

# Acceleration

MONEY MANAGEMENT FOR LIFE



VERSION 1.1

## Understanding Your Credit Report

Now is a great time to review your credit report. Information in your credit report directly impacts your ability to obtain a credit card, buy a car or home, rent an apartment, or get a new job. It can even affect your auto and home insurance rates.

### What is a Credit Report?

A credit report is a record of data or information regarding your credit history. It includes your personal information, credit history and public records. Credit bureaus keep and organize this information as a service to creditors, insurance companies, landlords and employers. Credit bureaus provide a very clear way for users of credit information to obtain information on how you've paid your bills in the past.

In the U.S., there are three major credit bureaus.

**Experian:** 1-888-397-3742

**Equifax:** 1-800-685-1111

**Trans Union:** 1-800-916-8800

### How Long Does Information Stay on a Credit Report?

Credit bureaus are limited to the time that they may keep information on your credit report. Positive information can remain indefinitely. Accurate negative information generally can stay on your report for seven years.

### How Can I Dispute Information?

Carefully review your credit report for incorrect and/or outdated information. By law, both the credit bureau and the organization that provided the information to the credit bureau have responsibilities for correcting inaccurate or incomplete information in your report. If you find errors, contact the credit bureaus and your lender.

### What is My Credit Score?

A credit score is a number that lenders use to help them decide – “If I give this person a loan or credit

card, will I get paid back on time?” It is one of several pieces of information used when evaluating your application for credit.

A credit score is a snapshot of your credit risk picture at a particular point in time. It changes as new information is added to your credit report. Only information that is proven to be predictive of future credit performance like payment history, level of indebtedness, and the age of your credit history is used.

### How Can I Improve My Credit Score?

Scores reflect credit payments over time with more emphasis on recent information. To improve a score:

- Pay your bills on time
- Keep balances low on unsecured revolving debt, like credit cards
- Apply for and open new credit accounts only as needed

Your credit score will improve over time if you make changes in the way you handle credit now.

### How Can I Obtain a Copy of My Credit Report?

You can get a free copy of your credit report from each of the three major credit bureaus once a year. See the inset information box. Once you receive the credit report, a counselor at Accel, your credit union's financial education and counseling partner, is available to review the report with you. They will help you understand how to read the report, show you how to dispute inaccurate information, and discuss credit scoring.

### Get Your Free Reports Today

**By Phone:** 1-877-322-8228

**Online:** [www.annualcreditreport.com](http://www.annualcreditreport.com)

**By Mail:** Annual Credit Report Request Service  
P.O. Box 105281  
Atlanta, GA 30348-5281



## CAUTION: *Your Identity is at Risk*

Millions of Americans are affected each year by identity theft. If your identity is stolen, you could spend months or years and possibly thousands of dollars reclaiming your name and cleaning up the mess that the thief has left you.

You can minimize your risk by aggressively managing your personal information and through continual awareness of the problem. Here are some examples:

### **Social Security Number – The Key to Your Castle**

- Do not carry your Social Security number with you
- Keep it in a secure location like a safe at home
- Give your Social Security number only when it is absolutely necessary
- Never put your Social Security number on checks

### **Passwords – As Good As Gold**

- Create passwords for all of your accounts
- Do not use easily identifiable information
- When you are asked for your mother's maiden name on an application for a new account, try using a password instead
- Store your passwords in a safe place like a safe at home

### **Technology – Be on the Lookout**

- Update your virus protection software regularly on your home computer
- Use a secure browser to guard the privacy of your online transactions
- Download security repairs or patches from your operating system's web site
- Don't download files from strangers or click on hyperlinks from people you don't know
- Keep a record of purchases made online
- Avoid using the automatic log-in feature offered on online services that saves your username and password

### **At Home – Manage Your Personal Information**

- Buy a crosscut shredder and destroy unneeded documents that include personal information
- Don't leave personal information in plain view where roommates, relatives or outside help can see it
- Stay on top of your finances, especially bill due dates, so you'll know if a bill is missing
- Report any questionable charges on your bills
- Don't put your credit card number or account number on checks when you pay your bills by mail
- Keep all credit card receipts and cross reference them with your credit card statement to make sure you are billed for the correct items
- Monitor your bank accounts and reconcile your checkbook regularly
- Guard your mail and your trash

### **When You Are Out and About**

- If you pay for merchandise with a check, don't allow the clerk to write your credit card number on the check
- Carry only the information that you actually need
- Don't lay your credit card down on a counter or table

### **At Work – Practice Security and Question Everything**

Protect your personal information at work. Find out who has access to your personal information and whether records are kept in a secure location. Also ask how records are destroyed when they become outdated.

In sum, make sure you protect what you can control as best you can. Then constantly monitor your financial records to make sure thieves haven't gotten hold of the data that is out of your hands. The best offense is a good defense. Be aware of identity theft, keep close track of your information and report any suspicious activity immediately.

As a member of (Credit Union), you can take advantage of the *Accel* program, a **free** financial education and counseling program. To use this service, simply call 1-877-33ACCEL (332-2235) or visit them on the web at [www.accelservices.org](http://www.accelservices.org)

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HERE