

No romance without finance...  
Get your finances in order!

# HOW TO INCREASE YOUR CREDIT SCORE

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## GETTING A FREE CREDIT REPORT

Your credit score is used by most financial institutions to determine if you qualify for loans, credit cards, and insurance policies. You are entitled under federal law to receive a free credit report every year. You can do this with each of the three major credit bureaus: Equifax, Experian, and TransUnion.

## INFORMATION IN YOUR CREDIT FILE

Make sure that all the personal information is correct such as name, address, social security number, and date of birth. You can request that incorrect information be corrected and that outdated information be removed. These include debts more than seven years old, bankruptcies more than ten years old, and delinquent tax liens more than fifteen years old.

It's important to verify and correct all three reports since they will almost never contain the same information. These companies all collect data from many different sources for consumers across the country, and they use their own methods for analyzing and compiling the information.

## CORRECTING YOUR REPORT

Review your report in detail and document all errors that conflict with your account statements. Notify the credit agencies in writing of all errors and include copies of your backup documents, annotating the specific creditors and account numbers that you are disputing.

You can also contact your creditors directly to advise them of errors you found on your report, and ask

that they be corrected. If they are not responsive to your request, you have the option of contacting the Federal Trade Commission to file a complaint. Under its referral program, the FTC will forward your disputed entries to the credit bureaus with instructions to review your case, make appropriate corrections, and respond with results.

## TIPS FOR IMPROVING YOUR SCORE

Start with making your payments on time for your loans and credit cards, and pay more than the minimum due whenever possible. Reduce your number of credit cards to two or three, and keep the outstanding balance well below your credit limit. A prevalent myth is that the more cards you have, the higher your score will climb, but this only makes it appear that you are overextended on your debt.

If you have difficulty making your payments, contact your creditors and attempt to negotiate a solution. It's also wise to minimize the frequency and number of inquiries into your report as this is viewed a possible sign of trouble ahead. Finally, don't close your old paid-off accounts because the length of your credit history is a critical factor in influencing your overall score.

