

Frequently Asked Questions and Answers

58. Question: How should an account be reported when the consumer is affected by a natural or declared disaster?

Answer: Use the following reporting guidelines, which apply to the trade and/or collection account level.

Open Accounts – defined as Account Status Code 11 (Current account) or 71, 78, 80, 82, 83 or 84 (Delinquent accounts).

There are three options for reporting:

1. Report the Account Status **that applies to the account** (credit grantor's decision). Report Special Comment **AW** (Affected by natural or declared disaster).
2. Report Account Status **11** (Current account) and Special Comment **AW** (Affected by natural or declared disaster).
3. Report the account as deferred, along with Special Comment **AW** (Affected by natural or declared disaster).

Report the following Base Segment fields as specified:

- Terms Duration = blank
- Terms Frequency = D (Deferred)
Required for deferred accounts
- Highest Credit or Original Loan Amount = the total amount borrowed
- Scheduled Monthly Payment Amount = zero
- Account Status Code = 11 (Current account)
- Payment History Profile = Use Character **D** for the months where payments are deferred.
- Current Balance = the total amount borrowed minus any payments which have been made
- Amount Past Due = zero

If the Deferred Payment Start Date is known, report the K4 Segment with Specialized Payment Indicator **02** for Deferred Payment. Also, report the **Deferred Payment Start Date** as the date the first payment will be due. If the deferred payment start date is not known, do not report the K4 Segment.

Closed Accounts with Balances Owning

Follow the same three options as described above for Open Accounts.

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FAQ 58 (continued)

Derogatory Accounts – defined as Account Status Codes 88 (Government Claim), 89 (Deed in Lieu), 93 (Collection), 94 (Foreclosure Completed), 95 (Voluntary Surrender), 96 (Repossession), and 97 (Charge-off).

Continue reporting these statuses and add Special Comment **AW** (Affected by natural or declared disaster).

Debt Buyers and Collection Agencies

Continue reporting Account Status Code 93 (Collection) and add Special Comment **AW** (Affected by natural or declared disaster).

If accounts are sold to another company or given back to the original creditor, report Account Status Code **DA** to delete the accounts.