

FAQS on The Fair Credit Reporting Act (FCRA) and Genworth

Why did I receive this Notice?

In order to satisfy the requirements of FCRA, Genworth Mortgage Insurance is required to send notices to borrowers on loans that meet one of the following conditions:

- Any loan that did not receive the best premium rate available within a specific program, based on information in the credit report
- Declinations based on information in the credit report

What information in the credit report caused my mortgage insurance (MI) premium rate to be higher?

The credit score provided by the lender in their MI application is one factor used by Genworth to determine the Mortgage Insurance premium rate. A second attribute is the debt-to-income ratio (DTI).

Find more information on credit scores at FICO Score website, <https://ficoscore.com/faq/>.

I have a high credit score, why did I receive a FCRA letter?

Typically, the MI premium rate increases as a credit score decreases. Even borrowers with strong credit scores may be charged a higher premium rate than borrowers who have the highest credit score.

For more information on credit scores, visit the FICO Score website, <https://ficoscore.com/faq/>.

What information from the credit report does Genworth need for FCRA letters?

Genworth requires the same information for FCRA notices as lenders. In the Adverse Pricing Notice, we are required to include the following: name of Credit Reporting Agency (CRA), address of CRA, and telephone number of CRA. We are required also to state your credit score, key factors that adversely affect your credit score, and the date that it was created.

How does Genworth obtain the necessary information for loans requiring notice?

Depending on how your loan is underwritten and submitted to Genworth, we either obtain the information from the credit report provided in the loan package or we will pull credit (subject to state variances) if a notice is required

Does Genworth need my permission to view or pull my credit report?

No. The FCRA allows certain parties such as creditors and insurers to obtain or view your credit report in connection with requests for credit or the underwriting of insurance. However, certain states do require prior notice to or consent from the borrower.

If Genworth pulls my credit, will it negatively affect my credit score?

No. Because we are an insurer and not a creditor, our credit pull is a “soft pull” that does not affect the borrower’s credit score.

If there are multiple credit scores available for me or my co-borrower, which one will Genworth use for pricing?

Depending on the method of underwriting, we either use the lowest of the borrower's/co-borrower's middle scores or the representative credit score provided by the lender in the MI application submission to determine the MI premium rate.

What happens when there is more than one borrower on the loan?

Genworth sends a separate FCRA notice to each borrower. The notice only shows that borrower's credit information and the credit score used for pricing.

Can my MI premium change if my credit score changes?

The rate that Genworth charges your lender for mortgage insurance is based on information provided to Genworth by your lender at the time of application. Corrected or updated information received before loan closing may affect the mortgage insurance premium; however, the MI premium is fixed when the loan is closed, so subsequent credit score changes will not impact the premium.

How do I dispute the accuracy or completeness of the credit report information about me?

The name and contact information for the Credit Reporting Agency that provided the credit information used in our underwriting decision is included in your notice. Contact them directly for any discrepancies or questions you may have regarding the accuracy of your score.

You can learn more about correcting information in your credit file on the [CFPB's website](#).

What states have variances to the process?

There are exceptions to the process in a few states due to state statutory requirements:

- When Genworth must pull a credit report for loans on properties in New York, Rhode Island, and Colorado, the borrower will be sent notice of Genworth's intent to pull credit. This notification process should not affect the timing of your Commitment/Certificate of Insurance from Genworth.
- Vermont requires us to receive prior written consent from the borrower before ordering credit. Since this would delay the loan process, Genworth does not order credit for loans on properties in Vermont, but contacts the lender to obtain the required FCRA information. The loan will not be approved or declined until the FCRA information is obtained

What is the Fair Credit Reporting Act?

The [Fair Credit Reporting Act \(FCRA\)](#) is a federal law that promotes the fairness, accuracy, and privacy of personal information. It also limits how and by whom consumers' credit information is accessed, shared, and stored. This includes the requirement of those who access and use credit reports to notify consumers when "adverse action" as defined under FCRA has been taken based on the report.

What is Mortgage Insurance (MI)?

Mortgage Insurance insures the lender in the event of a mortgage default, and is generally required on loans for borrowers with less than a 20% down payment.

Who is Genworth Mortgage Insurance?

Genworth Mortgage Insurance is one of six private mortgage insurers, and we have provided insurance to your lender for your mortgage loan.

Are there more resources available on FCRA?

Yes, if you have questions about the Fair Credit Reporting Act, you can learn more on the [FTC's website](#)