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Fair Debt Collection & Fair Credit Reporting Act Regulate the Loan Market by Safinajones

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Lending business is an all-time hit in the market. Whatever the scenario may be, it has been seen that the individuals are always in need of some kind of finance. Sometimes, they take up loans to fulfil their personal desires and sometimes, it is a necessity to serve an emergency financial need. Taking up loans is easy but repaying the same is not so. Many borrowers are serious about making repayments, while few of them do not take this very seriously. Fair Credit Reporting Act and fair dent collection act are some of the legal formulations that have been introduced to help the lenders as well as borrowers to avoid being trapped in any unlawful issues.

The Fair Credit Reporting Actis the United States federal law, with the help of which the collection, dissemination and use of consumer information in a legitimate way are regulated.It is important that the credit information reaches the higher authorities from time to time to make sure that all kinds of decisions should be taken keeping he credit status of the individuals in mind. In addition to the FCRA, the Fair Debt Collection Act also constitutes one of the core laws that have been enforced by the US Federal Trade Commission and private litigants. This is the law that is concerned with the issues related to consumer credit rights in the United States.

There are many borrowers who are not really very serious about making repayments from time to time. To deal with such individuals, the lenders hire the collection agencies. The professionals of the agencies take the responsibility of getting the lent amount back at any cost. In the rush of doing so, they, sometimes, forget that there is something called humanity. To help them remember certain principles on humanitarian grounds, the Fair Debt Collection Act has been introduced. On the other hand, the Fair Credit Reporting Act is concerned with maintaining complete privacy in reporting the credit status of any individual to the higher authorities.

As soon as you default, you are declared as a defaulter. It is the Fair Credit Reporting Act that makes sure that the reporting agencies privately report you case to the higher authorities, on the basis of which the final decision is taken. Similar is the case when your repayments are regular. With unfair means of debt collection, it has been found that the suicidal attempts have increased a lot. Hence, following the points mentioned in the Fair Debt Collection Act has been made mandatory to be followed.

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Safina Jones is a legal advisor who has good information on a Fair Debt Collection Act. For more information on a Fair Credit Reporting Act, please visit a http://www.consumerlawfirmcenter.com/

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