

## Consumer Resources

### National Foundation for Credit Counseling

(NFCC): [www.nfcc.org](http://www.nfcc.org)  
Phone: 800-388-2227

### Equifax

[www.equifax.com](http://www.equifax.com)  
Phone: 800-685-1111

### Experian

[www.experian.com](http://www.experian.com)  
Phone: 888-397-3742

### TransUnion

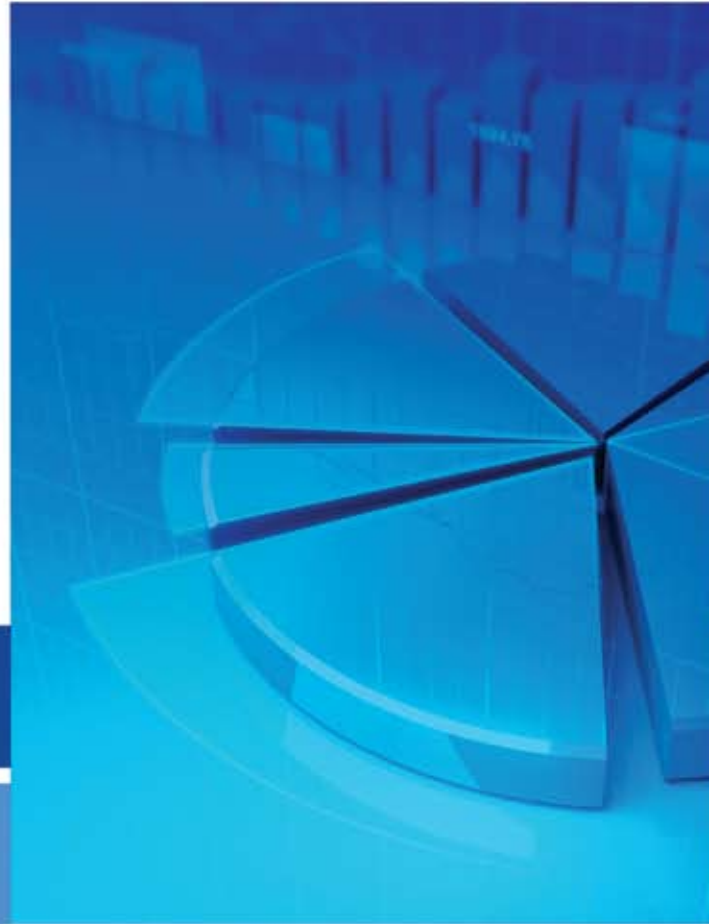
[www.transunion.com](http://www.transunion.com)  
Phone: 800-888-4213

[www.optoutprescreen.com](http://www.optoutprescreen.com)

[www.MyFICO.com](http://www.MyFICO.com)

[www.credit.com](http://www.credit.com)

[www.cnnmoney.com](http://www.cnnmoney.com)



As most people already know, your credit score is very important. It is something that will always be a measure of your credit worthiness and sometimes used to judge your overall character by employers. A FICO score, named for its originator the Fair Isaac Corporation, is a quick gauge of one's ability to repay debt. FICO scores range from 300 to 850, the higher the score, the better. Many consumers feel helpless and aren't quite sure what to do to improve their credit score. There are several steps that can be taken to improve your credit score other than freezing your credit card in a block of ice or sticking it in the shredder.



### Review credit reports.

One extremely important thing a consumer should do is to annually review their credit report to check for any inaccuracies or fraud. Each year, credit agencies are required to provide a free copy of your credit report to you. These three main credit reporting agencies are Experian, Equifax and TransUnion. The information you find on your reports should be consistent from one agency to the next. If you find any inconsistencies, be sure to address them immediately and dispute any inaccuracies. Any inaccuracies can have a negative impact on your score.

### Pay bills on time.

The second way to improve your credit score is by doing the obvious thing which is paying your bills on time. Many people do not realize that paying their bills on time counts for 35% of their credit score, the greatest factor of your credit score. If you are behind in your bills, try to catch up and stay up. Paying bills on time for a long period of time lays a solid credit foundation.

### Keep balances low.

Another method to improving your score is by keeping credit card balances low. Having a high credit card balance makes a significant impact on your credit score and counts for 30% of your credit score. Experts say that keeping the balance below 25% of your credit line will make a huge difference in your credit score. Many consumers are under the impression that if they make it a point to pay off their credit cards every month that they will have a better score. However, paying off credit cards every month is irrelevant as your score is calculated based on the average balance and will impact the score.

### Establish long-term credit history.

Fifteen percent of a person's credit score is based on the length of their credit history. Creditors like to see that a person has experienced using credit and has established a solid foundation of credit accounts. Closing a very old credit card can hurt your score. Instead of opening new credit accounts, focus on maintaining older accounts. Obviously, it may be hard not to acquire new credit and may be necessary in some situations. If this is the case, do your best to limit the number of new accounts, making it easier to manage payments and avoid going into debt or decreasing your score.



### Avoid several credit requests.

Each time a lender or creditor requests your credit report it is recorded and can be found on your credit report. The total number of request makes up about 10% of your score. Several credit requests for loans such as car and home loans will not affect your credit score heavily if all requests are done within a 30-day time span. Unsolicited credit offers of preapproved credit will also be recorded on your report. Consumers can go opt-out of unsolicited offers via mail by going to [www.optout-prescreen.com](http://www.optout-prescreen.com) or calling 888-567-8688.

### Obtain a variety of installment and revolving accounts.

The last action that contributes to your overall credit score is having different types of installment and revolving debt. Roughly 10% of your score is compiled on the type of credit you have. Though it is a good idea to have a variety, try not to have too many accounts, especially if your budget doesn't have room for them.

