

## REG B MODEL FORM C-4

### SAMPLE NOTICE OF ACTION TAKEN, STATEMENT OF REASONS AND COUNTEROFFER

Date: [Date of Letter]

Dear Applicant: Thank you for your application for [loan product]. We are unable to offer you credit on the terms that you requested for the following reason(s): [Reasons for Denial of Credit]

We can, however, offer you credit on the following terms: [Terms of the loan offered].

If this offer is acceptable to you, please notify us within [amount of time] at the following address: [Lender's address].

Our credit decision on your application was based in whole or in part on information obtained in a report from [name, address and [toll-free] telephone number of the consumer reporting agency]. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you. You also have a right to a free copy of your report from the reporting agency, if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you receive is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.

[We also obtained your credit score from the consumer reporting agency and used it in making our credit decision. Your credit score is a number that reflects the information in your consumer report. Your credit score can change, depending on how the information in your consumer report changes.

Your credit score: [Credit score]

Date: [Date of credit score]

Scores range from a low of [low score] to a high of [high score].

Key factors that adversely affected your credit score:

[Key factor #1]

[Key factor #2]

[Key factor #3]

[Key factor #4]

[Number of recent inquiries on consumer report, as a key factor]

If you have any questions regarding your credit score, you should contact [entity that provided the credit score] at:

Address: [Address of consumer reporting agency]

[Toll-free] Telephone number: [Telephone number of consumer reporting agency]

You should know that the Federal Equal Credit Opportunity Act prohibits creditors, such as ourselves, from discriminating against credit applicants on the basis of their race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), because they receive income from a public assistance program, or because they may have exercised their rights under the Consumer Credit Protection Act. If you believe there has been discrimination in handling your application you should contact the [(name and address as specified by the appropriate agency listed in appendix A of Regulation B)].

Sincerely,

[Signature of the lender's contact]