What’s Your Financial GPA?
Understanding Your Credit Score

What is a credit score?

• __________ method that predicts the likelihood an account will go delinquent or bankrupt.

• A credit score is only based on information in your credit report.

• A score is a __________ analysis of what your file looks like at the time of application.

FCRA regulates who can look at your credit report. Only people or businesses with “permissible purpose” can access your credit report such as:

• __________

• __________

• Government Agencies

• Collectors

• __________

• Utility and Insurance Companies

Three credit report agencies:

• TransUnion
• Equifax
• Experian

How to get a copy of your credit report and score:

1) www.annualcreditreport.com report free once each 12 months, VantageScore
Length of Credit History - _________%
New Credit - _________%
Types of Credit - _________%

= 100%

Compare two of the different credit scores, FICO and VantageScore:

<table>
<thead>
<tr>
<th>FICO score range is 300 – 850</th>
<th>VantageScore range is 501 - 990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent: 740 - 850</td>
<td>A 901 - 990</td>
</tr>
<tr>
<td>Very Good: 710 – 739</td>
<td>B 801 - 900</td>
</tr>
<tr>
<td>Average: 675-709</td>
<td>C 701 - 800</td>
</tr>
<tr>
<td>Uncertain: 625-674</td>
<td>D 601 - 700</td>
</tr>
<tr>
<td>High Risk: Less than 624</td>
<td>F 501 - 600</td>
</tr>
</tbody>
</table>

Tips to Improve Your Score:

- Always pay your bills _________
- Keep bills current for _________ consecutive months.
- Keep balances below 50% of the credit _________.
- Apply for _________ accounts only as needed.
- Make sure information on credit report is _________
- _________ co-signed and joint accounts.
What's in your credit report?

- Identifying information
- Account history
  1) Date opened
  2) credit limit or loan amount
  3) balance outstanding
  4) monthly payment amount and payment history
- Public Records:
  1) Tax Liens
     - Paid: ________________ years from date paid
     - Unpaid: ________________
  2) Financial Judgments:
     - Seven years from date ________________
  3) Bankruptcies
     - Chapter 7: ________________ from filing date
     - Chapter 13: ________________ from filing date
     - Unpaid collections; including student loans
- Inquiries

Factors that determine your credit score:

Payment History - ________________%
Amounts Owed - ________________%