

Credit Scoring — Take Charge!

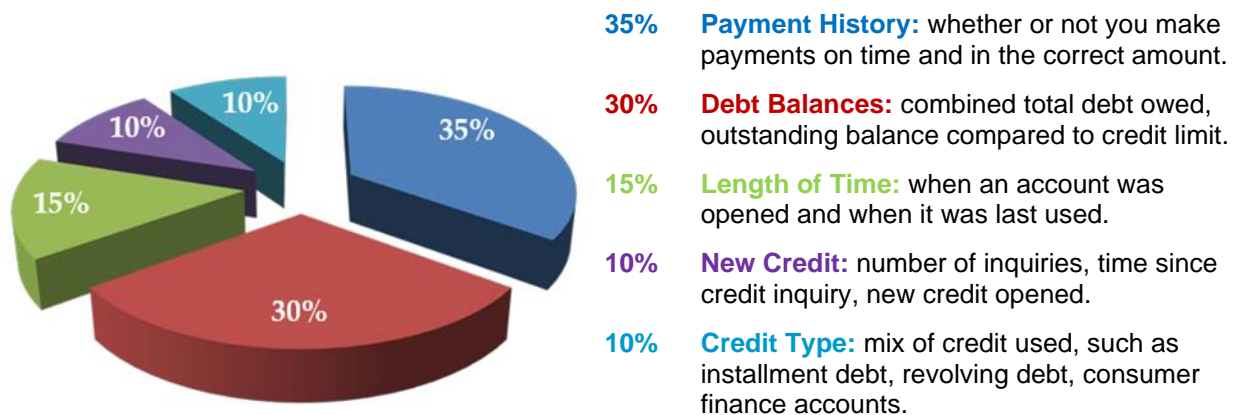
Credit scoring may be used with decisions on eligibility for loans, the cost of insurance premiums, and even employment or rental applications. A credit score is a calculation based on factors from your credit report at the time the score is requested. Scores can be improved with strategy and time.

Highest and Lowest FICO Scores

The FICO score was created by Fair Isaac Corporation. FICO scores range from 300 to 850. A lower score often results in paying more for the cost of credit and services, so it is worthwhile to know the factors to improve scores. Ideally, reaching a credit score of 700 or higher is recommended.

Credit Score Factors

FICO scores are based on a combination of five main kinds of credit information; some have more impact.



Key Strategies to Maintain and Improve Credit Scores

- Pay bills on time and before the due dates with at least minimum payments requested on billing statements.
- Keep debt balances below 30% of the credit limits, e.g. for a \$1,000 credit limit then owe no more than \$300.
- Apply for and open new credit accounts and services only as needed.
- Check credit reports for errors, make corrections, and remove outdated negative information.

Credit reports are free once a year! Know what is on your credit reports and request one from TransUnion, Experian, and Equifax at annualcreditreport.com or by calling 877.322.8228. While reports are free, expect to pay a small fee for each score requested. Special note: obtaining your own credit report directly from a credit reporting agency will not affect your credit score.

BUILD A BRIGHTER FUTURE — YOU CAN DO IT!