

What Are My Rights?

The Fair Credit Reporting Act gives you the right to know when information in your file is used against you, to dispute incomplete or inaccurate information and to have inaccurate information corrected.

Keeping Your Credit Healthy

Check with your banker to learn more about credit and maintaining good financial health. For more information about credit reports and scores, visit the Federal Trade Commission at ftc.gov.



Ask Your Banker...

Know Your Credit

Know Your Credit

What Is a Credit Report?

A credit report is an accounting of whether you pay your bills and your loans on time. It's a measure of your financial responsibility. Your personal credit report is prepared by credit bureaus or credit reporting agencies and is an important indicator that lenders use to decide whether to loan you money—and at what rate.

A law called the Fair Credit Reporting Act gives you free access to your credit report once a year from the companies that track your credit—Equifax, Experian and TransUnion. Checking your credit enables you to correct any errors, or discover whether you've been the victim of identity theft, which occurs when someone else opens an account in your name.

How Can I Get My Credit Report?

You can request your credit report online or by phone. Here's how:

- Online at annualcreditreport.com.
- By phone at 877-322-8228.

You can ask a different credit bureau for a report every four months so you can monitor your credit throughout the year. Be sure to check these key areas:

- **Timeliness**—If it shows late payments and you have always paid your loans on time, correct the error immediately.
- **Accounts**—Make sure all the accounts are yours. Identity thieves often open accounts using stolen information.

What Is a Credit Score?

A credit score is a number that credit bureaus and other companies develop. Lenders use it to decide whether to lend you money and at what rate. Your credit score can be influenced by whether you pay your loans on time and whether you fail to pay your bills. Each credit bureau may have different information about you, so your score may vary from one company to another. While your annual credit report is free, you often have to pay for your credit score.

The higher your score, the better your chance of getting credit and getting it with a lower interest rate. Since your credit score is highly dependent on your credit report, it's critical that your credit report be accurate. Late payments, a past bankruptcy, debt collections or a court judgment ordering you to pay a debt will negatively affect your credit score. Using all the credit you have available—that is, maxing out your credit cards or other lines of credit—may lower your score.

Paying your debts on time and demonstrating responsible debt management will help build your score.

But keep in mind that scores are built over time. Don't expect to have a high score if you don't have a long history. Fair Isaac & Co. produces an index known as a FICO score that some lenders rely on in setting mortgage and other loan rates.