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### *NACA Defending Servicemembers by Building an Army of Informed Consumers*

The National Association of Consumer Advocates (NACA) is a non-profit association of attorneys and consumer advocates committed to representing consumers' interests. This Handout addresses issues arising under the Equal Credit Opportunity Act.

1. The Equal Credit Opportunity Act ("ECOA") is a federal law which prohibits credit discrimination on the basis of race, color, religion, national origin, sex or marital status, or age.
2. ECOA prohibits a creditor from requiring a spouse's signature on a loan when the applicant individually qualifies for credit.
3. A potential lender or credit grantor must notify you within 30 days of receipt of a completed credit application of its action on your application.
4. Adverse Action Notice. If your application for credit or a loan is denied, you are entitled to a statement setting forth the reasons for the denial. You are also entitled to this notice if there is a change in terms of an existing credit arrangement, such as an increase in your interest rate.
5. Appraisal Report: Upon written request, you are entitled to a copy of the appraisal report used in connection with an application for a loan which would have been secured by your home.
6. If ECOA is violated, you may be entitled to recover your actual damages, punitive damages (not to exceed \$10,000), and your attorney's fees and costs.
7. Actual damages may include out-of-pocket monetary losses, injury to credit reputation, and mental anguish, humiliation or embarrassment.
8. The statute of limitations, or the time in which you have to bring a case for a violation of ECOA, is two years from the date of an alleged violation.

This handout is for information purposes only and is not intended to be legal advice. If you need legal advice and assistance you may see legal advice from your Legal Assistance Office. Legal Assistance Offices can be located at <http://legalassistance.law.af.mil/content/locator.php>. You may also locate and contact a NACA attorney in your area logging on to <http://naca.net/find-attorney>.