



**A nationwide class action was filed today in Birmingham, Alabama against Farmers Insurance Group over the use of its customers' credit reports.**

*A nationwide class action was filed in Birmingham, Alabama today against the Farmers Insurance Group. The suit alleges that Farmers does not properly notify its customers of its use of their consumer reports in violation of the Fair Credit Reporting Act. The Fair Credit Reporting Act is a federal law that regulates the use of information about consumers.*

([PRWEB](#)) November 24, 2002 -- The credit reporting act requires companies to notify their customers whenever information in their consumer reports is used against them. According to Earl P. Underwood of the firm of Rice, Adams & Underwood, Farmers does not identify the source of insurance claim and driver's record data that it obtains from a company called "ChoicePoint". The notices sent by Farmers to its customers state that driver's record information was obtained from the department of public safety. "This is not sufficient to comply with the credit reporting act", according to Underwood. "The act", he says "requires users of a consumer's information to notify the consumer of the source of the information used against him so that he can order a copy of the report and check it for accuracy." The use of credit reports by insurance companies although perfectly legal is a wide spread and sometimes controversial practice.



**Contact Information**

**Earl Underwood**

Rice, Adams, & Underwood, PC

<http://www.alalaw.com>

256-237-2920

**Online Web 2.0 Version**

You can read the online version of this press release [here](#).