



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Secretary

August 13, 2014

Mr. Jessie Barginear
State of Illinois

Re: *In the Matter of Credit Karma, Inc., File No. 132 3091, Docket No. C-4480*

Dear Mr. Barginear:

Thank you for your comment regarding the Federal Trade Commission's proposed consent agreement in the above-entitled proceeding. Your comment raises concerns about the fairness and accuracy of consumer reports, indicating that your credit score is related to factors such as the number of inquiries, whether a creditor goes out of business, and whether you pay off a creditor, among other things.

We understand your frustration and share your concern that it can be difficult to decipher the many factors that influence your credit score. One way to learn more about the factors that go into your credit score is to look at scoring companies' websites. For example, FICO, the company behind the most widely used credit score, states that inquiries usually have a small impact, but that they can have "a greater impact if you have few accounts or a short credit history." FICO also states that closing old accounts will not raise your credit score, and might even lower it, because "long established accounts show you have a longer history of managing credit, which is a good thing." You can find more information from FICO at http://www.myfico.com/Downloads/Files/myFICO_UYFS_Booklet.pdf. We also urge you to review the publications we have developed for consumers on issues related to their credit reports, including one that we recently updated called "Building a Better Credit Report," <http://www.consumer.ftc.gov/articles/pdf-0032-building-a-better-credit-report.pdf>, which includes tips for improving your credit history. We also encourage you to request your free credit report from <http://www.annualcreditreport.com> at least once a year. For more information on how to do so, please see <http://www.consumer.ftc.gov/articles/0155-free-credit-reports>.

Although the proposed order with Credit Karma, Inc. is designed to address the data security concerns detailed in the Commission's complaint, the Commission is also committed to protecting consumers in financial distress. The Commission has numerous resources for financially-distressed consumers that can be found on our website at <http://consumer.ftc.gov>. Also, we have entered your complaint in our Consumer Sentinel complaint system. For future reference, you may contact the FTC's Consumer Response Center at (877) 282-4357, or file a complaint online at www.ftccomplaintassistant.gov.

The Commission has placed your comment on the public record pursuant to rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. §4.9(b)(6)(ii). Having considered all the facts of this case and all of the comments submitted in response to the proposed order, the Commission has now determined that the public interest would best be served by issuing the Complaint and the Decision and Order in final form without any modifications. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. The Commission thanks you again for your comment.

By direction of the Commission, Commissioner McSweeney not participating.

Donald S. Clark
Secretary