?

Treat each of these as a hold, not a judgment call:

- A client asks you to call an account "not mine" when it is theirs, or to report identity theft that did not happen.
- Anyone raises a CPN, a "new credit file" or a different identifying number.
- A client wants every negative item disputed, or a staff member wants a monthly round with nothing new.
- Someone requests a letter CheckDispute will not prepare: pay-for-delete, "court release," "609 deletion," a HIPAA medical-debt letter or a "Metro 2 violation" letter.
- A client has court papers or a foreclosure date. Refer them to a lawyer or legal aid the same day.
- A client may be a trafficking survivor seeking credit relief. Refer them: Regulation V restricts credit repair organizations from acting as the representative for that submission (12 CFR 1022.142), and CD-090 is a referral letter only.

Worked example: one monthly audit

Everything in this example is fictional. Cedar Row Credit Services LLC, a made-up firm, samples three files in December 2026.

File 1, California. The contract was signed Monday, November 2. The CROA deadline was midnight Thursday, November 5, and work began Friday, November 6, but California's fifth working day ran to Monday, November 9. Finding: work started inside the California window. Fix: record the error, confirm nothing was charged, and set the calendar to use the latest deadline for each client's state.

File 2, Texas. A third letter to one bureau was scheduled 30 days after the second, with the same wording and no new document. Finding: it fails the new-fact test. Fix: cancel the letter. Offer a statement of dispute, a CFPB complaint or closing the file.

File 3, Ohio. A $49 report-review charge was captured the day the review started. Finding: capture before completion (§1679b(b)). Fix: refund it. Because Ohio bars collecting payment until all agreed services are completed (Ohio Rev. Code §4712.07(A)), Ohio clients are now billed once, after the last service is delivered.

What this establishes: three control failures were found and fixed. **What it does not:** that other files are clean, that the firm meets every state rule, or that any disputed entry will change.

Glossary

- **Accurate negative information:** Unfavorable information that is correct, current and verifiable. The CROA disclosure says no one "has the right to have accurate, current, and verifiable information removed" (§1679c(a)). It is not an error.

- **Advance fee:** A charge for a service before it is fully performed. A credit repair organization may not charge or receive one (§1679b(b)). Define completion in the contract, and with card holds, treat the capture as the charge.
- **AnnualCreditReport.com:** The official site for free reports. The FTC says the three nationwide bureaus "have permanently extended" free weekly reports there (FTC, checked September 20, 2026).
- **Business day:** Undefined in CROA. Count Monday through Friday, skip federal holidays, and give the client the later date when in doubt.
- **Cancellation period:** The time a client may cancel without penalty: before midnight of the third business day after signing under CROA (§1679e(a)), longer in some states.
- **Consumer Credit File Rights statement:** The CROA disclosure in statutory text, given as a separate document before any contract. The signed acknowledgment is kept at least 2 years (§1679c).
- **Consumer reporting agency (credit bureau):** A business that regularly assembles or evaluates consumer information to furnish consumer reports to third parties (§1681a(f)).
- **CPN (credit privacy number):** A number offered to build a new credit identity. The FTC calls new-credit-identity offers a scam, often built on stolen Social Security numbers, and warns that applying with a number other than your own means you "could face fines or prison."
- **Credit repair organization:** Anyone who, for payment, sells, provides or performs, or says it can, services to improve a consumer's credit record, history or rating, or advice about that, apart from listed exclusions (§1679a(3)).
- **Credit services organization:** The term many states use. Texas covers anyone who "provides, or represents that the person can or will provide" such services for payment (§393.001(3)).
- **File fingerprint:** A digest of a signed file. NIST says digests "are used to detect whether messages have been changed since the digests were generated" (NIST FIPS 180-4).
- **Frivolous or irrelevant:** A finding that lets a bureau end a reinvestigation, including for lack of information to investigate, with notice to the consumer within 5 business days of deciding (§1681i(a)(3)). Furnishers have a parallel rule (12 CFR 1022.43(f)).
- **Furnisher:** A company that supplies information about a consumer to a bureau, such as a lender or collector. Its duties are in 15 U.S.C. §1681s-2.
- **Goodwill request:** A request for a voluntary change to accurate information. CD-116 labels it "Voluntary goodwill, not a statutory dispute or guaranteed deletion."
- **Identity theft block:** A bureau's block of information that resulted from identity theft. The duty runs four business days from receipt of proof of identity, an identity theft report, identification of the information and the consumer's statement (§1681c-2).
- **Identity theft report:** At minimum, a copy of an official report to a law enforcement agency alleging identity theft. Filing false information in one carries criminal penalties (§1681a(q)(4)).
- **Medical debt reporting rule:** A 2025 CFPB rule that a federal court vacated on July 11, 2025. It is not law.

- **Metro 2:** An industry data format for reporting accounts. It is not a statute, and a letter may point to a specific wrong field, never a "Metro 2 violation."
- **New-fact test:** This book's screen for follow-ups: the letter must give the recipient a document or fact it has not seen that shows what a field should read.
- **Notarization:** A notary's confirmation of who signed. It does not show that the contents are true, and CROA does not require it.
- **Obsolete information:** Information past its reporting period: generally seven years for most negative items and 10 years for bankruptcy cases, with exceptions (§1681c).
- **Pay for delete:** A request to remove accurate information in exchange for payment. CheckDispute does not prepare it, because it implies accurate information can be removed.
- **Permissible purpose:** A reason the FCRA allows a report to be furnished, such as the consumer's written instructions (§1681b(a)(2)).
- **Regulation V exception:** A furnisher need not investigate a direct dispute (one sent to the furnisher rather than the bureau) that it reasonably believes a credit repair organization submitted, prepared or supplied the form for (12 CFR 1022.43(b)(2)). It does not apply to bureau disputes.
- **Reinsertion:** The return of deleted information. It requires the furnisher's certification that the information is complete and accurate, and written notice to the consumer within 5 business days (§1681i(a)(5)).
- **Reinvestigation:** A bureau's free review of disputed information, generally completed within 30 days of receipt (§1681i(a)(1)).
- **Section 609:** The FCRA right to see the information in one's file and its sources (§1681g). It is not a deletion tool and does not require original contracts.
- **Surety bond:** A surety company's guarantee of payment to people harmed by the firm's violations, required by many states. Examples: Texas $10,000 (§393.403), California $100,000 (§1789.18).
- **Total of all payments:** Everything the client will pay the firm "or to any other person," stated in the contract (§1679d(b)(1)).
- **Validation notice:** A debt collector's notice about a debt. The CFPB says it includes "an end date for a 30-day period when you can dispute the debt" (CFPB).
- **Waiver:** A client's giving up of a CROA protection. A waiver is void, and trying to obtain one is a violation (§1679f).

Where does CheckDispute fit?

CheckDispute is software. In CheckDispute Business, still being built on September 25, 2026, your firm is the credit repair organization and keeps every duty above. Business is designed to make the compliant path the default: e-signed CROA onboarding before client work, client billing only for completed work, bureau disputes by default, and sequences that advance only on a reply or a new fact (Chapter 10).

In the consumer edition, the preview is free. A $29 report unlock, or a Basic ($19.99), Plus ($29.99) or Premium ($49.99) plan charged only in a month it is used, unlocks the final letters. E-signature ($6.99), mailing with tracking ($6.99 First-Class, $24.99 Certified, $32.99 Certified with return receipt) and notarization ($50, charged after the notarized PDF returns) are optional add-ons. Sales tax is added where it applies. No result is guaranteed.

Key points

- Run each checklist at its moment, record the evidence for every item, and hold on any gap.
- Meet federal and state rules together, following the stricter rule on deadlines, retention and payment timing.
- Onboarding runs in a fixed order: separate disclosure, contract, cancellation period, work, then payment for completed work only.
- Every dispute rests on one specific, documented error and the client's own statement. Accurate negative information is not an error.
- Tell every client that disputing is free and can be done directly, that reports are free at AnnualCreditReport.com, and that no particular result is guaranteed.

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