

# Your Personal Credit Report

Sometimes called a credit file or a credit history, the personal credit report details a consumer's financial behavior and identification information in a consumer-friendly format that makes it easy for you to understand what a lender sees when they review your credit history. Information on the report is obtained from your creditors, public records and other reliable sources which report their data to the three major credit bureaus: Experian, Equifax and TransUnion. Not all creditors report credit information about you to the credit bureaus and those that do may not report information to all three bureaus. This means that your credit report at one bureau may not contain exactly the same information as your report at the other two bureaus.

We suggest that you check your personal credit report often in order to know and understand what is being reported about you. This is one step to maintaining your financial health.

Several websites appear to offer you a free credit report. Many of these sites, however, attempt to also sell you other credit related products and this can result in purchases you may not have intended. The government sponsored site for this purpose is [www.annualcreditreport.com](http://www.annualcreditreport.com) where you are able to receive a free credit report from each of the three credit bureaus once each year. You can also call toll free [1-877-322-8228](tel:1-877-322-8228) and ask that your reports be mailed to you.

## Sections you will find on your personal credit report are:

- **Personal data** - Includes information associated with your records that has been reported to the credit bureaus by your creditors and other sources. It may include name variations, your driver's license number, Social Security number variations, your date of birth, your spouse's name, your employer and information about your residences. As part of our fraud prevention program, a notice with additional information may appear in this section.
- **Credit information** - Lists most of your credit accounts, the date when those accounts were opened, payment history, debt owed and any co-signers.
- **Public record information** - A compilation of public information gleaned from courthouses; this section includes bankruptcies, monetary judgments stemming from lost court cases, federal and state tax liens, and overdue child support payments.
- **Inquiry information** - Contains a list of those individuals and organizations that have recently sought information from your credit report because you applied with them, or for other permissible purposes of the law. These might include lenders, insurers, employers and stores that want to increase the credit lines of customers who meet certain criteria. Certain inquiries generate pre-approved credit card offers. Some inquiries, such as for employment purposes, are considered "soft hits" and not displayed to normal creditors.
- **Consumer statement** (optional) - You can contribute a statement addressing an issue on your report by submitting your request in writing to the three major Credit Bureaus.

## Five Tips for Good Credit Health

- 1. Check your credit report regularly.** Your credit report is constantly updated with new information. Therefore, regular monitoring is one of the most effective ways to understand how you are being perceived by credit grantors. Review your reports from all three credit bureaus for accuracy once a year as well as several months before applying for a loan. Changing a mistake on your report - such as a payment that is wrongly labeled as late - can take 30 days to three months, sometimes longer.
- 2. Protect your identity.** Never give out personal information, especially Social Security numbers, unless the person is known to you or you initiate the transaction. Keep copies of all communications you receive from creditors in a safe place. Missing or unusual mail, such as statements you don't recognize, can be early signs of identity theft. If you believe you may be a victim of identity theft, contact your local law enforcement agency to file a police report, your credit issuers and the credit bureaus to place a fraud alert.
- 3. Know your credit score and what it means.** Your credit score is a snapshot of your creditworthiness. Credit grantors use the score to help assess their risk in doing business with you at a specific point in time. As information in your credit report changes, so will your score.
- 4. Pay down your credit cards and revolving balances.** Carrying balances close to your credit limit may have a negative impact on creditworthiness. This is a heavily weighted factor in your credit score and lowering your balances and paying down your debts demonstrates financial responsibility and can help raise your credit score. You should pay off balances in full each month or, if you need to carry a balance, try to keep it to less than 35 percent of your credit limit.

Further, since the ratio of your credit card balance to your credit limit is key, closing out an account and transferring the balance simply means you increase that ratio, which is likely to lower your score. In other words, say you owe a total of \$2,000 on four credit cards, each of which has a \$2,000 limit. Your total credit limit is \$8,000, of which your total balance (\$2,000) accounts for 25 percent. If you transfer all your balances to two cards and cancel the other two, your total credit limit is reduced to \$4,000, and your \$2,000 balance now accounts for 50 percent of that limit.

You should also avoid opening new accounts when applying for a loan. If you have a short credit history or very few accounts, opening a new credit line may lower your score since you don't have a proven track record. What's more, adding a new account will lower the average age of your accounts, another factor in your credit score.

- 5. Pay your bills on time.** One of the biggest impacts to your creditworthiness is your payment history. Be punctual. Late payments, collection accounts and bankruptcies have the greatest negative effect on your credit reputation. This is especially true of a late or missed payment in the past few months and is likely to lower your score much more than an isolated late payment older than 4 years.

## Disputes and Fraud Alerts

### Send written disputes to:

**Equifax Consumer Disputes**  
P.O. Box 740256  
Atlanta, Georgia 30374

**Experian Consumer Disputes**  
P.O. Box 9555  
Allen, Texas 75013

**TransUnion Consumer Disputes**  
P.O. Box 34012  
Fullerton, CA 9

To contact the FTC who governs the three major credit bureaus:

**Federal Trade Commission**  
Consumer Response Center  
Room 130  
600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20580  
[www.ftc.gov/credit](http://www.ftc.gov/credit)

### To place a fraud alert:

You have the right to ask that nationwide consumer credit reporting companies place "fraud alerts" in your file to let potential creditors and others know that you may be a victim of identity theft. A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide consumer credit reporting companies. As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file .

- Equifax: 1-877-576-5734; [www.equifax.com](http://www.equifax.com)
- Experian: 1-888-397-3742; [www.experian.com/fraud](http://www.experian.com/fraud)
- TransUnion: 1-800-680-7289; [www.transunion.com](http://www.transunion.com)

An **initial fraud alert** stays in your file for at least 90 days. An **extended alert** stays in your file for seven years. To place either of these alerts, a consumer credit reporting company will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an extended alert, you will have to provide an *identity theft report*. An *identity theft report* includes a copy of a report you have filed with a federal, state, or local law enforcement agency. For more detailed information about the *identity theft report*, visit [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft).