

COMPREHENSIVE VERSION

2010 CPN SECRETS

"TELL ALL" CREDIT BIBLE

SIXTH EDITION



MATT COHEN

Copyright, Legal Notice and Disclaimer:

This publication is protected under the Copyright Law and all other applicable international, federal, state and local laws, and all rights are reserved, including resale rights. Please note that much of this publication is based on personal experience, research and anecdotal evidence. Although the author and publisher have made every reasonable attempt to achieve complete accuracy of the content in this Guide, they assume no responsibility for errors or omissions. Also, you should use this information as you see fit, and at your own risk. Your particular situation may not be exactly suited to the examples illustrated here; in fact, it's likely that they won't be the same, and you should adjust your use of the information and recommendations accordingly. Any trademarks, service marks, product names, companies, banks, or named features are assumed to be the property of their respective owners, and are used only for reference. There is no implied endorsement if we use one of these terms. Nothing in this Guide is intended to replace common sense, legal, medical or other professional advice, and is meant to inform and entertain the reader. So have fun with this guide, and welcome to the World of Legal CPN.

Important Note

Also note that on internet, websites come and go. Therefore, I need to keep updating this guide to reflect the changes happening on the internet. If you find any broken link in this guide, inform me immediately. I will send you an updated version of this guide free of cost.

TABLE OF CONTENTS

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

LEGAL CPN 2010 “TELL ALL” CREDIT SECRETS**INTRODUCTION5****CHAPTER 1 – Understanding Your Credit..... 10**

- The five types of information found on your credit report
- How your credit report is calculated

CHAPTER 2 – How You Can Freeze Your Credit Report.....16

- How to place a security freeze on your credit profile
- Sample Freeze Letter Equifax, Experian and Trans Union

CHAPTER 3 – Securing a Second Chance with Chex Systems.....23

- How to avoid Chex Systems and open a new checking account
- How you can remove your account history from ChexSystems
- Example dispute letters you can send to Chex Systems
- A complete list of Non Chex Systems Banks

CHAPTER 4 – Credit Profile Numbers (CPN's).....29

- What is a CPN
- The Complete Law of The United States Privacy Act of 1974 Title V
- How you can legally obtain two credit profiles
- Various methods of setting up a Validated CPN “Revealed Un-Cut”
- METHOD #1: The only 100% legal way to set up and use a CPN number
- METHOD #2: Creating a “Matching Validated CPN Profile” Revealed Un-Cut
- The proper way to validate a CPN number
- How to build a million dollar CPN Profile
- Opening your credit file with all 3 credit bureaus
- TIPS for building and maintaining your CPN Profile

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

CHAPTER 5 – Seasoned Trade-Lines54

- Using trade-lines as a credit building tool
- Facts about primary and assumable trade-lines
- What is the best solution to literally boost your score over night
- What are the BEST WAYS to obtain FREE Primary Trade-lines

CHAPTER 6 – Personal Credit Repair62

- The Four steps to successful credit repair
- Examples of credit dispute letters to send to the credit bureaus

CHAPTER 7 – Simple Steps to Establish Business Credit74

- The action items you must do to obtain an excellent business credit score
- Building business credit and finding financing sources

CHAPTER 8 – Basics of Setting Up or Purchasing a Shelf Corporation86

- Shelf and Aged corporation disadvantages
- Shelf and Aged corporation advantages
- What are some additional shelf corporation benefits
- Understanding the basics of business credit

CHAPTER 9 – Purchasing A Aged Corp for Less Than \$100.....98

- A complete summary on how you can purchase an Aged Corporation for under \$100

CHAPTER 10 – Repairing and Rebuilding Business Credit..... 100**CHAPTER 11 – Applying For Business Credit.....111****CHAPTER 12 – Starting a Online Credit Repair Business 120****APPENDICIES**

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

APPENDIX A – SHELF CORP, PERSONAL, MEGA CORP; LENDER LIST A

APPENDIX B – SAMPLE EXPERIAN BUSINESS CREDIT REPORT B

WELCOME AND THANK YOU FOR YOUR PURCHASE:

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.



My name is Matt Cohen, Co-founder Legal CPN, and I promise to illuminate every aspect of CPN's trade lines, credit repair, and the business credit world. Some people refer to me as the brains behind Legal CPN; I refer to myself as the hardest working man in the CPN and credit repair industry. During my tenure with Legal CPN, I have had the opportunity to work with the brightest minds in the credit repair industry. I promise to pass this knowledge on to you. The information contained within this e-book is firsthand knowledge gained from thousands of clients handled and serviced by myself as a Legal CPN senior account manager. Please be aware that some issues covered within this book may include speculative statements, topics, and procedures that I also will pass on to you in an effort to provide you every bit of information related to the subject matter listed above. The 2010 CPN SECRETS will become the benchmark manual of its type and we plan to complete blow away any book of its type.

DISCLAIMER: The 2010 CPN SECRETS E-book provided by Matt Cohen, cofounder of Legal CPN, is intended for informational purposes only. Matt Cohen makes no representations or warranties about the accuracy or suitability of this information for any purpose. Errors and omissions may occur. Therefore, A Consumer Holding LLC, Legal CPN, Matt Cohen; disclaims any warranty, whether express or implied, as to any matter relating to this service and all information provided. In no event shall A Consumer Holding LLC, Legal CPN, Matt Cohen be liable for any indirect, special, incidental, or consequential damages arising out of any use or reliance on any information contained herein. Nor does A Consumer Holding LLC, Legal CPN, Matt Cohen or any Agent of Legal CPN, assume any responsibility for failure or delay in updating or removing the information contained herein. Moreover, information provided in this E-book does not constitute legal advice nor should it be considered as a replacement for the proper methods of credit repair. A Consumer Holding LLC, Legal CPN, Matt Cohen www.legalcpn.com expressly disclaims all liability for decisions and actions taken or not taken in reliance upon information contained in this E-book. Aside from the fact that this E-book is for INFORMATIONAL PURPOSES ONLY, you must understand that all responsibility for the use or misuse of this information lies solely on you, should you decide to create a CPN or ANY Product Mentioned within this E-Book.

FEATURED CONTENT:



Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- ✚ Credit Freezing
- ✚ Getting Around Chex Systems
- ✚ Chex Systems Dispute Letter Examples
- ✚ Different Methods of Setting Up a CPN Number
- ✚ The Correct Method of Setting of a CPN Credit File
- ✚ Seasoned Trade-lines
- ✚ Primary Trade-lines
- ✚ Assumable Trade-lines
- ✚ Building a Million Dollar Credit Profile
- ✚ How to Remove Inaccurate Credit Items
- ✚ Example of Dispute Letters
- ✚ How to Boost Your Score after You Have Deleted Inaccurate Items
- ✚ How to Obtain a Shelf Corp for less than \$100
- ✚ Corporate and Mega Corp Lender List

A SUMMARY OF YOUR RIGHT UNDER THE FAIR CREDIT REPORTING ACT

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). A summary of your major rights under the FCRA:

You must be told if information in your file has been used against you. Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.

You have the right to know what is in your file. You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- A person has taken adverse action against you because of information in your credit report;
- You are the victim of identify theft and place a fraud alert in your file;
- Your file contains inaccurate information as a result of fraud;
- You are on public assistance;
- You are unemployed but expect to apply for employment within 60 days.

In addition, as of September 2005, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.ftc.gov/credit for additional information.

You have the right to ask for a credit score. Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.

You have the right to dispute incomplete or inaccurate information. If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate, unless your dispute is frivolous. See www.ftc.gov/credit for an explanation of dispute procedures.

Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information. Such information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.

Consumer reporting agencies may not report outdated negative information. In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

Access to your file is limited. A consumer reporting agency may provide information about you only to people with a valid need — usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.

You must give your consent for reports to be provided to employers. A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to www.ftc.gov/credit.

You may limit “prescreened” offers of credit and insurance you get based on information in your credit report. Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).

You may seek damages from violators. If a consumer reporting agency or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.

Identity theft victims and active duty military personnel have additional rights.

For more information, visit www.ftc.gov/credit. Or write: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

CHAPTER 1: UNDERSTANDING YOUR CREDIT

Anyone who has applied for any type of credit loan – auto, home, personal, etc. – has a credit report. When one attempts to obtain these types of loans, his/her credit report is viewed by the possible lender. This report shows lending companies your payment history on past and current loans. This information is used to determine the “credit risk” of the applicant. If your report shows that you have struggled in the past to pay your bills on time, or you currently have a lot of outstanding debt, you may be denied the loan, or if you are granted the loan, it may be at a higher interest rate, making it worthwhile for the lender to take the risk on the loan.

Since your interest rate is determined by your credit score and history, it is very easy for anyone to sink in the quicksand of debt. If you have had late payments in the past, you certainly will have to pay a higher interest rate than someone who pays on time. Now, your new loans are even harder to pay back than the ones that got you in this position in the first place. So, with every continued late payment, your score continues to drop and your rates continue to increase. It doesn't take long to be upside down in debt with no reasonable solutions available.

With credit scores being the determining factor when it comes to interest rates and loan options, it is very important that you make sure your credit report is active and that you truly understand how this affects your life. This chapter is dedicated to helping people understand what goes into a credit report, how it gets there, and other key information to help you get the most out of your credit file.

A credit report contains information about you and your credit experiences, like your bill-paying history, the number and type of accounts you have, whether you pay your bills by the date they're due, collection actions, outstanding debt, and the age of your accounts. Using a statistical program, creditors compare this information to the loan repayment history of consumers with similar profiles. For example, a credit scoring system awards points for each factor that helps predict who is most likely to repay a debt. A total number of points — a credit score — helps predict how creditworthy you are — how likely it is that you will repay a loan and make the payments when they're due.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Some insurance companies also use credit report information, along with other factors, to help predict your likelihood of filing an insurance claim and the amount of the claim. They may consider these factors when they decide whether to grant you insurance and the amount of the premium they charge. The credit scores used by insurance companies sometimes are called “insurance scores” or “credit-based insurance scores.”

The companies that compile credit reports, called credit bureaus or credit reporting agencies (CRAs), do not determine whether someone is a credit risk or not. The individual lenders purchase these reports from the CRAs, which have collected the data from past lenders and merchants. The current lender then reviews the credit file and determines whether or not the applicant is suitable for the loan, depending on the lender’s criteria.

THE HISTORY OF CREDIT REPORTS

Credit reporting and the first third-party agencies were born during the nineteenth century. Small retail merchants exchanged information about their customers. They not only dealt in financial information, they also shared personal details such as marital status, health, and drinking habits. These "merchant associations" eventually organized into small credit bureaus. In the beginning of the twentieth century, these informal organizations began to solidify into the credit bureaus we know today. Once the computer gained popular use, creditors easily could store enormous amounts of data and share this information quickly.

THE FIVE TYPES OF INFORMATION FOUND ON YOUR CREDIT REPORT:

1. Personal Identifying Information: Information about you including your full name, current and past addresses, Social Security number, and any other nine digit number recorded and linked to you, telephone numbers, and birth date, current and past employers.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

2. Credit History: This section includes your bill-paying history with banks, retail stores, finance companies, mortgage companies, and others that have granted you credit. It includes information about each account you have, such as the type of loan (e.g., mortgage, student loan, revolving credit, or installment loan), the date the account was opened; the credit limit or the loan amount; any cosigners of the loan; and your payment history for the previous two years. In other words, if you were late, or missed any payments, it will be recorded here. Any closed accounts also will be noted in this section.

3. Public Records: Information that is readily available from local, state, and federal court records showing any legal item that may affect your credit, such as bankruptcy, judgments, suits, tax liens, foreclosures, and past-due items.

4. Recent Inquiries: This section includes the names of those who have obtained copies or have been authorized to view your credit report within the last year. Any credit inquiries for employment purposes over the past two years also will be included.

5. Consumer Statements: This section contains any statements you've submitted to the credit bureau to be included in the credit report. Usually, this statement is an explanation of negative credit items appearing on the report, to be taken into consideration by creditors.

Your credit report does not contain data about race, religious preference, medical history, personal life style, political preference, friends, criminal record, or any other information unrelated to credit. There are different versions of credit reports and different scores calculated, depending upon the purpose of the request. Every lender uses a slightly different equation to calculate a credit score; some also use different versions for different products. Your credit rating changes when your circumstances change.

CREDIT SCORES AND CREDIT REPORTS

Your credit report is a key part of many credit scoring systems. That's why it is critical to make sure your credit report is accurate. Federal law gives you the right to get a free copy of your credit reports from each of the three national consumer reporting companies once every 12 months.

The Fair Credit Reporting Act (FCRA) also gives you the right to get your credit score from the national consumer reporting companies. They are allowed to charge a reasonable fee, generally around \$8, for the score. When you buy your score, you often get information on how you can improve it.

To order your free annual report from one or all the national consumer reporting companies, and to purchase your credit score, visit www.annualcreditreport.com, call toll-free 877-322-8228, or complete the Annual Credit Report Request Form and mail it to: Annual Credit Report Request Service, P. O. Box 105281, Atlanta, GA 30348-5281. For more information, see Your Access to Free Credit Reports.

HOW IS A CREDIT SCORING SYSTEM DEVELOPED?

To develop a credit scoring system or model, a creditor or insurance company selects a random sample of its customers, or a sample of similar customers, and analyzes it statistically to identify characteristics that relate to risk. Each of the characteristics then is assigned a weight based on how strong a predictor it is of who would be a good risk. Each company may use its own scoring model, different scoring models for different types of credit or insurance, or a generic model developed by a scoring company. Under the Equal Credit Opportunity Act (ECOA), a creditor's scoring system may not use certain characteristics — for example, race, sex, marital status, national origin, or religion — as factors. The law allows creditors to use age

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

in properly designed scoring systems. But any credit scoring system that includes age must give equal treatment to elderly applicants.

WHAT DOES THIS MEAN TO YOU?

Credit scores use the data in your credit report and assign a number (usually ranging from 300–900) that shows lenders how much of a risk you are in paying back a debt. The higher your score, the less of a risk you are (that's why a high score is important in getting a good finance rate). The most common score used is the FICO score calculated by Fair Isaac Corporation. There is one FICO score for each of the three reporting agencies. The agencies may also have their own version of a credit score but FICO is the most widely used.

HOW YOUR CREDIT SCORE IS CALCULATED

Payment History (35%): Your payment history shows whether you pay your bills on time, the number of past-due accounts, bankruptcies, and other payment-related behavior. The better you are about making your monthly payments on time, the better your credit score will be. Late payments demonstrate higher credit risk behavior.

Amounts and Balances Owed (30%): This takes into account not only how much you owe, but also the ratio between outstanding debt and available credit. In other words, the closer you are to "maxing out" an account, the more negative the impact on your credit score.

Length of Account History (How old is the account) (15%): Accounts that have been open and active for a long time score more points. The less time your accounts have been open, the less time you've had to prove yourself. You need at least six months (preferably nine to 12 months) of credit activity to build a credit score.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Types of credit accounts (10%): More variety shows experience with different accounts, reducing the possibility of credit risk. However, if you have many open credit accounts, you have greater potential to accrue more debt and your score may be reduced. Highest scores usually involve a mix of revolving and installment accounts, showing that you know how to handle various types of credit.

New credit accounts (10%): How frequently and how recently have you applied for new credit? Many outside inquiries into your credit, especially within a 12-month period, can lower your credit score. Your score could be used for credit card applications, auto loans, mortgages, insurance, and by potential employers. Insurers treat a high score as being more responsible and can get you better rates. Employers use the score in the same way. They look at your score as a measure of how responsible you may be at work.

CHAPTER 2: FREEZEING YOUR CREDIT REPORT

You have the right to put a “security freeze” on your credit file. A security freeze means that your file cannot be shared with potential creditors. A security freeze can help prevent identity theft. Most businesses will not open credit accounts without first checking a consumer's credit history. If your credit files are frozen, even someone who has your name and Social Security number probably would not be able to get credit in your name. A security freeze is free to identity theft victims who have a police report of identity theft. If you are not an identity theft victim and you are under 65 years of age, it will cost you \$10 to place a freeze with each of the three credit bureaus. That's a total of \$30 to freeze your files. If you are not an identity theft victim and you are 65 years of age or older, it will cost you \$5 to place a freeze with each of the three credit bureaus. That's a total of \$15 to freeze your files.

HOW DO I PLACE A SECURITY FREEZE? To place a freeze, you must contact each of the three credit bureaus. You can place the freeze by mail. See the sample letters at the end of this sheet for addresses and what information to include. You also may be able to place the freeze by phone or online. Please visit www.equifax.com , www.experian.com , and www.transunion.com for up-to-date options. You must provide identifying information. If you are an identity theft victim, provide a copy of your police report (or DMV investigative report) of identity theft. Otherwise, if you are under 65 years of age, provide payment of \$10 to each of the credit bureaus; if you are 65 years of age or older, provide payment of \$5 to each of the credit bureaus.

Placing a credit freeze, or security freeze, on your credit reports means an identity thief, even one who has your name, address, Social Security number, birth date and more, should NOT be able to get new loans and credit in your name. That's because lenders, retailers, utilities and other businesses need access to a credit report to review and approve new credit, loans, and services.

Credit report freeze laws have been enacted in all but 3 states. California passed the first credit freeze law back in 2002. Now almost all of the states have a law on the books.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

CREDIT FREEZE LAWS BY STATE

UPDATED: JAN 2009

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

What is the difference between a fraud alert and a freeze? A fraud alert is a special message on the report that a credit issuer receives when checking a consumer's credit rating. It tells the credit issuer that there may be fraud involved in the account. A fraud alert can help protect you against identity theft. A fraud alert also can slow down your ability to get new credit. It should not stop you from using your existing credit cards or other accounts. A security freeze means that your credit file cannot be seen by potential creditors, insurance companies, or employers doing background checks – unless you give your consent. Most businesses will not open credit accounts without first checking a consumer's credit history.

How long does it take for a security freeze to go into effect? Credit bureaus must place the freeze no later than three business days after receiving your written request.

How long does it take for a security freeze to be lifted? Credit bureaus must lift a freeze no later than three business days after receiving your request.

What will a creditor who requests my file see if it is frozen? A creditor will see a message or a code indicating that the file is frozen.

Can a creditor get my credit score if my file is frozen? No. A creditor who requests your file from one of the three credit bureaus will only get a message or a code indicating that the file is frozen.

Can I still get my free annual credit report if my file is frozen? Yes. To order your free annual credit reports, see our *CIS 11: How to Order Your Free Credit Reports*. For Experian and Trans Union reports, use the regular procedures for ordering. For Equifax, order by mail using the form included in *CIS 11* and also provide the PIN issued to you by Equifax when you froze your file.

Can anyone see my credit file if it is frozen? When you have a security freeze on your credit file, certain entities still have access to it. Your report still can be released to your existing creditors or to collection agencies acting on their behalf. They can use it to review or

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

collect on your account. Other creditors also may use your information to make offers of credit; unless you opt out of receiving such offers. See below for how to opt out of pre-approved credit offers. Government agencies may have access to collect child support payments or taxes, or for investigating Medi-Cal fraud. Government agencies also may have access in response to a court or administrative order, a subpoena, or a search warrant.

Do I have to freeze my file with all three credit bureaus? Yes. Different credit issuers may use different credit bureaus. If you want to stop your credit file from being viewed, you need to freeze it with Equifax, Experian, and TransUnion.

Will a freeze lower my credit score? No.

Can an employer do a background check on me if I have a freeze on my credit file? No. You would have to lift the freeze to allow a background check or to apply for insurance, just as you would to apply for credit. The process for lifting the freeze is described above.

Does freezing my file mean that I won't receive pre-approved credit offers? No. You can stop the pre-approved credit offers by calling 888-5OPTOUT (567-8688). Or you can do this online at www.optoutprescreen.com. This will stop most of the offers, the ones that go through the credit bureaus. It's good for five years or you can make it permanent.

Does my spouse's file have to be frozen, too? Yes. Both spouses have to freeze their separate credit files, via separate requests, in order to get the benefit. That means the total cost for freezing for consumers under 65 years of age is \$10 x 3 credit bureaus x 2 people = \$60. For consumers 65 years of age or older, the total cost for freezing is \$5 x 3 credit bureaus x 2 people = \$30.

What law requires security freezes? The California law on security freeze is in the California Consumer Credit Reporting Agencies Act, at **California Civil Code §§ 1785.11.2-1785.11.6 and 1785.15.**

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

SAMPLE FREEZE LETTER TO EQUIFAX

[Date]

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348

Dear Equifax:

I would like to place a security freeze on my Equifax credit file.

My full name is:

My current home address is:

My former address was:

My Social Security number is:

My date of birth is:

PLEASE CHECK ONE:

I am under 65 years of age, and I will pay the fee of \$10 for placing the freeze.

I am 65 years of age or older, and I will pay the fee of \$5 for placing the freeze.

OR

I am an identity theft victim and a copy of my policy report or DMV investigative report of identity theft is enclosed.

[By check, money order, or credit card]

Yours truly,

[Your name and address]

please include; payment for the appropriate fees by check, money order, VISA, MasterCard, Discover, or American Express. For credit card payment, please include your name as it appears on the card, the card number, and the expiration date.

SAMPLE FREEZE LETTER TO EXPERIAN

[Date]

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013

Dear Experian:

I would like to place a security freeze on my Experian credit file.

My full name is:

My current home address is:

Below is a list of my addresses for the past two years:

My Social Security number is:

My date of birth is:

As proof of my residence, I am enclosing the following two items:²

Please check one:

I am under 65 years of age, and I will pay the fee of \$10 for placing the freeze.

I am 65 years of age or older, and I will pay the fee of \$5 for placing the freeze.

OR

I am an identity theft victim and a copy of my police report or DMV investigative report of identity theft is enclosed.

[By check, money order, or credit card]³

Yours truly,

[Your name and address]

Enclose a copy of a government-issued identification card and a copy of a recent utility bill, bank statement, or insurance statement that displays your name, current mailing address, and the date of issue. For credit card payment, give name of credit card, account number, and expiration date.

SAMPLE FREEZE LETTER TO TRANSUNION

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

[Date]

TransUnion Security Freeze
P.O. Box 6790
Fullerton, CA 92834-6790

Dear TransUnion:

I would like to place a security freeze on my TransUnion credit file.

My full name is:

My current home address is:

My Social Security number is:

My date of birth is:

As proof of my residence, I am enclosing the following item:⁴

Please check one:

I am under 65 years of age, and I will pay the fee of \$10 for placing the freeze

I am 65 years of age or older, and I will pay the fee of \$5 for placing the freeze

[by check, money order, or credit card]⁵

OR

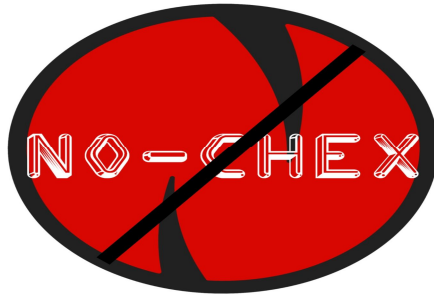
I am an identity theft victim and a copy of my police report or DMV investigative report of identity theft is enclosed.

Yours truly,

[Your name and address]

enclose a copy of a state-issued identification card or driver's license. For credit card payment, give name of credit card, account number, and expiration date.

CHAPTER 3: SECURING A SECOND CHANCE WITH CHEX SYSTEMS



For many of you, this chapter will be extremely helpful. The information I am presenting here has been proven time after time and will help you obtain a new checking account or removing your name from Chex Systems. I am continuously ask by my clients, “How they can remove themselves from Chex Systems or get a new checking account.” My primary role within Legal CPN has been credit repair and alternative credit repair. I am sure the information provided within this short chapter will be of great service.

BACKGROUND ON CHEX SYSTEMS,

First it is important for you to know, banks rely on Chex Systems primarily to help them screen applicants for new accounts, especially checking accounts. For the most part, a standard checking account won't generate much money for a bank (outside of penalty fees, over draft fees, and service fees which nets the banks billions of dollars per year). Many banks will offer free checking accounts in hopes of enticing you to invest in more lucrative products. The banks practice of issuing indiscriminately checking accounts can expose the bank to considerable fraud and eat into their profitability, which is why a large percentage of banks subscribe to Chex Systems for new client screening. According to a Bank of America estimates losses totally \$1.3 billion in check fraud an estimated loss of \$13 billion from bad checks occurs nationally each year.

The most banks will view customers past account problems as a key predictor of potential risk, which is why many Chex Systems member banks will deny an account based on a negative Chex Systems report.

HOW CAN I GET AROUND CHEX SYSTEMS AND OPEN A NEW CHECKING ACCOUNT?

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- We have found people that are reported to Chex Systems can open another checking account by using a Non-Chex Systems Bank. **I HAVE INCLUDED A LIST OF NON CHEX SYSTEM BANKS TOWARD THE END OF THIS CHAPTER!**
- We have also seen some people resort to opening untraditional bank account often called "second chance bank accounts" usually a checkless bank account connected to a debit card. Second chance checking accounts although they are initially checkless, they do provide all the benefits of a regular checking account including bank routing number, account number, and debit cards.

REMOVING YOUR ACCOUNT HISTORY FROM CHEXSYSTEMS

If your name has been placed in ChexSystems, you may find it hard to open a checking account or even write a check. ChexSystems is governed by the Fair Credit Reporting Act, which allows you to dispute any claims against you. This is your right to do so.

1. The first step you will want make is visit www.chexhelp.com and order a copy of your ChexSystems report. This will allow you to find out what caused you to be placed on their system and will also give you a Consumer ID number.
2. The next step on your journey to checking freedom is to send ChexSystems a letter disputing the negative listing. You will need to make a copy of the letter for your files and send the original via Certified Mail. You will want proof of when it was sent and who signed for it. This will become a legal document. ChexSystems is then required to contact you within 30 days or delete the listing.

CHEX SYSTEMS MAILING ADDRESS:

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

**CHEXSYSTEMS CUSTOMER RELATIONS
12005 FORD ROAD SUITE 600
DALLAS, TX 75234**

YOU WILL NEED TO INCLUDE THE FOLLOWING INFORMATION ON EVERY LETTER:

1. Your name (printed not signed)
2. Your complete mailing address
3. Your Social Security number
4. Your Consumer ID number (listed on the ChexSystems report)
5. Your Bank name
6. The negative listing stated on the report and the date it occurred
7. Next, you will need to create your letter.

MAKE COPIES OF ALL LETTERS AND SEND THEM ALL CERTIFIED MAIL.

LETTER 1: (This is the beginning)

Inform ChexSystems that you have reviewed your report and the items they have listed are inaccurate. Ask them to validate the information from the bank and send you copies of any documentation they have regarding this listing that bear your signature. At the end of the letter, you need to demand for them to remove this inaccurate information. Ask to have the information deleted from the file under your social security number. This could be the only letter you will need. It may be enough to have them remove your name from the system. However, just in case they become difficult and decide not to cooperate, here is what you would do in letter number 2, which you will send 30 days later.

NOTE: Only send this letter once you have received the initial dispute back from them. You need to know the outcome before you send the second letter.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

LETTER 2: (if your dispute was verified)

Inform ChexSystems that you wish to have a description of the procedure that was used to determine that the information they sent you was valid. Looking at a computer screen does not make it valid. You will want to request that they respond to your letter within 14 days. If you are not contacted in 14 days you will contact the FTC and your State's Attorney General's office. You can also file a petition in small claims court for items such as Defamation, Violation of the Fair Credit Reporting Act, and Negligent Enablement of Identity Fraud. If this is too much of a hassle for you, then resend letter # 1 and start the process over again. You must be willing to be patient. Basically, **YOU WOULD KEEP DOING LETTER 1 AND LETTER 2 UNTIL THE NEGATIVE LISTING IS REMOVED.**

If you are determined and want to go above and beyond, then you can also use the strategy of letter 3.

LETTER 3: (If your letter has not been responded to in 30 days)

Inform ChexSystems that you will file a petition in small claims court for Defamation, Violation of the Fair Credit Reporting Act, and Negligent Enablement of Identity Fraud. You can file a petition for \$20.00 at your local courthouse. It is very easy to do and may be the only thing you can do at this stage of the game. If ChexSystems Has Removed the Negative Listing: Save all documentation that your account has been cleared. Keep this information safe. It may happen that ChexSystems has not informed all banks or financial institutions. The documentation will not help you at a point of sale place. However, it will help with a bank when opening an account.

AS SOON AS YOU RECEIVE A NOTICE FROM CHEXSYSTEMS THAT YOU'RE ACCOUNT HAS BEEN CLEARED, OPEN A CHECKING ACCOUNT.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

It is possible that ChexSystems will allow the disputed claim to find its way back on to your report. Therefore, as soon as it is cleared, you will want to open an account.

NON CHEX SYSTEMS BANKS

Bank	Location	Website
Access National Bank	Virginia	www.accessnationalbank.com
Ally Bank	Online - Nationwide	www.ally.com
Amcore Bank	Illinois, Iowa, Wisconsin	www.amcore.com
Apple Creek Banking Company	Ohio	N/A
Armed Forces Bank (military)	Alabama, Arizona, California, Colorado, Florida, Georgia, Illinois, Kansas, Kentucky, Missouri, Nevada, New Jersey, North Dakota, Texas, Virginia, Washington, Wyoming	www.afbank.com
Bank Caroline	South Carolina	www.bankcaroline.com
Bank of Gueydan	Louisiana	N/A
Bank of Nashville	Tennessee	www.bankofnashville.com
Bank of Pensacola	Florida	www.bankofpensacola.com
Capital City Bank	Alabama, Florida, Georgia	www.ccbg.com
Centrue Bank	Illinois	www.centrue.com
Boone County National Bank	Missouri	www.boonebank.com
Chester National Bank	Illinois, Missouri	www.chesternationalbank.com
Citizens State Bank	Michigan	www.mycommunitybank.com
City National Bank & Trust	Oklahoma	www.cnbok.com
Community Bank & Trust	Oklahoma	www.banktulsa.com
Elizabethton Federal Savings Bank	Tennessee	www.elizfed.com
Elk Horn Bank & Trust	Arkansas	www.ehbt.com
Equitable Savings and Loan	Colorado	www.equitable-savings.com
Everbank	Online - Nationwide	www.everbank.com
First Convenience Bank	Texas	www.1stcb.com
First Federal	South Carolina	www.firstfederal.com
First Internet Bank of Indiana	Indiana	www.firsttib.com
First State Bank	Michigan	www.thefsb.com
First State Bank	Kansas	www.fsbkcks.com
First State Bank of Mendota	Illinois	www.fsbmendota.com
First United Bank	Colorado	www.1stunitedbank.com
Fort Sill National Bank (military)	California, Delaware, North Carolina, Oklahoma, South Carolina, Tennessee, Texas	www.fsnb.com
Fremont National Bank & Trust	Nebraska	www.fremontnational.com
Glenview State Bank	Illinois	www.gsb.com
Greenville National Bank	Ohio	www.greenvillernationalbank.com

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Bank	Location	Website
ING Direct	Online - Nationwide	www.ingdirect.com
Kevil Bank	Kentucky	N/A
Keystone Savings Bank	Iowa	www.keystonesavings.com
Keywest Bank	Florida	www.keywest-bank.com
Merchants Bank	Alabama	www.merchantsbk.com
Old Florida Bank	Florida	www.oldflbank.com
Omega Bank	Pennsylvania	www.omegafinancial.com
Peoples Trust & Savings Bank	Iowa	www.ptsbank.com
Prosperity Bank	Florida	www.prosperitybank.com
Regions Bank	Alabama, Arkansas, Florida, Georgia, Iowa, Illinois, Indiana, Kentucky, Louisiana, Missouri, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia	www.regions.com
Renasant Bank	Alabama, Mississippi, Tennessee	www.renasantbank.com
Savings Institute	Connecticut	www.savingsinstitute.com
Security Bank of Southwest Missouri	Missouri	N/A
Suntrust	Alabama, Arkansas, Florida, Georgia, Maryland, Mississippi, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, Washington DC, West Virginia	www.suntrust.com
TCF Bank	Arizona, Colorado, Illinois, Indiana, Michigan, Minnesota, Wisconsin	www.tcfexpress.com
Teche Federal Bank	Louisiana	www.teche.com
The Farmers State Bank	Ohio	www.thefarmersstatebank.com
Trustco Bank	Massachusetts, New York, Florida	www.trustcobank.com
Univest	Pennsylvania	www.univest.net
USAA (military)	Arizona, California, Colorado, Florida, Nevada, Texas, Virginia	www.usaa.com
Valley State Bank	Kansas	www.valleystatebank.com
Wayne County Bank	Tennessee	www.waynecountybank.com
Woodforest National Bank	Texas, Illinois, Kentucky	www.woodforest.com

You can visit Chex Systems website by following this link: <http://www.chexaccount.com>

CHAPTER 4: CREDIT PROFILE NUMBERS (CPN's)

CPN DISCLAIMER: Information received and presented from The Legal CPN 2010 CPN Credit Secrets does not qualify as legal or tax advice. It is meant purely as a communication of information. Lying on applications about bankruptcies, foreclosures, or anything in this regard is a federal crime, as is misrepresenting your Social Security Number on applications.

WHAT IS A CPN?

The term credit profile number is a very general term used to describe all numbers that are used for credit purposes. The main profile number to be used for all employment, government, and personal tax information is your Social Security number. This number has become the staple of many financial institutions when it comes to lending. This number never was designed to be used for credit purposes and was created mainly to be used to attain your Social Security benefits.

- **THE TERM (CPN) IS** a term that is nothing more than an abbreviated three-letter combination which **means nothing more than a word called Credit Profile Number.**
- **THE WORD CREDIT PROFILE NUMBER IS DEFINED AS** any nine (9)-digit number (or any number) taken out of its natural usage that can be, is, or has been used for credit, such as a Social Security number (SSN), employee identification number (EIN), or Individual Tax Identification Number (ITIN).

The idea of everyone having a national ID number such as a Social Security Number actually was quite radical. This number never was intended to be used as it is today. Today, our Social Security numbers are used by every financial institution, and in most cases, you can't even rent a movie without giving it.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

ACCORDING TO THE UNITED STATES PRIVACY ACT OF 1974 TITLE V: "It shall be unlawful to deny any individual any right, benefit, or privilege provided by law because of such individual's refusal to disclose his or her Social Security Account Number ... Any Federal, State, or Local Government Agency which requests an individual to disclose their Social Security Account Number shall inform that individual whether the disclosure is mandatory or voluntary, by what statutory or other authority such number is solicited, and what uses will be made of it."


THE FULL U.S. LAW CAN BE FOUND HERE:

<http://www.usdoj.gov/oip/privstat.html>

Or it can be found here: http://www.ftc.gov/foia/privacy_act.shtm ;

We have seen **"THEY"** like to close, move or hide web pages which display this information on legal, government, or legitimate websites. It appears **"SOMEONE"** doesn't want you to know the above LAW IS REAL, LEGITIMATE, CURRENT AND ACTIVE! This is a real law meant to protect you from powerful private corporations or group of private corporations banned together making an attempt to negatively control you by means of a permanent negative credit condition.

 **Q:** Can I actually get credit using my CPN number?

 **A:** As cofounder of Legal CPN and having worked personally with thousands of Legal CPN clients as a senior account manager for several years, it never fails that someone every day will ask me if he or she can get credit using a CPN Number. My consistent answer to these questions, every single day, is YES! Absolutely YES. Below is the reason why.

WHAT IS THE FACTUAL RELATIONSHIP BETWEEN BANKS AND CPN's:

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

IT IS A FACT that every bank, credit union, indeed every financial institution in the United States has outstanding loans, notes, and accounts opened with Social Security numbers (SSN), individual tax identification numbers (ITIN), tax identification numbers (TIN), and employee identification numbers (EIN). **FACT!** Banks lend to individuals using SSNs, legal nonresident aliens using ITINs, taxpaying Individuals using TINs, and businesses using EINs. **THIS IS A FACT!** Again, a Credit Profile Number can be defined as any nine (9)-digit number (or any number) taken out of its natural usage that can be, is, or has been used for credit, such as a Social Security Number (SSN), Employee Identification Number (EIN), or Individual Tax Identification Number (ITIN). To test my definition and test my statement, I'd simply ask you to subpoena lenders, financial institutions and banking outstanding loan account, which you will find; **BANKS DO IN FACT;** have outstanding loans for individuals and businesses, such as credit cards, car loans, mortgages, personal loans, with CPN numbers. The use of EINs, TINs, ITINs and SSNs, all of which are considered CPNs when used outside their natural issued intent are all found within as active account within every single banking institution across the United States and beyond! Therefore, the answer is ABSOLUTELY YES you can obtain credit using a CPN number.

HOW TO OBTAIN TWO CREDIT PROFILES, LEGALLY: The past few decades have seen the development and use of a variety of methods to attain second credit profiles. Before you get you new credit profile number, consider these things:

1. It is illegal for consumers to purposely conceal adverse credit histories from banks and lending institutions.
2. Your second credit profile does not dismiss any of your previous liabilities.
3. Any income gains or losses related to filing tax returns will have to be filed separately.
4. Verification of your CPN can be done through your business structure when done outside of IRS or government verification. Verification within the IRS or government database can be done with your CPN Number or your SSN if you have one. Neither lenders nor ANY private corporation can verify any information

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- beyond what your credit report and application will show based on your personal business CPN file. So, please be sure to read any contract in full, and be sure to provide accurate answers to any questions presented by any lender or requestor.
5. Banks verify SSNs with different methods and tools, so you never should put your CPN on an application where your SSN is requested. If the lender detects that your CPN is not a valid SSN, it will look negatively at your application and probably request more verification documentation.
 6. It is not legal to conceal poor credit history. Getting a clean credit profile has little to do with the government or legality at all. The Credit Bureaus have enormous databases that have to manage and maintain millions of records. These highly advanced technological apparatuses are not foolproof by any means. In fact, they have glitches in the system that will allow you to create a clean credit profile for yourself. Credit Bureaus base your score and credit history on specific criteria, including the nine-digit credit profile number with name, address, and a variety of other data. Generating a new credit profile under your name will require using different information with a new credit profile number to establish a second credit profile within the credit bureau system. By using information the credit bureau database does not recognize, you will find that “no record found” is returned. This “no record found” return actually is the glitch, because it automatically generates a new profile based on the information given, because no record was found.

From that point on, as long as your new information and profile never are linked with your old information, you will have a completely separate credit profile. Whenever applying for credit, only use your new information so that you don't accidentally link your new profile to your old one. This is discussed further on in the E-Book.

VARIOUS METHODS TO OBTAIN A NEW CREDIT FILE

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

There are a variety of methods to obtain second credit profiles. You probably are asking yourself how this is possible. Let us explain by starting at the conceptual level and working toward the specifics. Credit Bureaus are private companies and they depend on the same late twentieth and early twenty-first century technology that we do. Creating the large databases needed to contain the credit information of millions of people alive and dead is no easy task. These complex systems are not foolproof; in fact they have a major glitch, which has made creating second credit profiles very easy to accomplish in a number of ways. The Credit Bureaus base your credit profile on specific criteria, the most important being your nine-digit credit number, address, and name. Changing any two of these conditions will throw a monkey wrench into the database and create a second credit profile immediately. This means that if you had your name changed, and moved to a new address, you literally could use your normal Social Security Number and have a second credit profile. This understanding will lead you to conclude that you don't need a second credit number at all, and that is true; you can create a second credit profile based on your current Social Security Number just by doing something like getting married and moving to a new residence. Any combination of information changed when pulling your credit profile can produce a new one, and that is simply because the technology is not capable of figuring out the differences. Computers have been around for only 40 years and are by no means at "Star Trek" levels. Because we live in a time when computer technology is in its infancy, we can take advantage of glitches such as this one to generate a second credit profile.

ADOPTTEES: Many adopted people who find out who their biological parents are might try to regain connection by changing their name to fit the biological parents' names. This actually happens quite often. In one case, an adoptee learned of his birth parents, reconnected with them, and changed his name all at the same time that he switched addresses. When the adoptee went to pull up his credit record with his normal Social Security Number, his new address, and his new name, he found that there was no record. Having read a previous version of our E-Book, the adoptee realized that he had just generated a second credit profile using his current Social Security Number. This is one method that will work and can be applied to many different situations. Adopting a new name and address actually is done quite easily,

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

so we will allow you to consider all the possibilities and will not elaborate further on this subject.

MARRIAGE: Married women often take their husband's name. And when people marry, they often move to a new home, which means that two criteria have been changed. Understanding this concept, a married woman who changes her name and address and then try to access her credit record using her current Social Security Number, her new name, and new address will find there's no record. She would have just accomplished the creation of a second credit profile using her current Social Security number.

IDENTITY THEFT: People whose identity is stolen actually have quite a few options to generate a second credit profile. Often, if the damage is extreme to one's credit report, the Social Security Administration will issue a second Social Security number. In order to qualify, you cannot have been in bankruptcy; you cannot intend to avoid the law or legal responsibility; and you must have proof your Social Security Number has been used improperly by someone other than yourself. You also can get a new Social Security number in certain domestic violence cases, and if your religious or cultural beliefs conflict with the digits given to you.

In the case of identity theft, you will need the following to obtain a second Social Security number:

1. Completed SS-5 form from www.ssa.gov
2. Show documents proving citizenship and identity
3. Evidence why you need a new number

After you have all of that completed, you will need to turn it into your local Social Security office.

As you can see, besides identity theft and attaining a second Social Security number, the basic premise remains the same.

HOW CREATING A NEW CREDIT FILE IS POSSIBLE:

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

CHANGES TO ANY TWO OF THE THREE CRITERIA: BELOW WILL CREATE A SECOND CREDIT PROFILE.

1. YOUR NAME
2. YOUR ADDRESS
3. YOUR NINE-DIGIT CREDIT NUMBER

Changed Name + Changed Address + Same SS# = New Credit Profile

New Credit Number + Changed Address + Same Name = New Credit Profile

Same Address + New Name + New Number = New Credit Profile

The concept here isn't that the Credit Bureaus are not sophisticated enough to deduce the similarities when you put in the new information. The true fact is that your name, number, or address alone is not unique to one single person. This particular method and glitch will not last forever as technology is improving all the time. With this conceptual understanding, you should be able to deduce the best route for you to obtain a second credit profile. It can be as simple as a name change and a new address. However, if you ever decide to utilize what you have learned here today, be warned that you are still completely responsible for all your prior debts.

Creating a new credit profile should be done only by those who truly wish to start clean, and not have similar problems as before. If you plan to use this number to get credit and not pay it back, you quickly will find that you are in some very hot water. This action is not sanctioned by the government in any way. It only is legal if you do not file for your number under false pretenses, and you do not ever default again on anything related to credit. Once defaulting has occurred using this number, if the creditor finds out about your other credit file, legality is thrown to the wind, and you are going to be looked at closely by the authorities. While this is an easy way to establish a clean credit file, it is so much more important that you protect this individual number. If for any reason you were to default on anything associated with this number, and the institution found out you had another credit number with a bad credit history, it easily would constitute fraud and could land you with major fines or jail time. Misrepresenting

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

your Social Security Number is illegal on applications, and it is important you mark it as a TIN, and write it as it is given. Further, you could be charged with mail or wire fraud if you use the mail or the telephone to apply for credit and misrepresent yourself. This is why it is so important that you never default using this number, and never do anything that could land you in trouble.

If you have declared bankruptcy and apply for a loan (or life insurance) greater than \$50K, you must disclose this on the application. If you lie and are found to have been lying, your loan could be called or your insurance cancelled. This would constitute fraud according to federal law and is punishable by fines or prison time. Even one single slip can land you in prison! If you are nervous about getting a new credit profile number, please take a look at our section on Personal Credit Repair Secrets We hope that our E-Book has done what it set out to do, which was to explain exactly what this second credit profile business is all about. The various methods explained thus far have proven to have worked and will work as long as you are on top of things. Whatever method you choose, or if you decide not to go through with obtaining a second credit profile, we hope you have enjoyed learning all about it and appreciate your purchase of our book.

OUR OFFICAL STATEMENT CONCERNING USING CPN'S TO AQUIRE CREDIT FROM ANY LENDER IS: "PAY YOUR BILLS ON TIME AND DO NOT DEFAULT ON ANY BILLS OR PAYMENTS YOU MIGHT ENTER USING YOUR CPN CREDIT FILE." MATT COHEN; CONSUMER INVESTORS LLC, A CONSUMER HOLDING LLC, DBA WWW.LEGALCPN.COM

THINGS YOU WILL NEED WHEN SETTING UP A NEW CREDIT PROFILE:

1. An address you do not have listed on your credit report. In most situations, the bureaus know more about you than you do. To be on the safe side, pull your report and view the section where the addresses and numbers listed for you are on file.
2. Your real name

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

3. Your correct Social Security number (when setting up a Legal CPN)
4. A phone number not currently linked to your name or a credit account
5. Your correct birth date (When setting up a Legal CPN). If you are setting up a matched CPN profile, we have heard of people matching their DOB to match their new profile, which means they have changed their DOB to match their profile. We will cover more on this below in the MATCHED CPN PROFILE SECTION.

THE TWO PREFERRED METHODS OF GENERATING A NEW CREDIT PROFILE

There are numerous ways to generate a credit profile number and separate credit profile. The one you have just been shown is the one used by countless attorneys to generate new credit files for their wealthy clients. Some individual CPN dealers on the Internet actually sell numbers that are simply decoded and made up Social Security numbers. This is a highly illegal method, and is criminal on so many levels. Other individuals have been extremely lucky and have accidentally generated a second profile with their own Social Security Number without even realizing it. Here is how. Some people change their names when they get married. Others change their names for security reasons, and so on. Most of the Credit Bureaus systems match only the first two letters of the last name, the address, and the nine-digit number given. For many reasons people move, and change their names, marriage being an example. The consumer would use his/her current Social Security number with the new address and new last name, but forget to list any previous addresses. From this mistake, the new credit profile would be generated based on the new information.

METHOD #1: THE ONLY 100% LEGAL WAY TO OWN AND USE A CPN NUMBER

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

There is only one legal way to get a new Credit Profile Number. The only way to get that new CPN number (Credit Profile Number) is to create a Business, Corporation or LLC as it is known. Easiest most effective way to set up a business which can legally house your CPN number is to set up a DBA or in some states obtain a Fictitious Business Name.

ADVANTAGES TO DOING THIS

1. You will you get legal protection from your personal assets
2. You can put your personal assets in the Corporation and it will be protected from personal liability.
3. Under IRS rules and regulations in some business situations' obtaining an EIN is not optional and is require!

After you set up your new personal business structure and under IRS rules and regulation you will get a new CPN (Credit Profile Number) for your business and, since you will be the CEO and Owner of the Corporation, the number can then seen as a legitimate CPN for you. Your Corporation can be used for any kind of purpose but, I do recommend however, that you use your Corporation for profit. If you have a hobby, skill or talent that's marketable, you can make money with it under your Corporation. When selecting a business name for your Personal Business CPN, I suggest the name of your Business, LLC or Corporation should be in your own personal name. If you are setting a business which you DO NOT plan to use as a Personal Business CPN, then I would suggest you perform a name search and select the business name of your choice. What just happened is this: you now have a business and a new venue for credit. You will have to apply for a Tax ID number and file taxes like any other business. You now have a CPN housed within your new DBA, LLC or Corporation that can act as your new source of personal credit.

A LEGAL CPN (CREDIT PROFILE NUMBER) is an assigned number, usually nine digits, used to obtain credit. For an individual, the CPN is typically a Social Security number assigned by the Social Security Administration. For a business or corporate entity, it is usually an

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Employer Identification Number assigned by the Internal Revenue Service, which is the same as setting up **A PERSONAL BUSINESS PROFILE**.

The vast majority of Individuals in the United States are assigned their CPN when they apply for Social Security. The alternative is to obtain an Individual Taxpayer Identification Number (ITIN), which is typically issued by the IRS for certain non-resident citizens and for resident aliens. An individual person can legally have both a SSN and EIN. Under the Law you are not legally required to provide your SSN, EIN or CPN Number. However, getting approved for credit will be an uphill battle, if you don't provide some sort of number when you apply for credit.

A PERSONAL BUSINESS PROFILE U.S. businesses and corporate entities with employees **ARE REQUIRED** to have an Employer Identification Number (EIN), which also serves as a CPN for the entity. A corporate entity can apply for an EIN even if it has no employees. This also applies to a Limited Liability Corporation or LLC. It is possible and legal to form an individual DBA, LLC or Corporation to be assigned as an EIN for that entity and use that EIN to apply for credit, which we term **A PERSONAL BUSINESS PROFILE**.

- Some individuals use this method to "start over with a clean slate." Note that this is not the same as cleaning up your credit history. You will start with no history, which typically limits your access to credit. Those who grant credit are generally aware of this and may proceed with caution when you use an EIN to apply for personal credit. That said, if you carefully build a good credit history over time using the LLC's or DBA's EIN, you can end up with a good credit rating.
- Utilizing an EIN or ITIN to build and establish new credit for personal business purposes should be the primary goal. Establishing a new business to develop business credit is the Legal way to establish a Legal CPN. There are numerous people from entertainers, political figures, actors, business people not just brick and mortar businesses that are set up as a business a business entity. Such as, Eddie Murphy, Robin Williams, 50 Cent, Oprah Winfrey, Bionce Noels, Britney

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Spears, ECT. Almost anyone using their name as a business and if they are famous, popular or wealthy has their name designated as a business entity.

The U.S. Internal Revenue Service (IRS) can issue an Employer's Identification Number (EIN) for your business. The IRS mandates that in some cases and within some business structures getting an EIN **IS NOT** optional. For example, if you're going to have employees or operate as a corporation or partnership, **you must get an EIN for that entity**.

Even if you're not required to have an employer ID number (EIN) by the IRS, getting one is often a good idea.

1. It makes it easier to open a bank account in your business name
2. It will help keep your social security number private.
3. If you want your clients to hire you as an independent contractor, it's another layer of protection for your clients so that the IRS won't classify you as an employee.

METHOD #2: CREATING A MATCHING CPN PROFILE

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

If you want to set up a great CPN file you will need to pull a credit report. Matter of Fact, without the proper software, which can perform safe scan, and lexis nexus checks your CPN will be virtually dead in the water! In today's world of FICO (Fair Isaac Corp), Experian, Equifax, and Trans Union, were credit software will quickly weed out a bad CPN file from a good one, understanding the fact that you will need to pull a credit report prior to establishing a new credit history will save you time and trouble.

MATCHING THE STATE OF ISSUANCE

- 1) First when creating a matching CPN Profile, you will need to match the state of issuance (which reflects the first 3 numbers of a social security number). Matching the state of issuance isn't rocket science for most people. You would simple select a combination of numbers which have been selected as a particular state code within the social security data base. Below I have included a chart illustrating these comments for your review.

The area numbers (STATE NUMBERS) are assigned to geographic locations. They were originally assigned the same way that zip codes were assigned from east to west across the continental United States. Although most area numbers were assigned according to state or territorial boundaries, the series 700-729 was originally assigned to railroad workers regardless of their location. This system was discontinued in 1964.

Area numbers assigned prior to 1972 are an indication of the Social Security Administration (SSA) office which originally issued the SSN. Since 1972, the area number in SSNs corresponds to the residence address given by the applicant on the SSN application. In many regions the original range of area number assignments was eventually exhausted as the country's population grew and therefore the original assignments have been augmented as required.

The first three digits of a Social Security Number correspond to locations as follows:			
SSN	State	SSN	State or Territory
001-003	New Hampshire	449-467, 627-645	Texas

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

004-007	Maine	468-477	Minnesota
008-009	Vermont	478-485	Iowa
010-034	Massachusetts	486-500	Missouri
035-039	Rhode Island	501-502	North Dakota
040-049	Connecticut	503-504	South Dakota
050-134	New York	505-508	Nebraska
135-158	New Jersey	509-515	Kansas
159-211	Pennsylvania	516-517	Montana
212-220	Maryland	518-519	Idaho
221-222	Delaware	520	Wyoming
223-231, 691-699	Virginia	521-524, 650-653	Colorado
232-236	West Virginia	525, 585, 648-649	New Mexico
232, 237-246, 681-690	North Carolina	526-527, 600-601, 764-765	Arizona
247-251, 654-658	South Carolina	528-529, 646-647	Utah
252-260, 667-675	Georgia	530, 680	Nevada
261-267, 589-595, 766-772	Florida	531-539	Washington
268-302	Ohio	540-544	Oregon
303-317	Indiana	545-573, 602-626	California
318-361	Illinois	574	Alaska
362-386	Michigan	575-576, 750-751	Hawaii
387-399	Wisconsin	577-579	District of Columbia
400-407	Kentucky	580	Virgin Islands
408-415, 756-763	Tennessee	580-584, 596-599	Puerto Rico
416-424	Alabama	586	Guam
425-428, 587-588, 752-755	Mississippi	586	American Samoa
429-432, 676-679	Arkansas	586	Philippine Islands
433-439, 659-665	Louisiana	700-728	Railroad Board*
440-448	Oklahoma	729-733	Enumeration at Entry

IMPORTANT NOTE:

1. Any number beginning with "000" will never be a valid SSN.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

2. To date, no area number has been issued after "772".
3. If the same area number appears more than once, it is because certain numbers were transferred from one State to another or that the area number was divided for use amongst certain geographical locations.
4. 700-728 number sequence was issued to railroad employees and was discontinued July 1, 1963.

MATCHING THE YEAR OF ISSUANCE

- 2) The second thing you will need to do when setting up a matching CPN Profile is to match the year of issuance; which is also called the Group Number, (which reflects the middle 2 numbers of a social security number). The group number is not related to geography but rather to the order in which the SSN is issued for a particular area. Before 1965, only half of the group numbers were used. Odd numbers were used under the number 10 and even numbers were used above the number 09. In 1965 the system was supplemented with the assignment of low even numbers and high odd numbers. A group number of 00 has never been assigned. The group numbers for each area are assigned in the following order.

01 to 09, Odd numbers

10 to 98, Even numbers

02 to 08, Even numbers

11 to 99, Odd numbers

In each region, all possible area numbers are assigned with each group number before using the next group number. This means the group numbers can be used to find a chronological ordering of SSNs within a region. When new group numbers are assigned to a state, the old

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

group numbers are usually used up first. SSA publishes a list every month of the highest group number assigned for each SSN area number. For example, if the highest group assigned for area 999 is 72, then we know that the number 999-04-1234 is an invalid number because even groups under 09 have not yet been assigned.

When setting up a Matched CPN Profile, you Should Never set up a Matched CPN Profile with an issuance date prior to your actual year of birth!

When setting up a Matched CPN Profile the year of birth can reflect any amount of years up to 12 year after your actual birth year will not causing any underwriting or safe scan red flag issues!

A very common misconception when setting up a matching CPN Profile is that the year of issuance should match exactly to your actual birth year. That is FALSE because the social security administration does not rank their social security numbers by exact dates. The social security administration ranks their numbers by approximate dates and setting up a Matched CPN Profile with an exact year of issuance could be determined to be issued prior to your desired year of birth. The reason why you would WANT TO MATCH YOU DOB AND YEAR OF ISSUANCE is the credit bureaus look to match the applicants file D/O/B with their safe scan results. In short you should match your D/O/B with the year of issuance because the credit bureaus actively look for the two to match.

SERIAL NUMBERS

Serial numbers are currently assigned in chronological order within each area and group number as the applications are processed. However, the serial number 0000 is never used. Before 1965, when number assignments were still being made from field offices, serial numbers were not necessarily assigned in chronological order.

INVALID SSNs

Invalid SSNs can be quickly identified if either of the following statements is true. Any field of the number is all zeroes. The first three digits of the number are above 771 as of May 2005.

“THE PROPER WAY” TO VALIDATE A CPN NUMBER

- 3) THE VALIDATION OF A MATCHING CPN PROFILE IS: to assemble the last 4 numbers of your CPN (which reflects the last 4 numbers of a social security number). Again this is not rocket science but there are rules which apply. Properly Validating a CPN number is the most important step to Setting up a Matched CPN Profile. In this step you will need to assemble the last 4 numbers of your CPN Number.

SOUNDS SIMPLE ENOUGH RIGHT? NOT EVEN CLOSE! **BUT WHEN DONE PROPERLY CAN LITTERALLY BE WORTH A MILLION DOLLARS!**

This process is not as easy as validating your number through a SSN Validation Site, this process can be very time consuming and very expensive! During this step one can literally spends hours if not days just locating an “AVAILABLE NUMBER VALIDATED NOT IN USE!” If you CAN NOT set up a Validated CPN which is free of ANY OTHER PERSONS profile and one which will pass safe scan and lexis nexus scans, you should consider purchasing a CPN number from Legal CPN. **To Purchase a Validated CPN Follow This Link:** http://www.legalcpn.com/79_99_cpn_salespage.html . Most people fail to be able to properly set up a CPN because they do not have the proper software to set up and analysis the number prior to their use. In today’s credit market environment, banks, retailers and lenders have moved to using very aggressive credit software which will literally pick apart a poorly constructed cpn number. **GOING TO A SSN VALIDATOR TYPE WEBSITE IS A COMPLETE WASTE OF TIME AND MONEY! PLEASE DO NOT SPEND AND LOSE YOUR MONEY! THE ONLY GOOD USE OF THIS WEBSITE AND SERVICE TYPE IS TO MAKE SURE YOUR CPN VALIDATES AS A ISSUED SSN NUMBER. THIS WEBSITE**

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

WWW.SSNVALIDATOR.COM IS A VERY GOOD RESOURCE FOR THIS TASK CONFIRMATION.

🗨️ IF YOU WANT A **“PROPERLY VALIDATED”** CPN NUMBER YOU WILL NEED TO **PULL A CREDIT REPORT TO CONFIRM YOUR NUMBER IS FREE AND CLEAR! PERIOD!!** If you want to build a MILLION DOLLAR CPN FILE; you MUST pull a credit report to make sure your cpn is free and clear of ANY OTHER USERS and FREE AND CLEAR of ANY RED FLAGS!

“This Step Can Be Very Time Consuming, Expensive and You Will Need Special Software.” I am sure you understand how time consuming the process can become but most important to note is this process can become very expensive; due to the cost of the credit reports!

Every time you PUT TOGETHER the ending sequence (the last four of the number) **YOU WILL NEED TO PULL A CREDIT REPORT** which will confirm you are not sharing your profile with someone else and to be sure your number clears safe scan and lexis nexus searches.

WHEN EVER YOU PULL A CREDIT REPORT YOU ARE;

1. Spending money!
2. Opening Another Credit File!
3. You Are Putting The Credit Bureaus on Notice! **(Yes the credit bureaus monitor people who pull credit reports! They also monitor what credit reports you are pulling!)** So please take this as your notice! They have and they will shut down your credit report account and they will stop you from logging in. This headache will force you to contact another credit reporting company and you will have to set up another account using a different company to regain access to pull credit reports. The bureaus

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.


understand the credit report is key to so many credit needs from credit repair, trade lines and CPN's.

4. When you pull a credit report you are also linking your file information such as (Your Name, New Number, DOB, and **ADDRESS**) to that particular credit file!
5. If you **DO NOT** have the resources to safely validate a CPN number, **PLEASE DO NOT WASTE YOUR TIME!** Chances are great you will have a CPN File which is linked to someone else or you will lose TOO MANY Good Addresses opening credit files inspecting it to confirm it is a good credit file.

Whichever option you choose, you are going to end up in trouble if you don't protect your new credit profile, so don't mess this up. You definitely don't want to have your old credit linked with your new credit. Assuming you have received your new number from Legal CPN or used the only 100 percent legal way to have a CPN Number, you can use your number for a variety of things, such as opening bank accounts, filing taxes and obtaining business licenses. I will not explain what you can and cannot do with your new credit file, but the best advice I can give is to READ ANY AND ALL APPLICATIONS YOU ARE SUBMITTING TO MAKE SURE YOU ARE ACTING PROPERLY WITHIN THAT CREDIT SITUATION.

BUILDING A MILLION DOLLAR CPN FILE:

 **“YOU WILL NEED TO PULL A CREDIT REPORT WHEN BUILDING A MILLION DOLLAR CPN FILE.”**

 **BUILDING A MILLION DOLLAR CPN FILE:** You will need to pull a credit report (and in most cases several credit reports) when building a million dollar CPN. ***You will need to pull a credit report so you can discover any red flag issues and see your CPN profile from the same view point as the credit bureaus would look at your credit report.*** Common sense would tell you that you should make sure a boat is watertight

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

before you set sail on a long ocean expedition. Common sense also demands that you fuel and inspect your airplane before you take flight. The same is true if you decide to use CPN as a new credit profile! The Key Point Here Is; you should understand your CPN profile prior to using it!

✚ As a Rule of Thumb; You SHOULD, pull a credit report on your CPN Profile prior to using your CPN! You should be the first person to know if you have any issues with your CPN!

OPENING YOUR CREDIT FILE IN THE BUREAUS

Generating a new credit profile by way of any method can be done simply by pulling your credit in a number of ways. You can literally do anything to accomplish the generation of your new credit profile in the credit bureaus database. You will have to eventually have all three credit reports pulled, whether it is pulling it yourself, or going to apply for credit, in order to have record of the file in all three credit bureaus.

If there is “No Record found” you were successful in not linking your previous credit profile with your new one. Having inquiries on that credit file, will eventually build one, as well as getting accounts and so on. Some believe it generally takes upwards of 30-45 days for any new credit inquiries to appear on your credit report and hence it will take time to generate a new credit profile, this is false an inquiry will appear on a credit report the same day! New Accounts can take as long as 30-45 days or as long as it takes for it to be reported for the first time.

Next it should start to say “Insufficient Credit History” or something similar to let you know a successful new credit profile has been created. We would suggest going to someone to pull your credit this way you will fulfill 2 goals. The first goal you will fulfill is to create an inquiry on your file, which is great for a newly created credit file. Second, you will have a current up to the minute credit report. We have found it is not best to pull your credit report by way of any online credit report web sites such as true credit, annual credit report, fast credit report, or any online

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

service, because most of those companies resell downloaded credit reports that can have delayed information which is not accurate up to the minute.

Trade lines are great for a credit profile once it has been successfully created. Wait for a record of inquiries to appear before you attempt to put credit lines on the profile. Otherwise, the system will not know where you are trying to attach the credit lines. Generating new credit should be done by those who have a clear plan of what they are trying to accomplish.

OUR SUGGESTION IS TO SET UP A DBA, LLC OR CORPORATION WITH YOUR CPN PROFILE

Our sincere suggestion for you is that you establish a DBA immediately following the creation of your second credit file. The DBA will act as protection for your new profile. Utilize your new profile to establish the corporation and then apply for credit and bank accounts using your corporate tax ID as opposed to this clean profile. Get a corporate phone, corporate car, and home. Do not risk defaulting with your new profile on anything. Let your corporation act as a barrier in case anything ever goes wrong. Establish corporate credit accounts and use this new number sparingly. If you establish a corporation, any future defaults or problems will be associated with the company and not your new clean number.

You can easily form a corporation or an LLC for under \$250 by filing at places like www.legalcpn.com in the State of Delaware. Delaware has some of the cheapest, most timely business filing processes, has excellent tax laws, and allows you to keep your personal information private. Check out the "Why File in Delaware?"

TIPS FOR BUILDING UP AND MAINTAINING YOUR CPN PROFILE

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- Do not ever use a bank or financial institution that already has a record of your name in its history.
- Don't ever use an old address or old phone number as your identification at institutions where you have established accounts under your new credit profile.
- Use your clean profile wisely and do not use it flagrantly; you only get one chance with it, and it is important you protect it, so as to not have further snags with your credit.
- Apply by mail instead of by phone or in person for credit cards and other credit related items.
- Only use your name (new if applicable), new phone number, new address, new or current nine digit credit number, and the year of your birth on all credit applications.
- DO NOT PROVIDE ANY OLD CREDIT DATA.
- Don't be alarmed if you get denied. That is good; you are building a credit file – It has to have record of first inquiry – 30-45 Days.
- Apply for a secured Visa Card (This is a Visa Card that correlates with your savings account on deposit at the lender/bank). After receiving your secured credit card, you can utilize it to attain more credit because no one will realize it is secure. Major department stores are excellent places to start applying with your secured credit card.
- Build credit using this secured card. You should pay off balances as quickly as you can, and use it to leverage a credit file that is positive.
- Don't ever give out previously used credit references.
- Avoid any mixing up of people who might have had contact with your previous credit file.
- Don't mix old accounts and bank accounts with new creditors.
- Avoid having your wife/husband join with you on credit applications; joint accounts are an easy way to link credit.
- Do not proclaim knowledge or information that you know about credit.
- If you are asked why you have no credit, say you have been out of the country of traveling; don't make a big deal about it.
- Do not go overboard applying for new credit; any red flags might cause you to lose standing quickly with the credit bureaus.

- Form a corporation using your new credit file, and put all major liabilities in the corporate name, so your personal credit is not damaged by any unfortunate events.
- Do not ever fill out a government form or application with the EIN number method; it would be considered a crime.
- Absolutely do not lie on any applications about any past bankruptcies or foreclosures, even though it might not be on your credit file. It is highly illegal to lie on loan applications exceeding \$50K and it is punishable with federal prison time. Do not defraud!

THE COMMON LAW NAME PRINCIPLE

One can make use of any name he/she likes, and does not have to notify or tell anyone about it. This is the little known common law name principle. This name you have given yourself to conduct business generally is separate from your real name. There's no need to file for a name change or anything; using it is the best way to make it work. You can use this principle as long as it is not meant to defraud. If it is placed on a federal application, it is considered a crime.

PROTECTING YOUR CPN

Here are a few tips to keep your new credit profile clean and out of trouble.

- Set up a corporation using your new credit profile, and establish corporate bank accounts and credit, instead of putting your clean profile on the line.
- Consider opening a secured credit card and savings account at a bank you have never been to, and use it to build your credit without having the hassles of high interest rates, as well as shield cash assets.
- Consider getting a Panamanian trust using your new credit file; it usually can run around \$1,500 and is completely private and secure to keep assets.

- The best thing to do is use your new credit file as something to keep secretive with you, and establish corporations, trusts, and accounts using your corporations linked to your new credit file.
- Institute double protection with a corporation or trust, and let your credit files develop and grow without risking collections or derogatory items on your credit.

You absolutely must be careful about what information you submit to attain credit. You also must be extremely careful with how you treat your new credit profile. Do not let the mistakes of the past continue to haunt you.

HOW TO ESTABLISH CREDIT HISTORY ON YOUR CPN PROFILE

SECURED CREDIT CARDS: Most major financial institutions will offer secured credit cards with your savings accounts. This means that you have a credit limit based on the amount of cash you hold in your savings, give or take a few dollars. This secured card is read the same way and looks no different than an unsecured credit card. When you receive your card in the mail, you should use it as leverage to attain other small lines of credit. Many facilities such as department stores, and gas cards, will give you one of their cards just because they see you have a major credit card. (Note: Too many applications might lower your chances of getting approved, so pick ones you really want.)

SEASONED TRADELINES: Large lines of credit generally are given only to those who have large credit histories with no derogatory items. Seasoned trade lines have been used for many years by major lenders and individuals trying to get qualified for specific loans. One might qualify for the house, but not a good rate; however, with a seasoned trade line, the rate becomes much more favorable for the client. Mortgage brokers and many lenders understand trade lines and will work with you even if you mention that you are going to be using them. Do not be afraid to mention them to your loan officer; most understand their benefits and how they

help people achieve greater success in America as a whole. Always use credit cards. With Trade lines, you can add years of credit in 45 days or less.

SHARED ACCOUNTS: Shared accounts were first created and mainly used by parents for their children. The practice has helped countless students be able to get funded for their college loans. It is our suggestion that you use this feature to acquire excellent credit very quickly. If anyone in your family or realm of friends has stellar credit, and you trust to always pay on time, you might want to ask them to add you to their account. Explain that when they receive the card in the mail they should chop it up. Say that your intent is not to access the money on the account but to use it purely for credit history and credit building purposes. This is only if you absolutely trust and know the person not to miss a payment; you do not want to collect any bad credit either.

Establish a corporation or LLC and take your personal credit out of the picture. Often, establishing business credit can create a better situation than having stellar personal credit. Businesses generally cannot get lines of credit if they are not over a certain age, but aged corporations can be purchased just as easily as forming a new one. Getting trade lines of credit, corporate cars, phones, and property all hold beneficial tax incentives also.

CHAPTER 5: SEASONED TRADELINES



SEASONED TRADELINES

Seasoned Trade Lines also known as “Credit Piggy-backing” is a term that describes an authorized user ‘piggybacking’ off the strong credit of another (normally a parent or spouse). When the individual is added as an authorized user, their credit history with that account is automatically updated and literally overnight there is an improvement to one’s credit score.

An "authorized user" is someone who is allowed to use another individual's credit card without being responsible for the bill. That sounds like a sweet deal for the authorized user. But millions of people with good credit use this strategy to help their children or spouses build a solid credit history. Thanks to a recent turnaround by Fair Isaac, developer of the widely used FICO score, this avenue to good credit will continue to be available. First, some background: When a credit card holder designates a child, spouse or other individual as an authorized user, the card holder's payment history appears on the authorized user's credit report. If the card holder has stellar credit, it will boost the authorized user's credit score. More than 50 million consumers are listed as authorized users on another person's credit card, according to Fair Isaac.

Fair Isaac officials were concerned that the practice, known as piggybacking, allowed consumers with bad credit to artificially inflate their scores. In an effort to stop this practice, Fair Isaac announced last year that its new scoring formula, known as FICO 08, wouldn't

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

recognize authorized-user accounts. Critics said the change would lower credit scores for millions of consumers, forcing them to pay more for everything from mortgages to car loans.

About 1% of consumers would no longer have enough of a credit history to get a score at all, according to a survey by Credit.com, a consumer website. Without a credit score, it's very difficult to qualify for a loan. Lenders, meanwhile, raised a regulatory concern. They told Fair Isaac that they used FICO scores to comply with the Equal Credit Opportunity Act, which requires lenders to consider a spouse's credit history when weighing a potential borrower's credit risk. If Fair Isaac stopped recognizing authorized users, lenders said they wouldn't be able to use FICO scores to meet that requirement.

In response, Fair Isaac sent its scoring model back to the laboratory and continues to recognize authorized-user accounts. Fair Isaac has declined to provide any details on how it will again try to close the piggybacking loophole.

"This is great news," says John Pittman, president of educational services, who is an outspoken critic of the original FICO 08 proposal. "I'm thrilled with Fair Isaac's willingness to take a second look at this and deny Fair Isaac such board sweeping power which would have negatively affected millions of people."

Banks have become completely reliant on the FICO (Fair Isaac Corp) scoring model. Essentially, the FICO score designed a mathematical algorithm that can quickly analyze a person's credit history stored on file with one of the three Credit Reporting Agencies (Experian, Equifax, or Trans Union) and define it by using a 3 digit score ranging from 300-850. Banks approve loans and better interest rates for people with scores closer to 850. According to www.MyFico.com, 30% of your score is calculated by the ratio of your credit card limits versus their balances. The bigger the difference between your credit card balances and combined limits, the higher your credit score will be.

Legal CPN adds your name as an Authorized User on one of our high limit, low balance credit cards. An AU is someone that has the ability to use the account, but not make any changes on it. The original intent of the AU position was to give parents the ability to add their children to

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

their accounts, which gives them a score BOOST. While the AU does not receive the physical card or account number, you will receive the amazing benefit of having that particular credit card's entire credit history, limit, and balance "copied and pasted" on to your credit report. Imagine what \$60,000 in available credit would do to your score. This extreme increase in the limit to balance ratio on your report will BOOST your credit score in less than 60 days.

SAVINGS EXAMPLE:

The higher your FICO scores the less you can expect to pay for your loan. For example, on a \$216,000 30-year, fixed-rate mortgage:

If your FICO score is	Your interest rate is	your monthly payment is
760 - 850	5.8%	\$1,267
700 - 759	6.02%	\$1,298
680 - 699	6.2%	\$1,323
660 - 679	6.41%	\$1,353
640 - 659	6.84%	\$1,414
620 - 639	7.39%	\$1,494

As you can see in this example using today's national rates, a person with a FICO score of 760 or better will pay \$227 less per month for a \$216,000 30-year, fixed-rate mortgage than a person with a FICO score of 620 that's a savings of \$2,724 per year. You can see how essential improving your credit scores can be if they are low, and also how important it is to keep them high if they are good.

USING SEASONED TRADE LINES AS A CREDIT BUILDING TOOL

The authorized-user designation offers a valuable way for parents to help children learn how to manage credit without giving them their own credit card or for anyone who needs a credit boost to receive one. There's no downside for the child, because an authorized user has no liability for the account. If the parent falls behind on payments, the child can ask to have the authorized-user designation removed from his or her credit report. "When you have someone

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

as an authorized user on a credit card, you give them an escape route." "If you lose your job or get into a horrible financial mess, their not dragging them down with you."

Large lines of credit generally are given only to those who have large credit histories with no derogatory items. Seasoned trade lines have been used for many years by major lenders and individuals trying to get qualified for specific loans. One might qualify for the house, but not a good rate; however, with a seasoned trade line, the rate becomes much more favorable for the client. Mortgage brokers and many lenders understand trade lines and will work with you even if you mention that you are going to be using them. Do not be afraid to mention them to your loan officer; most understand their benefits and how they help people achieve greater success in America as a whole. Always use credit cards. With trade lines, you can add years of credit in 45 days or less.

SHARED CREDIT ACCOUNTS

Shared accounts were first created and mainly used by parents for their children. The practice has helped countless students be able to get funded for their college loans. It is our suggestion that you use this feature to acquire excellent credit very quickly. If anyone in your family or realm of friends has stellar credit, and you trust to always pay on time, you might want to ask them to add you to their account. Explain that when they receive the card in the mail, they should chop it up. Say that your intent is not to access the money on the account but to use it purely for credit history and credit building purposes. This is only if you absolutely trust and know the person not to miss a payment; you do not want to collect any bad credit either.

Establish a corporation or LLC and take your personal credit out of the picture. Often establishing business credit can create a better situation then having stellar personal credit. Businesses generally cannot get lines of credit if they are not over a certain age, but aged corporations can be purchased just as easily as forming a new one. Getting trade lines of credit, corporate cars, phones, and property all hold beneficial tax incentives also.

FACTS ABOUT PRIMARY AND ASSUMABLE TRADE-LINES

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

If I had to sum up Primary Trade-lines and Assumable Trade-lines in a couple sentence I would say, "As of January 2009 Primary Trade-lines has ceased to be effective due to Non Reporting Issues." At best! If someone was able to report REAL PRIMARY TRADELINES they would post to the account as a new account typically less than 90 days of seasoning; which is useless as an effort to create or boost a credit score.

The general belief of Primary Trade Lines is, "There illegal, fabricated credit building accounts that can be added to your credit file via unscrupulous "debt brokers" or data companies." What I have seen from first hand knowledge through 2009 is, "Adding Primary trade lines is the quickest ways to raise eyebrows of Fair Isaac (FICO), Experian, Equifax, and Trans Union who will locate these accounts and shut down the reporter, shut down the credit report where it appeared and is even shutting down persons who has pulled a flagged credit report.

Most honest brokers, dealers, vendors, and retailers who made extra money reporting fraudulent credit accounts (primary trade-lines) has stopped reporting these accounts due to fear and a real threat that they will have they credit reporting and credit pulling abilities stopped.

The new scam I have seen is the claims of adding primary trade lines or transferring seasoned primary trade lines into a new party's name and calling it assumable trade-lines. The truth is these companies have no business purporting these claims because what they're really doing is enticing a customer to pay them for a made-up payment history on an account that never existed, for a promissory note that was never signed. Not to mention the fact that 100% of these vendors can not report a primary trade-line (WITH ANY REAL HISTORY) or post any such "Assumable Trade line."

This new scam where the vendor claim to allow a new consumer to, Take over an obligation where someone else left off, is just that a scam! During their pitch they will say, "The banks are willing to settle and restructure these accounts to make these transactions work." Do not

fall for the primary trade-line and assumable trade-line, SCAM; these types of trade-lines do not post you will be waiting forever!

Primary trade-lines and assumable primary trade lines once monopolized the credit enhancement industry, and now only a few sparse Craigslist postings remain. Meanwhile, the ONLY GUARANTEED Way to Boost Your Score is Authorized User Trade Lines! As stated earlier; Fair Isaac admits to sending its scoring model back to the laboratory and continues to recognize authorized-user accounts. Fair Isaac has declined to provide any details on how it will again try to close the piggybacking loophole.

WHAT IS THE BEST SOLUTION TO BOOST YOUR SCORE LITTERALLY OVER-NIGHT?

Authorized User Trade-lines! The trade-line credit building strategy lives on!
http://www.legalcpn.com/seasoned_tradelines.html

TRADELINE VEDORS

Our suggestion is contact Legal CPN. Legal CPN guarantees their trade lines will appear within 60 days or your money back. Typically the seasoned trade lines will appear within 30 days and in most cases within a week or two. You can view the different trade lines, limits, balances, prices and posting dates for each trade line by visiting their website;
http://www.legalcpn.com/seasoned_tradelines.html .

Now that your credit score is boosted what can you do? You can apply for your loan; apply for the job you wanted, or for premium car or home owners' insurance! Start your own business! But whatever you do, remember one thing, this is not a ticket for a shopping spree. Be responsible with your new credit score. Be smart. Plan ahead and stick to your plan. It is very easy to succumb to the temptations of the credit world, but it is those of us who can manage our emotions with self control and logical reasoning who will become masters of our financial

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

future. A good place to start is by repaying the Banks who have helped you achieve this good credit standing. Citibank, Capone, Bank of America. They have given you a step up in the world. Show them your appreciation by giving them the first shot at earning your business. Go to their web site and fill out an application for the card you want, and one that you know you can responsibly manage. Remember, a good credit customer is one who can pay off their ENTIRE balance in full every month. Practice this and it will repay you for the rest of your life. Also it is very important that you read ANY contract or application you may look to complete to be sure that you are completing the application correctly with the information for which the application is requesting. Again it is my statement that you must read any application prior to placing any information on that application.

WHAT IS THE DIFFERENCE BETWEEN PRIMARY TRADE LINES AND AUTHORIZED USER TRADE LINES?

The Federal Trade Commission considers the addition of seasoned primary trade line's to be bank fraud. "From my experience, primary trade line's are a myth; similar to a 4 leaf clover, a unicorn, a magic lamp, or finding a pot of gold at the end of a rainbow." Matt Cohen Legal CPN By way of years of experience and literally thousands of clients; I have only seen a real primary trade lines posted to a credit report 1 time. At which point in time the credit report was faxed to me as "proof". Which means someone could have performed a cut and paste job in an effort to extort money from our clients by them trying to make us believe they could post primary trade lines. For the most part, primary trade lines are in fact a myth which will never post!

We specialize in the addition of seasoned authorized user trade lines, which continue to deliver the same benefits they always have. We Do Not offer business credit trade lines. All cards we sell are personal accounts which will report to XPN, TU, and EQX. Business accounts do not help your FICO score, unless you were trying to get credit history for a new business.

WHAT IS THE BEST WAYS TO OBTAIN “FREE” PRIMARY TRADELINES

Our suggestion for obtaining primary trade lines is to not spend a dime because you can get them FREE. Yes, you can get primary trade lines absolutely free. Here are a few suggestions for landing free primary trade lines. http://www.legalcpn.com/credit_cards.html

- Auto Primary Trade lines are the easiest free primary trade-lines available.
- Revolving Accounts – Revolving primary trade lines are the second easiest primary trade line we have seen secured. Examples of revolving primary trade lines are Capital One Limited History Card, Orchard Bank Limited History Card, and Citi Bank Limited History Credit Card.
- Installment Accounts – These accounts can be easy to secure, such as Rent-a-Center installment line types, but accounts such as jewelry, furniture, and loan accounts are by nature more challenging to secure.
- Mortgage accounts – We advise our clients to avoid these, and suggests that they use CPN to secure land contracts, lease, rentals, and owner financing.

CHAPTER 6: PERSONAL CREDIT REPAIR

Repairing your personal credit is a process that you should take very seriously. Hiring a credit repair company with some monthly fee will get you nowhere with the credit bureaus. Disputing items for no reason is a good way for the credit bureaus to flag your letters for up to 12 months. The key to repairing your credit is using leverage in the form of technicalities. Once you understand the technicalities, you will realize that repairing credit is a time intensive process that you should not trust to some brand new credit repair company.

STEP 1: PULL YOUR CREDIT REPORT

You can pull your credit once a year according to federal laws. To do so free, go to: www.annualcreditreport.com Fill out all of information needed. If you prefer to phone, call 1-877-322-8228 and order all three reports by mail. It will take 5–10 business days to receive all three reports. For faster results, have your credit report pulled; this will guarantee that you will get an up-to-the-minute report complete with such information as account numbers and contact information.

SOURCES YOU CAN USE TO PULL YOUR CREDIT REPORT FOR A FEE. This will assure that you get an actual credit score with full account information such as account numbers and contact information.

www.pullmycredit.com

www.myFICO.com

www.equifax.com

www.experian.com

www.credit.com

www.truecredit.com

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

STEP 2: DISPUTE ITEMS

Disputing Items on your credit report is going to be based primarily on technicalities. Any mistake in the reporting of the credit will be grounds for deletion. Obviously, you will want to keep good credit even if it is not reported correctly. Bad credit items, even ones that say they are verified, also might contain numerous errors that are grounds for deletion. Do not send template letters from credit repair companies; the bureaus can label your mail and requests as frivolous for as long as twelve months if they come from some credit repair company's web site.

THE KEY TO WINNING DISPUTES: "LOOK FOR INSTANT GROUNDS FOR DELETIONS ON YOUR CREDIT REPORT" SUCH AS:

1. Missing or Incorrect Name of Creditor
2. Missing or Incorrect Account Number
3. Missing or Incorrect Balance
4. Missing or Incorrect Last Date of Payment
5. Missing or Incorrect Credit Limits
6. Delinquencies and Late Pays after Close
7. Undated Late Pays
8. Incorrect Account Types
9. Missing or Incorrect Date Of Last Activity (DOLA)
10. Missing or Incorrect Date Updated (DU) Or Date Verified Discrepancies these are the main items that will help you disqualify your debt. Look for discrepancies across all three credit bureaus reports, and if you see any ask for verification from the original creditor regarding the information.

The information gathered from the creditors themselves can be used against the credit bureaus later if anything is found to be reported inaccurately. The key in disputing

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

negative items is that they are factual disputes. If you can find any discrepancies amongst your reports, use them to get those items removed. Once you write to the bureau asking politely for a deletion of the record due to the report containing incorrect information, and that it is preventing you from doing something for a family member or some other sad story you can come up with, the credit bureaus might simply delete your debt right then and there. If they update the information instead, you still have an option. If they claim to have verified the information and it still does not conform to what your original creditor has told you, they have violated the law, and now you can write back explaining what occurred and once again ask for a deletion. Example Letters are included in a later section.

After filling out your information on the Annual Credit Report web site, you can begin disputing items that you find are incorrect right away using Experian. Our suggestion is you look carefully for incorrect items that you clearly can see. From the Annual Credit Report homepage, select your state, and on the following page, select your Experian report. Select the Dispute button and give a clear explanation for the dispute. You should receive an e-mail confirmation of your investigation within 5–10 business days. Once you receive confirmation, note what has been deleted and what remains on your credit report. What remains is what must be disputed by certified mail.

- Equifax items cannot be disputed until you receive the hard copy of your credit report in the mail; then you should follow their instructions.
- Trans Union disputes are best handled by phone with their fraud department at +1-800-680-7289

On average, three out of 10 collections will be deleted through this online dispute process, because of the lack of good records and data by the credit bureaus within the bounds of the Fair Credit Act. (Certified Mail disputes)

When writing credit bureaus, you must include a copy of two forms of state ID. Make your dispute letter to the point. They get thousands of letters a day and you must make your letter clear and concise. Tell them directly why you are writing and what is wrong with the derogatory

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

item. It is best to write one letter per incorrect item instead of telling them everything wrong in one letter. This will give you the opportunity to send in more dispute letters on the same item and possibly try and get it deleted a second or third time.

THE FOUR STEPS TO SUCCESSFUL CREDIT REPAIR:

1. Get all three credit reports
2. Call up original creditor and get the official information
3. Look for discrepancies amongst all reports
4. Write factual dispute letters to credit bureaus

We provide excellent examples of what the letters should look like later on.

Date of Last Activity (DOLA) explained – Equifax is the only credit bureau that actively lists it on your profile. For Trans Union and Experian you must search for it. On the Experian credit profile, you might see something like a charge- off and a specific date it was charged off. Whatever those date is, count backward six months; that is your DOLA for Experian. Trans Union will list an estimated time of removal. You will need to count back seven years to get the DOLA. The best place to get your DOLA is from the creditor, and then looks for any discrepancies in the dates on your credit report. Anything incorrect is grounds for deletion. If, for some reason, the DOLA on your credit report and that from the creditor do not match, it could have gone through a process of re-aging; that's where the debt gets re-aged when it switches hands between creditors.

CREDIT DISPUTE LETTERS

For proven credit repair letters with guarantee click this link:

http://www.legalcpn.com/credit_repair_letters.html

When repairing your credit, the first thing you will want to do is keep all of your dispute letters short and simple. You do not need to go on about laws or anything of the sort. The credit

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

bureaus and creditors are well aware of the law. You obviously should write it on a standard sized sheet of paper, and not some small notepad paper. Just like any professional letter, you should put your name, address, and so on in the upper left to let them know who you are.

SENDING LETTERS TO CREDITORS AND COLLECTORS YOU WILL NEED TO INCLUDE:

1. Your Name, Address, City, State, and Zip
2. Name of Creditor or Collector
3. The Creditor's/Collector's Address, City, State, Zip
4. Current Month, Date, and Year
5. The account number the letter concerns

For Letters to Credit Bureaus, you will need

1. Your Name, Address, City, State, and Zip
2. Name of the Credit Bureau
3. The Credit Bureau's Address, City, State, Zip
4. Current Month, Date, and Year
5. The report number the letter concerns
6. Your Social Security Number
7. Your Date of Birth
8. A Previous Address (if applicable)
9. Copies of 2 Government-Issued IDs (License, Passport, etc.)

The next few examples of letters are by no means substitutes for you creating your own letters. By personalizing you letters but still keeping them very quick and efficient, you will have a more positive response from everyone involved.

EXAMPLE LETTER TO SEND TO CREDIT BUREAU

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

You're Name

123 Your Street Address

You're City, ST 01234

The Credit Bureau

Bureau Address

Any town, State 56789

The Current Date

In Regard to Report # ()

To Whom It May Concern:

Text You Will Write Goes Here.

Sincerely,

Your signature

You're Name

SSN# 123-45-6789

Date of Birth

Previous Address (if applicable)

(Attached are copies of two forms of government issued ID)

EXAMPLE LETTER TO SEND TO CREDITOR / COLLECTOR

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

You're Name
123 Your Street Address
You're City, ST 01234

The Credit Bureau
Bureau Address
Any town, State 56789

The Current Date

In Regard to Account # ()

To Whom It May Concern:

Text You Will Write Goes Here.

Sincerely,
Your signature
You're Name

EXAMPLE OF TEXT: TO WRITE IN LETTER

Request for Free Credit Report Guidelines from each credit bureau

Text: I am writing to receive a free copy of my credit report. Please mail it to me: how to or if I qualify to receive a free credit report. If I qualify for the free report, I will request it.

Thank you,

EXAMPLE OF TEXT: INCOMPLETE REPORTING ISSUE

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

You currently are reporting an incomplete item that is missing (whatever is missing). This is causing economic hardship. Please delete the item completely. The Account Number is () and the name on the account is ().

Thank you,

Text: I am corresponding with you about account name and account number. This listing is missing (whatever is missing) and is causing me (problem). Please delete it immediately.

Thank you,

Text: On date (), you updated account name and account number after our initial correspondence. The listing still is incomplete and I request that you delete it.

Thanks,

EXAMPLE OF TEXT: INCORRECT BALANCE

I am corresponding with you to dispute account name and number. The balance is not correct. Please delete it.

Thank you,

EXAMPLE OF TEXT: INCORRECT CREDIT LIMIT

The credit limit on my account name and number is incorrect. You can easily see through my attached last statement that the high balance was (). Could you please update the listing with the correct high balance?

Thank you,

EXAMPLE OF TEXT: CREDIT LIMIT DISPUTE WHEN ACCOUNT IS CLOSED

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

I am disputing account name and number. The report is showing a credit limit of (). How can a closed account have a credit limit? I demand this be deleted immediately. You have allowed this, and it is damaging my credit score.

Thank you,

EXAMPLE OF TEXT: LATE PAYMENT DISPUTE

I am writing because the account name and number contains incorrect information because of an undated late payment. Please delete it immediately.

Thank you,

EXAMPLE OF TEXT: INCORRECT ACCOUNT TYPE

I am writing you about account name and number. It contains inaccurate information regarding my account type. Charged off accounts cannot be open. Please delete this immediately.

Thank you,

EXAMPLE OF TEXT: DATE OF LAST ACTIVITY

I am writing to have you verify the date of last activity with the creditor for account name and number.

Thank you,

EXAMPLE OF TEXT: DATE UPDATED DISCREPANCY TEXT

On (previous date), I began a dispute regarding account name and number. It appears no actual creditor investigation actually was done, because the date verified did not change. Please delete this item immediately.

Thank you,

EXAMPLE OF TEXT: PAST DUE AMOUNTS AFTER ACCOUNT IS CLOSE

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Account name and number was closed on (). However, the account appears to show delinquencies after the closed date. Your verification procedures have allowed this, which has been harmful to me and my family. Please delete it immediately.

Thank you,

EXAMPLE OF TEXT: DATE OF LAST ACTIVITY FOLLOW-UP LETTER

I am writing to inform you that you verified the date of last activity for account name and number. The records of the creditor (which are attached) clearly show that the DOLA verified has violated laws of the FCRA. Please delete the item immediately to prevent civil liabilities.

Thank you,

EXAMPLE OF DISPUTE LETTER

I am writing you to dispute account number.

Thanks,

EXAMPLE OF TEXT: REQUEST FOR CREDITOR DOCUMENTATION

I am writing to request a copy of the billing statement that shows the date of last activity and the last time I made the required minimum payment. I have enclosed \$ for the processing fee. Please fax the requested information to (fax number).

Thank you,

We hope that these examples help you to write future credit repair letters. It is up to you to take the time to find the problems on your credit report. It is a lot of work, and the payment is not immediate. Over the long run, if you can get your debt removed because of technicalities, you can save yourself thousands of dollars interest when you want to buy a car or a house. These text examples are only to explain the greater concept here.

1. Ask only for one thing at a time
2. Do not make reference to any laws
3. Make it simple, and explain what your problem is

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

4. Base the dispute on a fact you can back up
5. Attach any information that proves the technicality
6. Do not tell creditors or collectors anything

STEP 3 - REMOVING ITEMS

If you have found discrepancies in your credit reports, you can demand that they be deleted. Even if the debt is real, if you write the bureaus and explain a factual technical error and ask for deletion, they just might do it. Generally, one can find multiple incorrect items on a credit listing; that's why you should send the complaints in one at a time to assure that you will have multiple attempts to have the item deleted. Leverage is key with the credit bureaus, and if you can catch a reporting error, they generally have broken some type of law. Just inform them in a quick and efficient manner of the incorrect reporting error and how it is causing you harm, and your debt just might be swept under the rug.

The best advice is to get all of your credit reports, and separate reports from the creditors themselves. Then, look for factual discrepancies and pay close attention to the DOLA. Make your disputes short and sweet, and don't threaten any legal action. Ask for deletion, not that they update the listing. Make sure you ask only for one change each time, so that you can have multiple chances to have it deleted. With this information, you should be able to handle credit repair yourself.

If you think doing it yourself is hard, try paying someone \$39 a month, to do all that work. I doubt you will see any work done at all and you would have wasted \$39 a month for an extended period. Procrastination is not welcome in the field of credit repair. Do not trust someone else with such intricate and important work unless you plan to pay big bucks for a credit repair attorney. Do It Yourself – Trust Yourself.

STEP 4 – SETTLEMENT

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

You should resort to settlement only if the debt collection agency can prove with documentation that you owe it money. If there are records and contracts proving the debt are yours and you could not delete it on a technicality, then contact the collection company by finding the toll free number on your individual credit report and begin the settlement process.

- Remember that settling all your debt at once while your score is at its lowest will allow you the greatest leverage against the collection companies so you can settle the debt for a fraction of the amount
- Remember that collection agencies always will take less than what they ask for. The collection agency holding your debt has purchased it for a fraction of its original value. Call a collection agency only on one of the last days of the month because this is when they are going to write their profit and loss reports for the month. The busiest time of year for collections agencies and credit bureaus is from Thanksgiving to the end of the year. We suggest that you attempt to clean your credit when they can focus on your case the least, and hence increase your chances for an easy deletion. (Always offer them much less money than they are asking for, because they probably paid pennies on the dollar for your debt.)

For proven credit repair letters with guarantee click this link:

http://www.legalcpn.com/credit_repair_letters.html

CHAPTER 7: SIMPLE STEPS TO ESTABLISHING BUSINESS CREDIT

In order for your company to thrive, it is critical to establish a business credit identity separate from your personal credit identity. Once that credit identity for your business has been established, the next step is to continue to build your business credit rating. You can minimize your efforts, which will mean it will take quite a bit of time to improve your business credit rating, or you can maximize your efforts, which will result in much quicker results.

Similar to your personal credit, your business credit profile is made up of many factors, including how long you have been in business, your company's assets, and the history of your payments. By focusing on each of these components and making smart decisions about how to improve each of them, you can continue to build business credit and improve your overall credit rating.

WHY BUILD YOUR BUSINESS CREDIT PROFILE?

- Are you looking for a business loan or financing? Been turned down?
- Do you need a business line of credit for working capital or growth?
- Do you want to lease or finance equipment for your business?
- Would you like to stop having to personally guarantee every loan?
- Know how to get approved with more than 70 retailer credit providers?
- Want access to thousands of vendors you will extend credit terms to you?

Financing is a critical part of growing a small business and almost always a very large concern for the owners. Nothing is more important and vital to the health of a small business than having the right financing in place.

Most small businesses are initially financed by the personal savings or assets of the owners and can rapidly reach a stage of growth where they are forced to seek credit or investment solutions to fund that growth. Below I am going to teach you how to build your business credit profile in order to assist you in obtaining the financing you need to grow and succeed.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Business owners quickly realize that applying for business funding is a much more complicated process than applying for personal credit. Applying for business funding requires careful preparation and demands that you understand the process and what it takes to qualify.

WHY DO I NEED A BUSINESS CREDIT PROFILE? When you apply for business funding, funding sources will look at your personal credit and the business credit profile to determine: If they will approve your request; the amount; what the terms will be; and if you will have to give a personal guarantee.

EXAMPLE: Let's say you have an "average" personal credit history (FICO score of 650) but no business credit profile. Based on your personal credit, you are approved for a business loan of \$100,000 on terms of 13% interest over 10 years. If there had been a favorable business credit profile the terms on the same loan might have been 7% interest over 10 years resulting in the savings of tens of thousands of dollars.

HERE IS WHAT YOU COULD SAVE BY HAVING A FAVORABLE BUSINESS CREDIT PROFILE:

Loan Amount	\$100,000	\$100,000
Interest Rate	13%	7%
Term of Loan	10 years	10 years
Monthly Payment	\$1,493.11	\$1,161.08
Total Payments	\$179,173.20	\$139,329.60

TOTAL SAVINGS: \$39,843.60

Whatever your financing needs are, it is possible to obtain funding for your business. Poor credit, ok credit or good credit, getting the financing you're looking for is a matter of knowing how to go about it and where to go. Building your business credit profile will improve your chances of success if you go about it in the right way.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

KNOWING WHERE YOU ARE NOW AND WHERE TO START

In order to obtain business financing you must know where you are right now! **Do you? You must know what any funding source is going to look at before you apply.** If you don't; you are completely wasting your time and will most likely be declined.

There are over 4,000 institutional sources of business capital in the United States and each one has different criteria for funding a deal. Each one of these sources will tell you NO for just "1" thing. On your own, how can you possibly know what every funding source's "1" thing might be? No one place will coach you on exactly what it takes to pre-qualify before you apply and exactly where you need to improve to pre-qualify for more funding programs in the future. You can find out what a lender needs to see for an approval simply by contact the lender and request a prequalification summary for the loan you are seeking.

About than 3% of businesses that attempt to receive funding on their own without knowing the prequalification of the loan program ever do! The bottom line is that you are foolish for going it on your own without first contacting the lender and performing what I call "LOAN HOMEWORK." If you apply at multiple places without pre-qualifying, you may damage your credit and will destroy your chances of receiving funding from the sources that would have done your deal.

Begin by going to <http://www.myfico.com> or simply pulling a tri merged credit report (WHICH IS WHAT I WOULD REFER) and finding out what your personal FICO score is and the FICO of all the principals of the business (anyone who owns more than 10% of the business). This will cost you less than \$40, EACH, to find out the exact FICO score for each person for all three (3) credit agencies and will not cause an inquiry to appear on your credit history.

As previously covered in this E-Book, Your FICO score is a numbering system created as a result of your personal credit worthiness based on your past and present usage of credit. Any

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

score above a 680 will easily qualify you for business financing. With a score above 640 there will be some creative funding programs available to you; and with a score below 620 you will most likely need to find someone other than yourself, set up a CPN, or get a boost from trade lines, to act as a guarantor for business funding, unless your business has assets or receivables to secure the financing.

For example, your guarantor could have a FICO score of 720 when it is calculated from the Equifax report and a 690 when it is calculated from Trans Union. Most business funding sources use the FICO score(s) as a "Go", "No Go" switch. It is important to know your Guarantor's FICO scores from all three (3) credit agencies before you apply for a business loan.

Next you need to know if your business has a "Business Credit Profile" and a Pay-Dex score. A Pay-Dex score is similar to a FICO score only it is the measure of your business credit worthiness.

Having a Pay-Dex score of 75 is like having a FICO score of 750. Go to <http://www.dnb.com> To find out if your business is already listed and has a Pay-Dex score. When you get to Dun and Bradstreet's site, you will see that they have tools to check if your business is currently listed and what is being said about it. D&B also has a tool that, for **APPROXIMATELY \$499**, allows you to establish the framework for your business credit profile. **If you are in a great rush you can use this service; however, you can do it for FREE.** D&B has a free form to apply for a new D&B number only. This option does not establish a business credit profile. It takes about three weeks to receive your business D&B number and on the pages that follow I will be showing you the steps to build your own profile, absolutely free, further down into this chapter.

HOW TO BUILD AN EXCELLENT BUSINESS CREDIT SCORE

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Once your Business Credit Assessment is complete, you can begin to build your Business Credit Profile. In order to successfully fund your future capital needs, it is important that you build a favorable credit profile for your business.

THE ACTION ITEMS THAT YOU MUST DO TO BUILD AN EXCELLENT BUSINESS CREDIT SCORE:

HAVE A LEGAL BUSINESS "ENTITY" In order to create and build a "business credit file" that is separate from your personal credit file; you must have a business entity. There is no such thing as a "business loan" to a sole proprietor. That is a personal loan. Without a business entity there is nothing for an investor to invest in or for a lender to lend to. You must separate the business as an entity apart from the personal owners and the only way to do this is setting up a legal business entity such as a corporation, LLC, Partnership, etc.

IF YOU DO NOT HAVE A BUSINESS ENTITY, SET ONE UP NOW! www.legalcpn.com
Establishing your business as a separate legal entity is where you begin to build a business credit profile that is separate from your own personal credit profile.

BUSINESS LISTING CONFIRMATION Your next step is to confirm that every agency and trade credit vendor has your business listed the **exact same way**, with the same address and phone number. For example, one might have you listed as "ABC, Inc.", while another has you as "AB Consultants", and yet another as "AB Consultants, Inc.". Take the time to verify that all your accounts (State, IRS, Bank, 411 Directory, power bill, phone bill, landlord, etc.) have your business listed the same way and with your "exact legal name". Also take the time to verify that all agencies, banks, and trade credit vendors have your business listed with the SAME Tax ID number.

PHYSICAL LOCATION Your business must be real and not just an attempt to build personal credit by using a business entity. If that is what you are doing **STOP HERE!** This process will not work for you and you will be limited to establishing personal business credit

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

accounts, loans, charge cards, autos and homes but ONLY as a personal business or a personal guarantor. Your business must have a physical office space, even if it is at your home. It is at this physical location that your business should receive regular mail, **not at a mailbox store or post office box**. Currently the credit bureaus have developed a data base identifying all PO BOX and Mail Box locations and are listing such address on credit reports which can create a potential fraud alert. **For Corporate Credit and CPN Set-Ups; Please Avoid Using ANY PO BOX or Mail Box Locations; PERIOD! Due to New Bureau Software Upgrades DO NOT use a PO BOX or ANY Type of Mailing Box Location for Your Corporate or CPN Location. Mail Box Locations are creating red flags on credit reports. So Beware!**

4. PHONE SERVICE AND DIRECTORY ASSISTANCE Your business needs a separate phone line and fax line. The business phone number must be listed with directory assistance. Call 411 and make sure anyone can find your business under the exact business name. If your business is not listed in 411 directory assistance, than dial 0 for your service operator and make sure that they get your business listed correctly with 411.

EMAIL AND WEB ADDRESS Your business should have its own email address and business web site with your business domain name. For example, if your business is "Donut Masters, Inc." you would try to register www.donutmasters.com or www.donut-masters.com. You can also use domains that end in .net, .biz, .us, etc. The domain can be as low as \$6.95 a year and hosting of your web site can cost as little as \$100 a year.

LICENSES You must obtain a business license and, if applicable, a tax resale license in the State and possibly County or City where you are conducting business. Following the proper regulator guidelines for operating your business is critical to building a favorable business credit profile.

FINANCIALS The business should have two years of financial statements. **Don't panic or stop here if you haven't been in business for two years.** Begin building your financial statements from the day you started the business and keep going with this process. How

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

do you have two years of financials with a business entity that was just set up? If you have been in business as a sole proprietor or partnership prior to forming your business entity, you can use those financials. Ideally, the financials include a balance sheet and income statement for each of the last two years. For credibility, I highly recommend that you use an accountant or CPA to prepare your financial statements.

TAX RETURNS Your business entity must have a Tax ID number (EIN), just like you have a Social Security Number. Your Tax ID number is used to open your bank account and to build your business credit profile. Every corporate entity must file a SS-4 form with the IRS to obtain a tax identification number. This number is vital to successfully building your business credit profile. Make sure you have properly established both your Federal and State business tax ID numbers under the exact business entity name.

BANK REFERENCES Your business entity must have a minimum of one bank reference. It would be great if your business bank account was at least two years old, but more importantly to place your business in a good lending position it should have an average daily balance of at least \$7,000 for the last three months. Your business banking reflects how you manage your cash flow. Funding sources want to know that your cash flow is capable of handling the business debt and expenses on a consistent basis. Accounts that show NSF returned checks can be deal breakers! If a funding request amount requires a \$2,000 a month payment, funding sources will want to see at least a "Low 5" bank rating. Your "Bank Rating" is based on your average daily minimum balance over the last 3 months. Here is how "Bank Rating" works. It is based on your average daily balance over the past three (3) months, so your rating would be:

1. Low 4 for \$1,000 - \$3,999
2. Mid 4 for \$4,000 - \$6,999
3. High 4 for \$7,000 - \$9,999
4. Low 5 for \$10,000 - \$39,999
5. Mid 5 for \$40,000 - \$69,999

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

6. High 5 for \$70,000 - \$99,999
7. Low 6 for \$100,000 - \$399,999...
8. etc., I hope you see the pattern here.

Having the \$7,000 balance gets you rated at a "High 4". Not having it will not stop the process of building a favorable business credit profile, but it will slow it down. If you don't have the \$7,000, borrow it from family or friends and don't use it, just let it act as your base line in the business account so that your balance never drops below that amount. Even better if it is \$10,000, because your rating would be a "Low 5" and that really changes things. Make sure that your business bank account is reported exactly as your legal business entity name and at the same physical address as your business, not a Mail or P.O. Box.

CREDIT REPORTING AGENCIES Dun & Bradstreet (D&B) is the leading "business credit" reporting agency in the United States, Experian is the other. D&B provides businesses with a separate credit file number that is used to track and rate your business credit profile. This is called a "D&B number" or "DUNS number". Obtaining a Dun and Bradstreet number (D-U-N-S #) begins the process of building your business credit history (profile). Getting your "number" is FREE. All we are doing here is getting your D-U-N-S "number". This number is how lenders access your business credit profile and it is used to determine the creditworthiness of your business as a stand alone entity. Your D&B number is asked for when applying with some credit card and leasing companies. Most banks and lending companies will ask for your D&B number. Once your corporation is setup and has been issued a Federal ID tax number, you can apply for your D&B number online at <http://www.dnb.com>. The process of obtaining a D&B number is free and takes about two weeks to receive your number. D&B also has the Express Service for \$499, where they will post your most recent financials and will call your trade references for an initial report. There is no need to pay the **\$499** that D&B wants to set up your "business credit file". The first time a vendor or lender asks for the file, D&B will set up your business credit file for **FREE**. Potential creditors that ask for your D&B number will send a request to D&B asking for a credit profile on the corporation. If a profile is not already available, D&B will compile one from information D&B will request from your corporation. Then D&B will

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

ask you for financial statements, tax returns, and the trade and bank references listed above. Finally, D&B will check the status of the corporation and business licenses along with any existing credit amounts and payment histories from your trade references. All of these items will be reflected in the profile. **Experian reports are developed only from information that is provided by your trade references and retail accounts. Equifax reports are developed only from information that is provided by you business credit card and retail accounts.**

TRADE REFERENCES MAKE SURE YOU HAVE COMPLETED ALL TEN (10) STEPS ABOVE BEFORE THIS STEP. You know have all the steps to build an excellent business credit profile, **FREE** of charge. But you must do the steps! Our goal is to relieve you of having to personally guarantee every level of your business funding. To do that you must reach a PayDex Score of at least 75.

Pay-Dex is a "1 to 100" score calculated by using up to 875 payment "experiences" from your trade references reporting how your company pays its bills. Below is the PayDex Score Key, with a score of 75 or above being your goal.

100 Early to 30 days
90 Early to 10 days
80 Paid as agreed
75 Slow to 8 days
70 Slow to 15 days
60 Slow to 22 days
50 Slow to 30 days
40 Slow to 60 days
30 Slow to 90 days
20 Slow to 120 days

In order to reach your goal you will need to have at least five (5) trade references "reporting" to D&B that you pay no more than one week slow or better. Trade references are vendors who

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

extend credit to your business. An example is the print shop that gives you "Net 30" day payment terms. Net 30 means you have been allowed 30 days from the date of delivery to make your payment.

Your business entity is going to need five (5) trade references that have given you a credit account and report a favorable credit history to the credit reporting agencies. This can be one of the most difficult steps in the credit building process. **Don't worry and don't stop here!**

Trade references are just vendors. Check with **all of your suppliers** and ask them to give you Net 15/30 day payment terms and report your payment history to Dun and Bradstreet. Establishing at least five (5) favorable trade references is a major part of building your Business Credit Profile and creating a favorable PayDex score. This is not an overnight process and should be given a large amount of attention in order to succeed. Getting your existing vendors enrolled and to actually report your business payment history the credit agencies can be a very time consuming and sometimes a fruitless process. **You must have at least five (5) reporting trade credit references or you will not be building your business credit score.** If your current vendors will not report, start looking for companies that will. Always find out their requirement and prices for reporting your credit history. Once you have filed out their credit applications, you should pay your bills **on time** or you will not build an excellent business credit score. Don't waste your time and money if this isn't your goal.

- **RETAIL CREDIT ACCOUNTS** Many retailers such as Lowes, Home Depot, Staples, Dillard's, OfficeMax, ARCO, Exxon, etc. will issue you a business credit card. However, without knowing their credit issuing criteria "prequalification" you will be fumbling around in the dark.

BUILDING BUSINESS CREDIT AND FINDING FINANCING SOURCES

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

DOES THIS ALL SOUND LIKE A HUGE AMOUNT OF WORK? Having an excellent Business Credit Score will open up a world of new financing opportunities for your business. It will open up more funding programs to you in the future and you may not have to personally guarantee every deal.

BUILDING GOOD BUSINESS CREDIT IS JUST LIKE BUILDING GOOD PERSONAL CREDIT, IT TAKES WORK AND YOU NEED TO PAY YOUR BILLS ON TIME. In the twelve (12) steps, above you were given all you need to know about building a great and separate business credit score. If you follow the steps by yourself, it will most likely take you about 4 to 9 months to have a fairly good score and about one (1) year to have an excellent one where your business can stand alone for all it's credit needs. **There are ways to decrease the time frame of being able to secure corporate funding which I will cover in chapters ahead.**

THE REASONS BUSINESSES DON'T SECURE FUNDING FOR THEIR BUSINESS.

1. They don't know what the lender needs to grant an approval!
2. They don't pre-qualify themselves before they apply!

WHAT IS THE MOST IMPORTANT TIP NEEDED TO SECURE FUNDING FOR YOUR BUSINESS?

1. Know the funding source's exact criteria for approval before you apply!

REMEMBER TO SAY THANK YOU TO THOSE WHO HELPED YOU.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Along your entrepreneurial journey, take the time to thank those who help you. If you will treat others the way you would like to be treated, you will find that people will go out of their way to help you. While serving my clients at Legal CPN, I have tried my best to them the benefit of my knowledge and experience. Remember to keep your priorities straight, honor your promises and most importantly that money does not buy happiness. No tombstone ever says "I wish I had worked more". I wish you all the success in your search to find funding.

CHAPTER 8 SHELF CORPORATION BASICS

Shelf Corporation: A shelf corporations or an off-the-shelf company is a company that has been formed on a prior date. Such a corporation also is called an aged shelf corporation. More helpful information and research support about this topic follows.

Aged Corporation: The aged corporation or aged shelf corporation has no shareholders and usually, unless required to be filed to keep the company in good standing, may not have officers or directors. This benefit can maintain anonymity when you add nominee officers and directors to your company, which is available through Companies Incorporated, after you acquire it.

SHELF CORPORATION OTHERWISE KNOWN AS AGED CORPORATION

A “Shelf Corporation,” also known as an “Aged Corporation” (or “Aged Company” when referring to an LLC, for example) is a corporation that is already formed, but not in use, and ready for “purchase” by a new owner. There are many reasons that people purchase shelf corporations, and there are certain things to look out for when considering one of these “ready made” corporations.

- **WHY SHOULD I USE OR ACQUIRE A SHELF CORPORATION?** Shelf corporations enable new owners to engage into business, credit, or real estate agreements as an established company without having to go through the entire process and waiting time frames of establishing a brand new corporation.

- Most potential creditors or business resources are hesitant to engage brand new or up-start corporations. By approaching them as an established corporation or company (obviously, the more years the corporation has been in existence, the better), the more likely your company will be taken seriously and this may grant your business more access to credit lines, banking relationships, leases, etc.
- These banking relationships, agreements, Dun & Bradstreet-type rating systems, etc., should all be considered when looking at potential aged corporations. Additionally, it is of paramount importance that these shelf corporations are acquired from trusted sources that know the intricacies of weeding out those with potential built-in or existing liability. www.oxfunding.com

Once you have properly selected your shelf corporation, it will in turn enable you to establish an immediate history and instant credibility for your company and corporate image. In most instances, you will instantly be able to bid on state contracts (states generally have minimum longevity rules for companies that are allowed to bid on their contracts), obtain lines of credit easier and obtain loans from the Small Business Administration in your state, and attract potential investors more readily with an “established” corporation.

As is mentioned above, it is critically important that the shelf corporation you are considering not have any inherent or lingering liabilities. For the most part, this can be assured by looking into the history of the corporation and ensuring that the business activities were limited to the application of an Employer Identification Number and maybe the formation of a bank account. There are some quantifiable exceptions to this rule. There are times when very well established corporations get shelved, for a variety of reasons, and these can be inherently quite valuable due to their tenure or amount of time in existence. These can be carefully scrubbed for liabilities and exposure by qualified entities, and are in high demand, with the demand and their price increasing depending on how long they have been established.

Simply put, if you are buying an aged corporation directly from its owners, there is a fair amount of due diligence involved: you should be concerned if the person or group selling the

aged corporation has engaged in any transactions that may produce some type of future liability for the corporation or its stockholders. This may not always be easy to examine, and certainly requires a little investigation.

SHELF AN AGED CORPORATION ADVANTAGES

- Saving time by foregoing the time and expense of forming a brand new corporation
- Instant access to contract and government contract bidding. Most state requires your company be in business for a specified minimum length of time.
- Instant credibility and an appearance of corporate longevity.
- More attractive to potential investors and investment capital
- Faster and easier access to banking relationships and lines of credit

SHELF AND AGED CORPORATION DISADVANTAGES AND CAVEATS

- Pre-existing liability potential
- Pre-existing debt issues
- Pre-existing business transactions that may lead to future liability
- Small to moderate upfront cost and fees to transfer the corporation to the new owner.

FREQUENTLY ASKED QUESTIONS AND DEFINITIONS

What are Off-the-Shelf Corporation Details? You can accept an off-the-shelf corporation with the current name or you can change the name of the company to another name if you wish. You can become the new officer and directors or you can choose to remain anonymous and have officers and directors. The name of the corporation can be changed.

Why Should You Acquire Your Own Shelf Corporation? When a business has some years behind it, customer trust tends to be enhanced. Lenders are more willing to lend to your company and manufacturers and wholesalers are more willing to offer financing terms. On big

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

reason for obtaining an aged shelf corporation is that it is much easier for you to obtain corporate credit.

What is a Companies Incorporated shelf corporation? A shelf corporation is a corporation that has been formed on a prior date. Typically, it will not have conducted business. It does not hold assets, has not incurred liability, and has yet to issue stock. These corporations also are referred to as seasoned shelf corporations. When you purchase a Companies Incorporated aged shelf corporation, it will arrive in your possession with articles of incorporation file-stamped by the government with its incorporation date as well as:

- Articles of Incorporation
- "Action of Sole Incorporator" document which transfers the company to you
- Minutes of meetings
- A corporate kit (record book)
- Stock certificates
- A corporate seal
- Corporate Bylaws
- A corporation checklist letting you know items to keep your company in good standing
- Registered agent service
- Federal Tax ID Number
- Other important documents

What are the types of aged shelf corporations? Shelf and aged corporations can be any type of legal entity. This includes U.S. domestic corporations, as well as offshore and international entities. The term "shelf" or "aged" refers only to the fact that the company has already been filed and is sitting "on a shelf" waiting to be purchased.

What shelf corporation age is right for me? It is important to choose the age appropriate to your needs. For a building contractor or consulting company, the number of years in business is important to the clientele. In order to obtain government contracts, the typical age requirement is two years. Moreover, for a business that wants to build corporate credit, the

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

older the better. The key issues are the perceptions of the potential customers and potential lenders. How old does the business need to be to convince the client or the banker that the business is secure and stable? Is the age of your business important? It usually is to a customer or lender.

What does a shelf corporation age mean? The age of a shelf corporation is just as real as the age of a human being. The law calls a corporation a person. It is an artificial person. It is separate from the people who own it. The owners of a shelf corporation, as with any other legal entity, are just as separate from each other as two people are separate. The H.J. Heinz Company started in 1869. The original owners, officers, and directors have long since passed. However, the age of the company truly remains intact.

WHAT ARE SOME ADDITIONAL SHELF CORPORATION BENEFITS

- Immediate availability is established when the company is formed and ready to be shipped for immediate delivery rather than needing to wait for government filing.
- Credibility to customers.
- Increased ability to bid on government contracts. Many state and federal contracts require that the business be between two and five years.
- Easier access to credit.
- Easier to obtain venture capital.
- Easier to take a company “public” and sell shares on a stock exchange if certain criteria are met.
- Less lead time to incorporate your company.
- Ability to bid or present your business in an arena in which candidate companies have to breach an existence duration threshold for contractual adherence.
- Immediately creating a company existence longevity appearance.
- Access to investment opportunities.
- There are fewer limitations when applying for corporate credit.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- Buyers of shelf corporations have some big advantages over newly filed businesses. First, the benefits mentioned above. Also, the advantage of being able to purchase an established corporation and put themselves in as officers, directors, and shareholders, giving them immediate control of the business.

What is a shell corporation or corporate shell? Corporate shells are “shelf corporations,” as they are known, that also are companies that already have been formed. These types of companies usually do not have shareholders, officers, or directors (unless required to be filed to maintain good standing). They generally have no assets or liabilities. Such an entity is analogous to a new home that has been built and is ready for occupancy.

Why should I use or acquire a shelf corporation? Shelf corporations enable new owners to enter into business, credit, or real estate agreements as an established company without having to go through the entire process and waiting time frames of establishing a brand new corporation. Most potential creditors or business resources are hesitant to engage brand new or upstart corporations. By approaching them as an established corporation or company (obviously, the more years the corporation has been in existence, the better), the more likely your company will be taken seriously, which may grant your business more access to credit lines, banking relationships, leases, etc. These banking relationships, agreements, Dun & Bradstreet-type rating systems, etc., all should be considered when looking at potential aged corporations. Additionally, it is of paramount importance that these shelf corporations are acquired from trusted sources that know the intricacies of weeding out those with potential built-in or existing liability.

SHELF AND AGED CORPORATION ADVANTAGES

- Saving time by foregoing the time and expense of forming a brand new corporation.
- Instant access to contract and government contract bidding. Most state requires that your company be in business for a specified minimum length of time.
- Instant credibility and an appearance of corporate longevity.
- More attractive to potential investors and investment capital.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- Faster and easier access to banking relationships and lines of credit.

WHAT ARE THE FIVE C'S OF BUSINESS CREDIT?

Lending institutions want to lend money because it's the way they make money. However, they only want to lend money to a borrower who is able to repay the loan on time and in full. When lending over a certain limit to small businesses, lenders customarily analyze the worthiness of the borrower by using the Five C's:

- Capacity
- Capital
- Collateral
- Conditions
- Character

Each of these criteria helps the lender determine the overall risk of the loan. While each of the C's is evaluated, none of them on their own will prevent or ensure access to financing. There is no automatic formula or guaranteed percentages that are used with the Five C's. They are only a variety of factors that lenders evaluate to determine how much of a risk the potential borrower is for the financial institution.

Note: When lending small amounts of money under \$50,000 (small is a relative term to each lender), eligibility typically depends solely on personal and business credit scores. A credit analysis usually is not performed. Depending on the personal and business credit scores, the lender either will or will not approve the loan.

Federal Employer Identification Number: For a variety of tax reasons, a business is required to have a separate tax ID number. Like a Social Security number for an individual, it is highly advisable for a business to have an Employer Identification Number (EIN), CPN Numbers work best as long as the credit number is issued in the corporation's name. If you purchase a new

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

aged corporation and you need a new (EIN) for your new corporation, obtaining a good credit quality (CPN) is advisable as long as the CPN is issued in the corporation's name.

UNDERSTANDING THE BASICS OF BUSINESS CREDIT

Why Should I Borrow Money for My Business? Unless you are lucky enough to have just won the lottery or have an enormous private trust fund, it is likely that you will need to look beyond your own private funds to finance the establishment and expansion of a business. You could wait patiently to save enough funds to support the growth of your business, but this will stall your business plans considerably. For instance, if you saved \$1,000 a month in an account that paid you 5 percent interest, it would take you nearly seven years to save \$100,000.

Or you could try to find investors to finance your business by becoming your partners. In situations in which an individual will bring more than just money to the partnership, such as knowledge of the industry, contacts, or other characteristics, it may be helpful to the development of the business. However, when securing needed funding is the only benefit to the deal, bringing in additional partners may not be desirable. When making a decision like this, it is important to weigh the impact of diminished ownership and decision-making during the time that the investor has a vested interest in your business. On the other hand, you can maintain autonomy and expedite the growth of your company if you don't wait to save money or add partners. When it comes to financing your business, there are many good reasons why borrowing money makes sense.

Importance of Borrowing: Benjamin Franklin once said, "To understand the value of money, go and try to borrow some." For some small businesses and corporations, this is a difficult lesson to learn. Nevertheless, business borrowing is a vital part of running a company successfully, and all business owners should learn this lesson in order to understand how to borrow more effectively.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Even though your word may be your bond, a positive business credit rating is crucial to borrowing money on good terms. No business can build credit or secure needed funding simply by promising to repay it. Business lending institutions will evaluate certain standards in order to determine whether or not they will lend to your business.

This section will explain many of the reasons why you may need to borrow money as your business evolves. Primarily it will discuss the credit analysis method of the Five C's, which commercial lenders rely on to assess corporate creditworthiness. This chapter also will analyze the lending opportunities larger companies often take advantage of and factor in the obstacles that often face smaller companies.

How Do I Build Business Credit? No single aspect of a company's credit profile can determine or undermine that company's creditworthiness. Each of the following factors influences a company's overall credit score:

- Paying all monthly obligations on time
- Maintaining a solid balance sheet
- Avoiding legal troubles
- Establishing business credit and sustaining a strong business identity

More emphasis may be placed on one or another of these factors by potential lenders when they evaluate your credit history. For instance, whereas a potential vendor will be interested to see the payment history on your monthly obligations, when applying for a commercial loan, the lender will be most likely to emphasize the importance of a solid balance sheet. Finally, your litigation history is more likely to be an issue to any insurance companies that are attempting to rate your policy.

Working Capital: Many businesses face cash flow challenges, whether from seasonal highs and lows, unforeseen circumstances such as uninsured losses, or slow revenue from accounts payable. At times like these, if you establish business credit, then you will have access to needed funding to take care of necessary financial obligations.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

How Can I Passively Build My Credit? From year to year, as your company continues to operate, you are positively impacting your business credit score, whether you know it or not. Because many large companies (including financial institutions, credit card companies, utility companies, and some government agencies) report your payment history to Dun & Bradstreet and other credit bureaus, you are building your business credit file just by paying your monthly obligations. This information cannot be kept hidden, and other companies may access the information in your file by paying a fee to the credit reporting agencies. In order to ensure that you are building a positive credit profile, it is important to maintain on-time payments and a sound balance sheet, and to avoid legal action against you. Each of these components reflects positively on your overall credit rating.

Does the Size of My Business Matter? The size of a company is an important factor when it comes to applying for business or corporate credit. Large companies and corporations can access funding in many ways that are not available to smaller companies, including:

- **Public Offerings:** Public corporations can raise funds by offering ownership in their businesses through the sales of stocks and bonds.
- **Commercial Funding:** Most commercial financial institutions are more likely to lend to larger companies and corporations than to small companies. Since the process involved to lend a large amount of money is basically the same as that required lending a small amount of money, it simply is more profitable for a lender to issue larger loan amounts than smaller ones. Because they are the most coveted borrowers, large companies also have more flexibility when borrowing capital when the economy is uncertain and other lending opportunities become more stringent or disappear. At times like these, small businesses often have a very difficult time qualifying for loans from these types of lenders.
- **Favorable Lending Terms:** Unlike small businesses, large businesses and corporations traditionally qualify for the most lenient loan programs, including those with the lowest interest rates. According to the U.S. Small Business Administration (SBA), in November 2003, large corporate borrowers with the lowest risk were charged only 5.5 percent

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

interests on fixed-rate loans whereas small businesses (borrowing microloans of less than \$100,000) were charged 6.53 percent. Small and medium-sized businesses and corporations have a more difficult time qualifying for commercial lending programs. According to the November 2005 report from the Office of Advocacy of the SBA, in recent years access to small loans (less than \$1,000,000) and microloans (less than \$100,000) has continued to decline while the total dollars borrowed through larger loans has continued to increase.

Because of the difficulty in qualifying for traditional bank loans, smaller businesses and corporations often seek out alternative, more costly financing opportunities. Credit card borrowing, finance company loans, and private lender loans all are alternatives that small businesses resort to in order to secure needed funding when commercial loan programs are not available to them.

But this does not mean that small companies and corporations have to rely solely on high-interest, costly funding opportunities. By increasing creditworthiness, small business owners can benefit from even greater access to affordable financing options.

NON FINANCIAL FACTORS

There are several other factors that are used to evaluate your company's credit and reassure potential lenders that you are a solid business, including:

- Understanding Credit Analysis - To determine if you will be able to establish business credit, consider each of the following C's to see how you would look to a potential lender:
- Capacity – This is an evaluation of your ability to repay the loan. The financial institution wants to know how you will repay the funds before it will approve your loan. Capacity is evaluated by several components, including the following:

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

- **Cash Flow** – This refers to the income a business generates versus the expenses it takes to run the business analyzed over a specific time period. For example, if a company regularly generates \$10,000 of revenue a month, and it has expenses of \$8,000 a month, the lender would determine that there is \$2,000 a month in cash flow that could be used to repay the loan. If a company has the same amount of expenses as income, that would mean the cash flow would be zero, and the lender would have reason to be concerned about how the company plans to repay the debt.

No matter what stage of growth your business is in, there are many reasons to consider borrowing funds that will help you achieve your business objectives. Your ability to qualify for lending opportunities with reasonable repayment terms depends on a variety of factors that will be reviewed by the lending institutions and will affect the amount and terms of your loan. Recognizing the differences between large corporate access to financing and small to mid-sized business access to financing is very important. Large companies and corporations have greater access to business credit and funding options with lower interest rates and more favorable loan terms.

CHAPTER 9: HOW TO PURCHASE AN AGED CORP FOR LESS THAN \$100

The first thing you have to do is calculate the age of the person who is going to be president of the corporation and then decide what year corporation you should look to purchase (keeping in mind that lenders will question this if the president of the corporation is 25 years old and the corporation is 20 years old).

This Shelf Corps we have located targeted for easy purchasing is based in the state of Arizona. You can use the same formula for the state you reside in. You can also find a shelf corporation listed in the state of Arizona and move the Corporation to your home when you apply for your EIN and record this corporation within the state you reside.

- 1) Browse to your state's corporation commission's site <http://www.cc.state.az.us> and look for active corporations; you will be looking for AD-DISSOLVED corporations. AD-DISSOLVED means to bring to an end by or as if by breaking up; terminate.
- 2) Once you have found an AD-DISSOLVED corporation, check the fees that have to be paid to bring the corporation back into good standing by clicking E-File Annual Report Online.
- 3) If the fees are in the ball park that you would like to spend (Usually under \$100), you now can contact the owner or the statutory agent by phone or mail. The corporation page will give you all the contact information. If you cannot find any phone numbers, I suggest you Google the company name and you should find some information there. Then, contact the owner by mail.
- 4) Once you have the okay from the owner to take over (nine out of ten corporate owners will allow you to take over; in return, you will pay for the backed up fees), you will need to obtain a new EIN# or CPN#.
- 5) With that, you are ready to get your business phone number and business address.
- 6) Once you have established a business address and phone number, you are ready to get your business D&B number. For that, please see <http://www.dnb.com/us> . D&B Overview: Dun & Bradstreet maintains the world's largest business database, containing information on more than 100 million businesses worldwide, including 38 million in the United States. D&B is by far the leading provider of business information for credit,

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

marketing, and purchasing decisions worldwide. Today, more than 150,000 companies of all sizes rely on Dun & Bradstreet to provide the insight they need to build profitable business relationships with their customers, suppliers, and business partners. We invite you to join. The information you'll find in the D&B database is gathered and compiled from millions of trade and bank transactions, federal bankruptcy filings, and information from business owners, public utilities, and the offices of all the U.S. secretaries of state. It also scours hundreds of newspapers, magazines, trade publications, and electronic news services for data. Once you have your D&B number, you will need to start building your D&B profile. Please follow these steps: Shop online with five corporate vendors for no more than \$10 each. Make sure you put the name of your corporation as the purchaser and, yes, you may use your personal credit card to make these purchases (Office Max, Home Depot, Staples, and Sears).

THAT'S HOW YOU CAN PURCHASE AN AGED CORP FOR UNDER \$100.00 USING THE ARIZONA ONLINE DATA BASE!

This method has saved my clients thousands of dollars purchasing an aged shelf corp. You can find numerous online retailers selling aged shelf corps anywhere from \$1,000.00 to well over \$100,000.00, per aged shelf corp.! With this information you will be able to locate and purchase aged shelf corps over and over again for less than 100-200 dollars; saving you thousands.

This was a very short chapter which illustrates how easy it will be for you to locate an abandoned aged shelf corp and for you to literally purchase the aged shelf corp for as low as \$100.00

CHAPTER 10: REPAIRING AND REBUILDING BUSINESS CREDIT

Once you resolve the issues that caused the negative impact to your business, you can start down the path to repairing the damage to your business credit profile. Even if you have a less than perfect business credit report, you still can obtain business credit while taking steps to strengthen your business; it just will cost you more to get it. Unfortunately, no matter what bankruptcy option you file, time is the only way to remove the negative credit history that caused the bankruptcy. Ten years is a long time to wait for this information to drop off your credit report, so serious consideration should be given if you are considering declaring bankruptcy.

It is important to realize that reestablishing a positive business credit profile is not an easy or quick process. You must be prepared to work diligently to recover from significant financial troubles, including repairing any damages to your business credit report. Take advantage of opportunities to repay any existing debt through a business debt consolidation program if applicable. Analyze and make adjustments to any existing business-related issues that contributed to the financial troubles in order to implement long-term solutions. Finally, take the necessary steps to begin to reestablish your positive business credit profile by establishing secured business credit cards, but be careful when choosing these types of cards. Once there's a negative item on your business credit report, it has an immediate impact on your company's business credit profile. This will become a serious warning for anyone who requests a copy of your business credit report and may cause some companies to refuse to do business with you.

A negative business credit report can make it very difficult to qualify for additional credit. If you do find a lender who is willing to do business with you, the increased interest rates and fees associated with the loan will make the cost of borrowing money much greater. You may even have difficulty obtaining insurance if your credit problems are serious enough. The good news is that if you are committed to staying in business, there are steps you can take to turn your credit around. However, there is no instant solution. It often takes just as long, if not longer, to reestablish a positive credit rating than it did to establish one in the first place. Another

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

misconception about credit repair is that you can pay someone else to either repair or reestablish your business credit profile. The reality is that you need to be prepared to spend quite a bit of time and effort to repair your damaged business credit profile.

- This chapter shows you how to become financed when you need to rebuild your business credit profile. It covers the types of loan programs as well as the various potential lenders to consider. Once you determine the optimal loan for your situation, then you want to try to acquire the best possible financing and repayment terms. This chapter breaks down the various options available when it comes to loan terms and provides information that will be helpful in securing these terms.

Beginning to Repair Your Business Credit Profile: By making the payments on time that you have negotiated with your debt consolidation consultant, you begin to have a positive impact on your business credit report.

Business Credit Improvements: Once you have taken steps to strengthen your business practices, you immediately can begin to strengthen your credit profile. Many of the steps that you took to initially establish business credit will be applicable. There are no short-cuts to this lengthy procedure. Even though the negative information on your business credit report will not be removed, by beginning to pay your obligations on time, you will start to tip the scales and begin to create a positive credit history that will only improve over time. After reestablishing a positive payment history, you also can request credit from vendors and secured credit cards in order to begin to establish new credit.

Credit from Vendors: After you have had negative history with your vendors, they may not be willing to take the risk of extending you additional credit, but it doesn't hurt to ask. Once you have taken the necessary steps to remedy any big-picture business issues that caused your negative performance in the past, it is possible to regain a vendor's confidence in your business. Perhaps they might be willing to accept partial payment up front or lower your limit on advances. Either way, your best practice when negotiating with vendors is to use solid negotiation skills. Keep in mind that your vendors want your business and may be willing to

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

accommodate a reasonable request from you for credit. Start with small steps that demonstrate your renewed ability to meet the terms of your financial agreements, and then build from there.

Secured Loans and Credit Cards: Once you are in situation in which you are forced to reestablish your business credit, secured loans and credit cards are an excellent way to demonstrate your renewed positive credit performance. Secured credit cards are indistinguishable from unsecured cards, and when you repay the amount owed on the card, you begin to establish a positive credit history. After demonstrating this positive pattern of payment for a reasonable amount of time, the financial institution that issued the card may even be willing to make the card only partially secured by increasing your credit limit without requiring an additional deposit.

The primary value of establishing secured loans and credit cards is to enhance your business credit profile. So, it is important that you make sure the financial institutions backing these cards report your account information to the business credit reporting bureaus.

When choosing which secured credit opportunity is right for you, be careful to watch out for scams that involve selling lists of secured credit opportunities. This information is something you easily can search for by yourself for free. Also be careful of 900 phone numbers, hidden processing charges and fees (that often are deferred and billed to the credit card itself), and promises to repair or clean up your credit, which is something that cannot be purchased.

Maintaining Creditworthiness: Every business should have a solid plan that consists of safeguards that will help you to maintain and ultimately improve your business credit reports and ratings.

Monitoring Cash Flow: The single most important factor in being able to pay your monthly obligations on time is your cash flow. Ensuring that you have the money when you need it can make a huge difference in the success of your company and the strength of your large, medium, or small business credit profile.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Here are some helpful tips that will assist you in successfully managing your cash flow and building business credit:

Communicate with Your Creditors: If your cash flow issues are making it difficult to meet the agreed upon terms with your creditors, it is imperative that you contact your creditors and either request an extension or renegotiate the terms of your payment agreement so that they line up better with the timing of your accounts receivables. For instance, if you agreed to net 30 days with one of your vendors but realize that you will not receive payment from one of your largest customers for 45 days, try to negotiate net 60 days so that you have sufficient time to collect the payment from your customer and make the appropriate payment to your vendor.

Safeguard against Business Identity Theft: While individual identity theft is more common, it also is a growing concern for businesses. In the past few years, there has been an increase in attacks on businesses. This includes stealing company documents such as stationary in order to request or divert products and supplies that the genuine company ultimately will be billed for. Identity thieves also will try to access business bank account information in order to use company credit.

The impact of business identity theft is wide reaching. Not only can it negatively impact your business credit report and overall profile, it can have a potentially negative impact on your company's brand and/or reputation. In order to avoid business identity theft, take steps to protect the information contained in your computer systems and guard the important documents kept on the premises. It is even important to safeguard your garbage if bank information and other sensitive documents are being thrown away. A shredder is an excellent way to ensure that your company's sensitive information will not be accessible.

The Better Business Bureau has more tips on avoiding business identity theft. You can find them on its web site at www.bbbonline.org/idtheft/business.asp.

Business Location: While it is advantageous for a company to have its own location separate from the home of the owner, even a home-based business can build credit. Having a separate phone line and/or fax number will enable a business to have a presence in the Yellow Pages, which is something that many credit rating companies verify when conducting a credit analysis.

Formal Business Entities: When a company takes steps to establish itself as a corporation or limited liability company (LLC), potential lenders may consider it a better credit risk than sole proprietorships and partnerships, which are much less formal business entities. While sole proprietorships and partnerships are not prevented from applying for business credit, the more fully established the company is, the more likely it is to receive credit.

Reviewing Your Business Credit Report: Review your business credit report on a regular basis in order to ensure that the reported information about your business is current and accurate. Be sure to verify that none of the following problems appear that would negatively impact your business credit report:

- **Previous Information:** Make sure that your business credit report does not contain any old account information that has since changed.
- **Missing Information:** All of your pertinent information, such as accounts with your key vendors, should be included on your report.
- **Unauthorized Information:** Everything on your credit report should be familiar to you. If anything appears that you have not personally authorized, you should act quickly to investigate it.

Repairing Your Business Credit Report: If you discover mistakes on your business credit report, you should contact the credit bureau immediately and have the mistakes corrected. Send a letter to one of the business reporting bureaus (including your company name, your D-U-N-S and/or Tax ID number, and your personal contact information) explaining the error and

how it should be reported correctly. If you have any supporting documentation related to the correction you are requesting, make sure you include copies of those documents as well.

If the error is the result of a company's mistake in reporting your information to one of the business credit bureaus, it is best to contact that company directly and request that it correct the information it is reporting. For example, if a company is incorrectly reporting that you were more than 60 days late on a payment, when in fact you were given 90 days to pay, remind the company that it was paid within the timeframe established in the terms of your agreement, and ask that it report your timely payment to one of the business credit reporting bureaus.

Updating Your Business Credit Report: If you discover any incorrect information or problems in your business credit report, you should take immediate steps to resolve them. If old information appears, such as closed accounts or paid off loans, get the information updated. If there is information missing, such as newly opened accounts, get the information added. Notify the financial institutions or companies you do business with and ask them to report your current payment performance history to one of the credit reporting bureaus.

Adding to Your Business Credit Report: Often, the information being reported to the business credit bureaus is correct, but data is missing. You may have additional financial transactions that will improve your business credit profile and credit rating, so it is beneficial to notify the business credit bureau. Important information to add to your business credit profile includes:

Improvements to Financial Statements: The only financial statements that the business credit reporting bureaus can access directly are those of publicly-traded companies. By providing copies of your company's financial statements to one of the credit reporting bureaus, they can gain a more comprehensive understanding of your company's financial picture.

Payment History Practice: The single most important factor that affects your business credit profile and score is your payment history. If you owe money to one of your vendors and fail to make good on your promise to pay, the vendor may cease doing business with you. And if they do continue to do business with you, it is likely that the future terms of your business

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

transactions will be less favorable. For example, instead of granting you 30 days to pay your invoice, the vendor may require payment up front, either in part or in full.

Even more important than the payments you make to your vendors are the payments you make to large financial institutions, like banks, credit card companies, and utility companies. If you fail to make a required monthly payment on time, it will be reported to a business credit bureau such as Dun & Bradstreet, which immediately will have a negative impact on your credit score. Clearly, this can have much farther reaching negative implications than not paying a bill to one of your vendors.

In order to be considered on-time, a payment must be made within the terms of the agreement. No matter if your payment is due within 30–90 days following receipt of the invoice, it is vital that you make the payment in the agreed upon time. Paying early also can have a very positive effect on your credit score, for example, paying a bill in 60 days that isn't due for 90 days.

Making a payment a few days late is not going to undermine an otherwise strong credit history. Unless the payment is more than 30 days late, most companies will not report the late payment to the credit bureaus. However, a pattern of 30-day late payments or worse can severely weaken a company's business credit history and score.

Strategies for Paying on Time: Most businesses experience a cash flow problem at one time or another. For example, the customers of that business may be late making their payments, thus threatening that business's ability to pay its obligations on time. In order to avoid these kinds of situations, it is important to develop strategies to ensure that you make your payments on time, regardless of any cash flow problems you may encounter. The following are some suggestions for how to do this:

Overdraft Checking: This is a feature that most financial institutions offer with business checking accounts to cover any negative balance created by writing checks for more than the

funds in the account. Even though there is interest fees associated with this protection, it is worthwhile if it protects your credit score by keeping a late payment off your credit history.

Automated Payments: Many times, payments are made late simply through oversight. Establishing automated payments for regular obligations (like rent, tax payments, and insurance premiums) can ensure that these payments are made on time. Owners of small businesses even can set up payments on their estimated federal taxes up to 12 months in advance by using the Electronic Federal Tax Payment System (EFTPS) (www.eftps.gov).

Negotiating New Terms: One of the most effective ways to avoid being late is to communicate with your lender as soon as you realize that your payment is going to be late. In many cases, lenders will be willing to give you an extension on your payment of up to 30 days. By renegotiating the terms of your payments, you can avoid having a late payment reported to D&B or other credit reporting bureaus. By simply renegotiating your due date to a timeframe that is more compatible with your receivables, you will protect your credit history and score. For example, if you typically receive payments on your receivables on or around the 10th of the month, you should try to arrange a due date for your payments on or around the 25th. This way, you will have two weeks to deposit the payments you received from your customers and send your payment to your creditor with plenty of time before the due date. Another option to avoid making a payment late is to negotiate a new agreement with your lender to make a partial payment by the existing due date and get an extension to pay the remaining amount owed.

Prioritize Payments: When you run into trouble making your required payments, if you are unable to renegotiate the terms of payment with all your creditors, make sure you at least pay the accounts that will be reported to D&B or the other credit bureaus in order to protect your credit rating. Clearly, this is not a strategy that you want to employ on a regular basis if you want to keep up the good business relationships you have with your creditors. In addition, you always want to be sure to protect your relationship with your vendors that are critical to your business, even if they will not report your payments late to D&B.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Creating a Balance Sheet: When you apply for any kind of business loan, one of the first things a potential lender will ask for is a balance sheet. This is a summary of your company's current assets and liabilities, including equipment and property owned by the company, accounts receivables, other funds owed to you, as well as any mortgages, outstanding loans, or accounts payables owed by you. By analyzing a company's balance sheet, a lender can get a feeling for the financial strength of a company.

Building a More Impressive Balance Sheet: Since your balance sheet is going to be a key component of every future loan you apply for, it is important to make smart decisions throughout the year in regard to your assets and liabilities. Here are some critical strategies to enhance your balance sheet:

Keep Your Cash: When you anticipate that your balance sheet is going to be evaluated by a potential lender, try to keep your cash in your accounts rather than spending it on anything but assets that will be credited to the overall value of your company.

Delay Writing Off Bad Debts: Since one of your business assets is your accounts receivable, you should keep all accounts on your balance sheet, even the ones that have not had any payment activity. This way, all of your potential incoming funds strengthen your balance sheet by increasing your assets.

Restoring Business Credit: No matter how you try to avoid it, unforeseen circumstances sometimes can affect your business and lead to financial decisions that result in late payments that have a negative impact on your credit profile. Some companies experience such severe financial distress that they are forced to file bankruptcy.

Resolving Financial Problems: As soon as you have reestablished your company's finances, you can begin to reestablish your business credit rating. Your efforts to repair your business credit should be divided in two ways: taking care of the debt that you already have accumulated and implementing smart business practices so that you can avoid similar financial difficulties in the future.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Negotiating Through a Business Debt Consultant: If you are trying to avoid declaring bankruptcy but have significantly delinquent outstanding debt, you should consider enrolling in a business debt consolidation program. Similar to consumer credit consolidation programs, the focus of these types of business credit consolidation programs is to negotiate with your creditors in order to get reduced interest rates and payments over extended periods of time. However, while these types of programs enable a company to reestablish a positive payment history with its creditors once the terms have been renegotiated and an agreement has been reached, they do not provide a quick fix, pay off your debt, or remove any previously reported negative information from your credit report. But if the alternatives are going out of business or declaring bankruptcy, a business credit consolidation program may be a far better option for your company.

When dealing with a business credit Consolidation Company (also known as debt-restructuring company) the first step is to provide all the information about your current outstanding debt. Once your creditors have verified this information, your debt consultant will create a budget that takes into consideration what you can pay comfortably each month. Then, you begin to make monthly payments to the debt consolidation company and it, in turn, makes payments to your creditors.

You also can decide which of your creditors you want to include in your debt-restructuring. For example, if you have a critical supplier that you can afford to pay in full when that amount is due, you should keep it out of your debt consolidation plan.

Even though many consumer credit consolidation companies have popped up over the past few years, there remain only a few business consolidation firms nationwide. The largest is Corporate Turnaround (www.corporateturnaround.com). The cost of the service is included in the payments you make as part of the plan, so you ultimately pay back less than you would have if you had continued making payments on your own and eventually paid your account in full.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

The U.S. Department of Agriculture provides advice and credit counseling for ranchers and farmers at www.fsa.usda.gov/pas. If you search for "credit counseling" on the web site, you will be directed to local agency offices.

THE BENEFITS TO WORKING WITH A BUSINESS CREDIT CONSOLIDATION CONSULTANT INCLUDES:

Communicating with Your Creditors on Your Behalf: Once you sign a contract with your credit consolidation company, you authorize the firm to deal with your creditors on your behalf. As a result, the firm can communicate directly with your lenders, collection agencies, or any attorneys who may have interest in your accounts. This can reduce your stress significantly, leaving you more time and energy to focus on running your business.

Avoiding Excessive Legal Fees and Bankruptcy: By working with a debt consolidation company, costly legal fees can be avoided. And as long as sincere efforts are being made to make payments to your creditors, they will be willing to work with you in order to help you avoid bankruptcy.

CHAPTER 11: APPLYING FOR BUSINESS CREDIT



For a variety of reasons, many businesses find it necessary to borrow money at one time or another. At such times, it is very helpful to be in a situation to strengthen your company by borrowing money and raising funds. However, because financial institutions are more likely to lend funds when times are good, it is important to take advantage of borrowing opportunities even if you don't have a dire need for the money. If you are wondering how to develop large, medium, and small business credit, borrowing and repaying business loans is an important step. Building business credit in this way will increase your access to funds at times when you really do need them.

Even though you need good credit to qualify for most business loans, you can qualify for certain types of financing with very little or even poor credit. Taking advantage of opportunities like these to borrow and pay back a loan will help you establish business credit and raise your credit rating, making it easier for you to borrow in the future with even better terms.

In order to acquire the appropriate business loan for your situation, it is important to know about all of your financing options. Not every financing option will be appropriate for your situation or business type. For example, only a large business that is listed on the public exchanges can sell its bonds and effectively borrow from the public.

This chapter shows you how to find financing when you need to build business credit. It covers the types of loan programs as well as the various potential lenders to consider. Once you determine the optimal loan for your situation, then you want to try to acquire the best possible

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

financing and repayment terms. This chapter breaks down the various options available when it comes to loan terms and provides information that will be helpful in securing these terms.

Business owners have many options, ranging from personal resources to large financial institutions, when it comes to borrowing money for their company. When choosing a loan, it is important to understand the interest rate included in the terms of the loan and how your credit history can help determine the quality of these terms. The best way to work toward qualifying for the best business loans possible in the future is to be a good lender by keeping your agreements, making payments on time, and repaying all loans when they are due.

Applying for Credit Cards: Established business owners typically receive credit card offers in the mail on a regular basis. Some offers are even "pre-approved." Receiving these offers in the mail usually is an indication that your company should apply for a business credit card. However, with most of these offers, your credit limit and interest rate are not determined until after you apply for the account. In order to determine the limit on a business credit card and the applicable interest rate, the credit card company will evaluate several characteristics of the business history as provided on the credit card application. Business credit card applications usually can be completed through a credit card company's secure online web site. It is a good idea to consider applying for a business credit card at the bank that issued and maintains your business checking account. Since the bank already knows you as a customer, the business credit card application process often is simplified, and the credit cards can be issued more quickly, sometimes even automatically. Establishing a business credit card with your bank also enhances your business relationship with that bank, which may be useful in the future if you need to apply for a commercial loan or line of credit.

When authorizing business credit cards, establishing interest rates, and setting cash advance and spending limits, the financial institution that issues the card will consider many factors, including:

Business Credit History: The single most important factor when applying for a business credit card is the company's credit history, as reported by D&B or one of the other business

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

credit reporting bureaus. If your business does not have any business credit, or has a history of slow payments, etc., you may be denied. However, some business credit card companies will offer to approve the card if the owner is willing to give his or her personal guarantee.

Annual Business: Some business credit card companies only will approve a business credit card for a company that demonstrates a certain predetermined minimum annual business. In some cases, this minimum could be \$50,000; in other cases, it could be \$1,000,000. Before applying for a business credit card, it is a good idea to find out what the finance company's minimum expectations are so that you don't waste your time applying for an account that you will not qualify for.

Just as many people have more than one personal credit card, many companies have more than one business credit card for certain purposes. Some companies use one credit card for employee expense account charges, another for business necessities. Either way, it is helpful to have two or three business credit cards. What you don't want to do is negatively impact your business credit rating by applying for too many business credit cards or charging up high balances.

Credit Limits on Business Credit Cards: Every business credit card has a different credit limit associated with it. While the financial institution may advertise a certain high-level limit, you may not qualify for the highest possible limit when you are issued your first credit card.

Lending Criteria: Lenders base your credit limit on a variety of factors. The line of credit you are offered will depend on your business credit rating and overall profile.

When a lender establishes a credit limit on a business credit card, it goes through almost the same process that is used for any commercial lending. The financial institution reviews the company's business credit rating (if there is one), and often will require that smaller business owners provide personal information as well as a personal guarantee on the credit extended. The biggest difference between applying for a business credit card and a formal line of credit from a bank is that no business plan or financial statements are required.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Often, the financial institution issuing the business credit card will establish an initial line of credit, such as \$20,000, based on a review of a businesses credit history. However, if a higher line of credit is requested, additional documentation such as financial statements may be required, and can add additional time to your credit approval timeline.

How Much Credit Can You Get: Most companies think it is better to get as much credit as possible, but it is important to remember that you must be able to demonstrate your ability to manage that credit successfully in order to maintain your strong credit rating. Your combined credit profile, including your company assets, financial needs, and the overall state of your business finances all should contribute to the amount of credit you request and will be considered when a lender decides what it feels comfortable extending to you. It is important to anticipate not only your financial needs, but what you can and cannot manage in terms of financial responsibility. One way to help determine a manageable credit limit is to predict an amount that is small enough so that you can pay it off in full for at least one month during the year. This demonstrates solid business practice and shows that your finances are under control. If you cannot pay off your credit card in full for at least one month during the year, it may be seen as a reflection that you have borrowed too much, or that your income is not what you expected, or that some other form of financial trouble is affecting your business

Choosing a Business Credit Card: Most major financial institutions that offer personal credit cards offer business credit cards as well. When selecting a business credit card, it is important to consider the following:

Fees: While some credit cards have no annual fee whatsoever, others come with an annual fee of up to \$100. This fee should be considered carefully when choosing a credit card, since it is a major component of the total financing fees that a company will ultimately pay.

Line of Credit: If you plan to use your business credit card more as a source of operating capital, you should take this into consideration when applying for a line of credit. Since there is

no such thing as a "standard" line of credit, your company's business credit profile will be the determining factor in the amount of credit you are offered.

Other Perks: Many business credit card companies offer additional rewards to try to entice a borrower into choosing their product. Cash back incentives (1–3 percent for every dollar charged), frequent flyer miles on a variety of airlines, gasoline discounts (3–5 percent for every purchase of gasoline you make), and other product-related incentives are offered each time you use your credit card. However, in some cases, there may be a fee for these types of programs, so be sure you understand the terms of the program before agreeing to participate.

The best way to stay on top of your business credit is to be informed. It is crucial that you read all the small print in the initial application, as well as any additional information that is mailed to you from the credit card company. Remember that an advertisement for a business credit card with no annual fee may only be available to certain customers who meet the designated criteria.

Obtaining Assets: Obtaining assets means purchasing equipment or real property so your business can run effectively. By securing a business loan, instead of leasing needed items, you can buy them. You also may have the opportunity to purchase the facility that you operate from, for example an office/medical building, storefront, warehouse, or factory.

Replacing Existing Financing: This means upgrading the terms of any existing debt by replacing it with improved financing options. For example, you may have taken out a loan when your business was just starting out and you had not yet established a positive credit profile. However, once you build business credit, you are able to take advantage of more favorable terms for your financing, including releasing any ties to collateral, reducing interest rates, or eliminating other terms of the loan by securing funding from a new lender.

Acquiring Equity: When a business has multiple owners, whenever one of the owners leaves the company, the remaining owners typically acquire the departing owner's "equity" or share of


the company. Depending on the size of the company and the ownership interest at stake, commercial lending may be required to finance the purchase.


Secure vs. Unsecured Business Credit Cards: Ideally, it is best to obtain an unsecured business credit card whenever possible. However, if your company does not have any business credit, or if you have a poor credit history for one reason or another, you may want to consider applying for a secured credit card in order to establish or rebuild your credit profile.

With a secured credit card, the borrower deposits a certain amount of money into an account with the financial institution issuing the card, and this account is used as collateral for the credit card. Typically, 100 percent of the money deposited is reflected in the line of credit. For example, if a company deposited \$15,000 into a collateral account, it will be issued a business credit card with a \$15,000 limit.

A secured business credit card from Wells Fargo Business can provide a credit limit up to \$50,000, as long as that dollar amount is maintained in a collateral deposit account. While you will earn interest on the funds deposited in the collateral account, this interest is significantly lower (2.5 percent for the first year) than the interest charged on purchases made with the credit card (prime plus 9.9 percent APR for purchases and prime plus 12 percent APR for cash advances).

Secured credit cards are an excellent way to establish a solid business credit history, but only if you can afford to front the funds required to establish the credit card in the first place. The high cost of borrowing, combined with the lack of access to significant assets, make secured credit cards a better short-term solution. After approximately one year, it is best to try to convert your secured credit cards into unsecured cards by applying for an unsecured credit card with the financial institution that issued your secured card.

 CreditCards.com: www.creditcards.com/business.php

 CardRatings.com: www.caradratings.com

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

 LowCards.com: www.lowcards.com/businesscards.asp

 MoneySearch.com: www.moneysearch.com/creditcards/businesscreditcards.html

Loan Types:

When applying for financing for your business, you can consider either a personal loan or a business loan. When applying for a personal loan, your individual credit rating and personal assets are considered. When applying for a business loan, your company's business credit and resources are considered, as well as the personal credit of the owner. How do you determine which type of loan is best for you?

The best possible business loan is one that is based solely on the company's credit and assets. In this situation, the lender only can seek retribution from the business if the terms of the loan are not met. All of the owner's personal assets and personal credit rating are fully protected. However, these types of loan programs are very rare, and only the most qualified companies usually are approved.

A more common type of business loan takes into consideration the company's credit and assets, as well as the owner's personal credit, and is guaranteed by the owner's personal assets. While this type of loan does not protect the owner's assets, acquiring a loan like this is an important step in establishing and building business credit. The goal is to show successful business borrowing and repayment history so that in the future, your business credit will be stronger and may help you qualify for a loan that does not require your personal guarantee.

Commercial Loans: These are the most common type of business loan. You can use these loans for general purposes, such as inventory purchase, marketing, or developing a new product line. Or you can apply for what is known as a single purpose loan whereby the funds are used for a particular need, such as buying a new machine that your company needs.

Business Lines of Credit: This type of loan is similar to a revolving loan in that there is a fixed cap on how much a person can borrow. The difference with a business line of credit is

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

that once you begin to repay a portion of the funds borrowed, that repaid amount is available to be borrowed again. For instance, if you have a \$50,000 line of credit, and you borrow \$10,000 against it, your borrowing capacity is reduced to \$40,000. However, once you repay the \$10,000 and any interest charged, your borrowing power is increased again to \$50,000. Business lines of credit typically are established for a fixed period of time (like two years). However, with continued good credit, the business line of credit can be renewed, and the limit even can be increased if needed.

Business Credit Cards: Even though many small businesses are financed initially by the personal credit cards of the owner(s), the goal is to eventually establish credit in the name of the business and qualify for small business credit cards with lines of credit that can be used for any number of business expenses.

Factoring: This is a unique method of borrowing that is based on the amount of accounts receivable (funds your customers owe you based on purchases they've already made). Ultimately, factoring allows you to borrow using the funds that are owed to you as collateral. Funding usually is available within one to two days.

Loans against Retirement Plans: Many retirement plans, such as a 401(k) allow you to borrow against the money that you have contributed into the plan. The law restricts the amount of the loan to 50 percent of the balance or \$50,000, whichever is less. To get a loan, just request information and an application from the plan administrator. Typically, you must repay the total amount borrowed in equal payments over five years. Since you essentially are borrowing the money from yourself, the interest rate is very low and is credited back to your account. Usually, you can receive the funds in less than a week after your request.

Loans against Life Insurance Plans: If you have a permanent life insurance plan, such as universal life or whole life, for more than 10 years, you may be able to borrow against the cash reserve that you have built up. The money typically is available to you within a few days of your request. The interest rates charged on this type of loan are much lower the interest rates

charged for business loans. With life insurance plan loans, you have the flexibility to repay whatever amount of the loan you choose when you choose to pay it.

A company's business credit rating is influenced by many factors. Payment history, organizational structure, length of time in business, and several other aspects are taken into consideration when financial institutions are considering whether to approve a business credit application.

Understanding these dynamics and taking proactive steps to enhance your company's standing can be the difference between building solid business credit or not. Avoiding legal action and upgrading your balance sheet appearance are the kinds of steps successful businesses can take to strengthen its creditworthiness.

Number of Years in Business: Simply by staying in business, you will improve the creditworthiness of your company. Lenders are reassured by the fact that you are conducting a business that is sound enough to sustain itself when the reality is that many small businesses fail within the first year. The longer your company is successful enough to generate the income needed to successfully pay its monthly obligations and satisfy its customers, the better it looks to potential lenders. While there is nothing you can do to increase the life of your business more quickly, it is important to understand that as a start-up company, the other components of business credit will weigh more heavily until you've been in business for three to five years or more.

CHAPTER 12: STARTING A ONLINE CREDIT REPAIR BUSINESS

At the start, it will be beneficial if you assess how entrepreneurial you actually are. You need to ask yourself; ***“Do you have what it takes to start a online business?”*** Not all people are entrepreneurial! With a honest assessment in hand, you can clearly visualize your potential and hence make plans accordingly.

Being a successful entrepreneur who has started and managed several online businesses to a level of profitability, Let me start with a few hard truths of being an entrepreneur:

1. It's stressful. If you think meeting a boss's deadlines or demands is tough, try meeting your own, especially when your personal savings are on the line. Maybe you've already taken out a second mortgage and your credit cards are maxxed out. Or maybe you've borrowed money from family and friends and you're on the hook to pay them back, ASAP. This type of pressure lights a fire under even the most laid-back personalities. Not only will you feel the pressure to get your business off the ground, but you'll also feel the added pressure to do so quickly to regain some semblance of financial security. Furthermore, you will be exposed to your customers need and demands. Running a credit repair and alternative credit repair business is a very busy fast paced service! Your clients for the most part will want and need real results and expect same day service!

2. It's never-ending. Yes, it can be thankless to work for someone else, knowing your skills and talents are ultimately making someone else a bundle. But in most jobs, you can leave the work behind when you go home to enjoy your family, friends or hobbies. As an entrepreneur, the workload can be intense, especially during the early and growing stages when you are the CEO, CFO, HR person, sales staff, marketing guru, tech guy, office manager, and janitor. With all these roles, there's rarely a moment that you feel your work is "done" for the day. There's always something more you could be doing, like researching new markets, writing press releases, contacting new media, cold calling new sales outlets, developing new products and the list goes on. And that can eat away at time formerly devoted to family, leisure activities, workouts or relaxation. It's a difficult balance to strike. If you want to start a business which

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

isn't action packed, fast paced and working from a continual deadline; credit repair and alternative credit repair will be a bad fit for you.

3. It's frustrating. Maybe you've partnered with someone who doesn't have your best interests at heart. Or you're supplier of trade-lines or credit repair actually goes on vacation or drops the ball on one of your clients. Or the release of a new product you spent days preparing for is suddenly cancelled or delay due to unforeseen situations. As an entrepreneur, these types of situations happen on a regular basis. (I speak from experience; all of the above happened to me.) The truth is that you never know what's around the corner and it can be extremely frustrating when you've planned to spend a day on product development, only to find out that you have to spend time repairing a critical portion of your business and ignore several customer service call or ignore the release of a hot new product to repair a critically needed component of your business.

SO WITH THIS KIND OF STRESS, PRESSURE AND WORKLOAD, WHY, THEN, WOULD ANYONE SUBJECT THEMSELVES TO BEING AN ENTREPRENEUR? THE ANSWER IS SIMPLE: THE POSITIVES OUTWEIGH THE NEGATIVES:

1. It's rewarding. When you're successful, you reap both financial and emotional rewards. There's no better feeling than seeing a product you've worked hard to develop selling like crazy and being a benefit to the purchaser, or when you've provided successful service for a grateful client. It's exciting to make a sale or win a new client when you know it's from your own hard work; it's gratifying when customers tell you that your product, service or example has made a difference in their lives. I had a customer call in after a few months of building their CPN file tell me she was able to get a mortgage and get into her new home! That's gratification! And of course, turning a profit and knowing your business is financially stable are extremely rewarding as well.

2. It's flexible. Once you work for yourself, it's common to feel you could never work in a conventional 9-to-5 environment again. I believe it's mostly due to the flexibility. Yes, you may work more hours, but you can do so on your own terms. You can stop work at 3 to pick up the kids from school without asking your boss for permission. You can work from 10 pm to 6 a.m. if

you're a night owl. You can work from home or your own office with daycare on-site. When you're the boss, you call the shots, and the new freedom can be exhilarating.

3. It's the chance to create. Many entrepreneurs are driven by the need to build something great, help other people, or leave something behind. Credit Repair and Alternative Credit Repair is perfect for people who love to build and create while help people at the same time! Perhaps it's a business that your children can join and grow; maybe it's the legacy of creating something that will be around long after you're gone. No matter what the motivation, creating something from nothing that grows and develops through the years can be almost like raising a child; it's your baby, and you've nurtured it to its current level of success. That type of fulfillment is difficult to duplicate in most other career paths.

Why Start a Online Credit Repair or Alternative Credit Repair Business?

As you may already know, there can be many types of businesses: from selling ice-cream to managing rock concerts. But there is one specific business type which is extremely easy to start, does not require millions in funding and can be started by a single person. The business type I am talking about is an online or an internet based business. Unlike other business types which require huge startup capital and an array of MBAs, with this business type you can just rely on your smartness and hard work to get you success.

How to Start Your Own Online Business

Here I will begin by showing you how to make or create a website. This section is intended for the beginner and layperson, taking you step by step through the whole process from the very beginning. It makes very few assumptions about what you know (other than the fact that you have the Internet, and a basic knowledge of computers).

- 1. Get Your Domain Name-** We offer a free website through our affiliate program for \$9.99 per month; http://www.legalcpn.com/affiliate_get_started.html , or you can start your own website, hosting, and design.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

The first thing you need to do before anything else is to get yourself a domain name. A domain name is the name you want to give to your website. For example, the domain name of our website is " www.legalcpn.com ". To get a domain name, you have to pay an annual fee to a registrar for the right to use that name. Getting a name does not get you a website or anything like that. It's just a name. It's sort of like registering a business name in the brick-and-mortar world; having that business name does not mean that you also have the shop premises to go with the name.

2. Choose a Web Host and Sign Up for an Account

A web host is basically a company that has many computers connected to the Internet. When you place your web pages on their computers, everyone in the world will be able to connect to it and view them. You will need to sign up for an account with a web host so that your website has a home. If getting a domain name is analogous to getting a business name in the brick-and-mortar world, getting a web hosting account is analogous to renting office premises for your business.

3. Designing your Web Pages

Once you have settled your domain name and web host, the next step is to design the web site itself. I am assume that you will be doing this yourself. If you are hiring a web designer to do it for you, you can probably skip this step, since that person will handle this step. We have found great success with our web team and their can also help you design great web pages and a great website;

http://www.affiliateinformationtechnology.com/flash4less_home.html

4. Testing Your Website

You will need to test your web pages as you design them in the major browsers:

Internet Explorer, Firefox, Opera and Safari. Since all these browsers are free anyway,

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

it should not be any hardship to get them and install them. The trick however, is testing with more than one version of Internet Explorer since the later version will overwrite the earlier. One way to improve your chances that your website will work in future versions of the web browsers is to make sure your web pages' code validate as correct (that is, has no errors in its underlying code). There are numerous free web page validators listed on the Free HTML Validators, Broken Link Checkers, and Browser Compatibility Checkers page. If you want to build a web site that will literally consistently earn you \$20,000/ \$30,000/ \$50,000/ \$90,000/ \$120,000 or more you must take this step very seriously! I can not tell you the amount of updates we have made with www.legalcpn.com. I also can not tell you how many times we received comments from our clients stating a page or two of our website looks goofy their computer for some odd reason. In many cases it is directly related to their browser and they need to clear their systems files but in some cases it is a direct link the Firefox or Internet Explorer displays web pages a tad bit differently. In any event you will need to test your website in all major browsers to ensure your website is functioning properly and stay current with in web changes also to ensure your updates work properly on the world wide web.

5. Collecting Credit Card Information, Making Money

If you are selling products or services, you will need some way to collect credit card information. Credit card payments allow you to take advantage of the following types of customers:

Impulse buyers: After reading your advertisements on your site, buyers would be all fired up about your product. If they have a means of making a purchase immediately, you've secured that sale. If you only allow cheque payments, the additional time it takes for them to get their cheque book and mail out the cheque may be a deterrence. They may also have second thoughts later.

International and interstate customers: Credit card payment is a tremendous convenience if your customers are overseas, outside of your residing city location or state. It automatically takes care of the problems of currency differences as well as the time it takes for a cheque to

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

travel to the vendor. You will lose a large number of customers if cheque payment is the only way you can accept payment.

METHODS OF ACCEPTING CREDIT CARD PAYMENTS

There are actually two ways in which you can accept credit cards on your site.

- a) Using Your Own Merchant Account. To do this, you will need a bank that will allow you to open a merchant account. Requirements for this will vary from country to country, and you should check with your local banks for more information on this.
- b) Through a Third Party Merchants. There are numerous companies around that are willing to accept credit cards payments on your behalf in exchange for various fees and percentages. These are also known as "payment gateways".

Which Method Should You Use?

The initial costs of opening your own merchant account is usually lower than when you use a third party merchant. Indeed, some third party merchants have no setup fee at all. However, the transaction fee (which is what you pay the bank or third party merchant for each sale) is much higher when you use a third party as compared to when using your own merchant account. From my experience the majority of large banks such as Chase, Bank of America, and Huntington all offer merchant account services.

A third party merchant is usually convenient to use when you don't know if you can actually make much out of your product or service. If you just want to test the water to see how things are, this is usually a good way to start. It is also convenient in that the merchant takes care of everything for you. You just get a cheque, a daily direct deposit, a weekly direct deposit, or your account will build up until you request funds; period. Having your own merchant account accords your business with a certain amount of professionalism. And, as mentioned earlier, your transaction costs are usually much lower. However you have to be careful to minimize your credit card risks since you'll be processing the credit card payments yourself. This is not to say that there are no risks in using a third party merchant. You will need to be aware that most merchant banks and third party vendors are very touchy about how much money you process on a monthly basis. We have seen that if you net 10,000.00 or more with large

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

transactions such as 400.00 or more per transactions they will flag your account and quietly watch your account nervous to their risk they hold by sponsoring your account. We have also seen you can net the same sales volume from smaller sales; such as \$100.00 or less and they can care less if you blow past 10,000.00 30,000.00 or more because their exposure "PER TRANSACTION," is minimal. We have also see most banks do not like bank products you might want to sell. This means trade-lines! If your planning on selling trade-lines and you need a merchant account please be prepared to shop your business needs around.

A LIST OF THIRD PARTY MERCHANTS / PAYMENT GATEWAYS

Here's a list of some third party merchants that you might want to consider if you're looking for ways to accept credit card payments. Except for PayPal and Google I have not actually tried any of them myself (as a vendor). Check them out carefully and use them at your own risk. Note that rates and stuff that I publish below were correct at the time I investigated these vendors. It will most likely have changed by the time you read this since the merchants tend to modify their rates from time to time according to market conditions. Make sure that you check the current (up-to-date) details from their site before making any decision.

THE LIST IS ARRANGED ALPHABETICALLY.

Amazon's WebStore: This well known company allows you to create a store front that accepts orders and processes credit card transactions for you. You can associate your domain name with this store, so that you don't even have to create a website: the store, which you can customize, will become your website. The first month is free, and there is a fixed charge of \$59.99 per month after that. For a higher monthly fee, \$99.98 after your first free month, you can elect to have your goods sold on the main Amazon site, in addition to your own store. <http://webstore.amazon.com/>

CCBill: There are no setup fees. Transaction fees vary (I can't find the schedule though) depending on the volume of sales in each accounting period. According to their website, "these fees are never more than 13.5% of revenues charged during this one-week period for CWIE hosting clients and 14.5% for non-hosting clients". <http://www.ccbill.com/>

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

CCNow: This is only for people who ship tangible, physical products. There is no setup fee, and they charge 9% per transaction except in the November and December where the fees are 8% per transaction (yes, lower). <http://www.ccnow.com/>

Google Checkout: Google has its own payment gateway that is available for US and UK sellers. It is mainly for use if you are selling tangible and digital goods, although you can also use it to charge for services and subscriptions. Charges range from 1.9% + \$0.30 USD to 2.9% + \$0.30 USD per transaction, depending on the volume of sales in the previous month. If your buyer is not from your country (ie, not in the US if you are in the US, or not in the UK if you are in the UK), there is also another 1% processing fee. https://www.google.com/accounts/ServiceLogin?service=sierra&continue=https%3A%2F%2Fcheckout.google.com%2F%3Fgsessionid%3DF9Q_DxV4ST0%26upgrade%3Dtrue&hl=en_US&nui=1&tmpl=default

Kagi: Kagi's fees seem to vary according to the order size, type of item sold and the type of payment (credit card, cash, money order) used by your customer. <http://www.kagi.com/index.php>

PayPal: This well-known service allows you to set up a Premier or Business account (you can't receive credit card payments using a Personal account). The charges range between 1.9% + \$0.30 USD to 2.9% + \$0.30 USD for each transaction if you are in the US. Non-US users are charged different amounts according to the country. From experience, I find this service easy and fast to setup. <https://www.paypal.com/row/mrb/pal=694RGAUPTXTGL>

ProPay: A new competitor to PayPal (see elsewhere on this page) that currently only caters to US residents. Depending on the type of account you sign up for, you have to pay an annual fee (starting from \$34.95) as well as transaction fees of 3.5% + \$0.35 USD. However, to accept cards like American Express and Discover, you have to use their more expensive plans. <https://epay.propay.com/>

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

RegNow: Designed for software authors to sell their ware, this merchant charges a one-time activation fee of \$19.95 USD plus a transaction fee of 6.9% plus \$1 USD per unit for their commission (minimum \$2 USD charge). They also provide you with facilities that allows you to easily set up an affiliate program. <http://www.regnow.com/>

How to Put an Order Form or Shopping Cart on Your Website

Once you have signed up the vendor of your choice, you will be able to put an order form or shopping cart on your site. Each vendor has a different method for this, but most, if not all, will provide you with premade forms that you can customize for your product or service.

6. Getting Your Site Noticed

When your site is ready, you will need to submit your site to the search engines, particularly Google. You can find the Google submission page by clicking this link; <http://www.google.com/addurl/> . However, submitting your site to Google alone is, quite frankly, a pointless endeavour. If there are no other links to your site on the web, Google will be reluctant to index your site and show results that include your pages. If there are many other links to your site, you don't even have to bother to submit it to Google - it will find your site by itself.

This is where promoting your website is important. This involves many things, including the usual way people did things before the Internet: advertisements in the newspapers, word-of-mouth, etc. You might want to consider advertising on places like Yahoo! (which puts your ads on Yahoo!, AltaVista and CNN), Ask (which puts your ads on Ask, Excite, Match.com, Gifts.com, etc) or Google. Ads can also be a quick way to get onto the first page of a search engine's results page.

There are also Less Obvious Ways of Promoting Your Website, which you might want to consider.

Everyone knows that if you want to promote your website, you need to work on your search engine listings. What is perhaps lesser mentioned is that there are other ways of drawing traffic

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

to your site that are sometimes missed by the newcomer. Some of these can prove to be quite good at drawing traffic.

a) Advertising

Don't underestimate the value of an advertisement, delivered at the right time in the right place. If you have the budget, you might want to consider advertising on other sites or in the search engines itself. For example, at this time, Yahoo! (which puts your ads on Yahoo!, AltaVista and CNN), Ask (which puts your ads on Ask, Excite, Match.com, Gifts.com, etc) have advertising programs for web publishers that allows them to advertise according to their budget on their sites and as well as participating websites. These companies usually show your advertisement on pages that have the appropriate context - for example, if you choose the keyword "bicycle" for your bicycle advertisement, the companies will attempt to place your advert on search results (and possibly sites) relating to bicycles, thus making it more likely that the people reading your ad are those who are interested in bicycles.

b) Newsletter Methods

I've mentioned previously how important it is to have a free newsletter that your visitors can sign up on your website. In particular this can serve as a link between you and your visitors, benefitting both parties, and drawing return visitors to your site. You can actually promote your site and draw *new* visitors by having your own newsletter. How is this done?

1. Newsletter Announcement Lists

If your newsletter has useful content, you can actually promote your newsletter on the numerous newsletter announcement lists on the Internet. Targeted carefully, you can actually bring new visitors who want to check your site out after reading your announcements. There are probably too many lists for me to exhaustively name in this release. Indeed, some of them are only frequented by webmasters like you and me whose only purpose there is to announce their own

list. You will probably find out soon enough which announcement list works best for your newsletter and target group if you stagger your announcements and examine your web logs after each announcement is made.

Here are a couple of announcement lists to get you started:

- [AAnnounce](#)
- [New-List](#)

There are many more around which you can find with a little research or google searching.

2. Newsletter / Ezine Directories

Besides newsletter announcement lists, there are also numerous ezine directories where you can list your newsletter or ezine. These might draw some traffic to your site too, depending on their popularity and your target group.

2. Free Articles for Republication

If you write your own original articles, you can actually make those articles available to other websites and newsletters for republication. The usual policy is that other sites and newsletters can republish the article only in its entirety without modification, and the author's byline and links to his website (usually at the bottom of the article) must be preserved.

This supposedly results in a mutually beneficial transaction - the other website (or newsletter) gets to use good articles which can draw in visitors to their site. You get free publicity, since your byline will include a link back to your website and brief information about what it offers. There are, however, downsides to this. Nonetheless, if you wish to allow your articles to be published by others, there are at least a couple of ways you can get this done.

One way is to simply post a note on your site saying that all articles are free for republication and that the person who wants to reprint them need not specifically get your permission to do it. This allows your article to spread fast around the web.

Another way is to require other websites to request permission from you, which you will grant freely. This results in a slower distribution of your articles, but it has the advantage of your being in better control of its distribution.

You can also post your articles on certain sites and mailing lists designed for webmasters who are looking for articles to reprint. One such site is [Ezine Articles](#).

3. Free Software

If you are adept at writing your own software, you might consider offering free versions on your site to attract visitors. Offering your own original software allows you to leverage on the free advertising done by the numerous software sites on the Internet which drive traffic to your site. I know you're considering credit repair and alternative credit repair as a business but if you can write software I see a tremendous opportunity for you. Note if your free software is unrelated to the theme or products offered by your main site, the best you get is untargeted traffic, which may consume your bandwidth without necessarily increasing your revenue.

4. Free Ebooks

Essentially, having an ebook that is freely available has good promotional potential. You can submit the free ebook (which will promote and distribute your ebook for you free of charge) and encourage your visitors to pass it to their friends. An example of a free ebook site where you can submit your Ebook is <http://www.free-ebooks.net/>.

5. Links from Other Sites

There are webmasters who claim that the main source of their visitors come from links from other sites. While I can't claim that for www.legalcpn.com as yet (the search

engines are still the biggest referrers by far), it is true that a certain percentage of my visitors come from links on other sites.

How do you get others to link to you?

1. Set up your own Reciprocal Links page where you can put links to other sites.
2. Prepare some HTML code which the other sites can use to link to you, and put it in a Link To Us page for the convenience of other webmasters.
3. Look out for related websites which have a Reciprocal Links page. Put a link to their site in your Links page, and ask them for one in return. They're more likely to consider your request if you're already linking to them and if you ask politely.

Perhaps by far the most important thing you need to do to get others to link to you is to put up useful content. That is, don't concentrate solely on talking about your products and services. When other webmasters see a useful site, they will link to you without your even having to request that link. I don't think I have ever written to anyone to specifically request that they link to this site (except to submit to the usual directories). Webmasters like to link to useful sites, since it has the effect of increasing the value of their own site (strangely, having good links actually attracts return visitors - this is how blogs work). Make your site useful, and you will be surprised to find people linking to you without your asking. It is also very important to watch out for un-neighborly webmasters who will make an attempt to use a negative link to your website in an effort to promote their site. In this case simply send the webmaster a notice of to remove your name from their site if you feel for some reason your name is being used in poor taste.

Get Started

There are many other ways to promote your site besides getting a good search engine ranking. Work on these alongside your search engine submission activity, and you will probably find that your efforts will pay off with increased traffic and increased sales. You have chosen a great career and business option by choosing credit repair and alternative credit repair, so I'd be shocked if after a few months or within your first year business was slow.

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.

Conclusion

Naturally the above chapter is not exhaustive. It is a distillation of some of the essential steps in getting started with your website and building a profitable web based business. The key to this passage was within the my last statement; to allow the first few months up to your first year in business. Allow time and customer service to grow you business. If you want more information, you should read the other articles related to this topic or read more information within areas needed to help you build your web business. However, the above chapter should be enough to help you put your website on the Internet.

Copyright 1999-2010 A Consumer Holding LLC; Legal CPN; Matt Cohen, All rights reserved.

Get more information and articles please visit my website www.legalcpn.com

Disclaimer: The 2010 CPN Secrets E-book is for informational purposes only. www.legalcpn.com makes no representations or warranties about the accuracy or suitability of this information. The information provided in this E-book does not constitute legal advice nor should it be considered as such. This E-book is for INFORMATIONAL PURPOSES ONLY; All responsibility for the use or misuse of this information lies solely on the user.