



Abel Insurance Agency

Risk Management & Consulting Services

HOW CAN I BUILD A GOOD CREDIT HISTORY

Your proven ability to manage your money and meet your financial obligations is the basis of your credit score. The best way to build a solid credit score is to make a habit of always paying your bills on time in full each month. Your goal should be to build a long history of reliable bill paying behavior.

Another way to build a good credit score is to have no more than 3 or 4 credit cards and to hold them for a long period of time. Keep balances low and use no more than 30 percent your available credit. This, of course, means resisting the temptation to accept pre-approved card offers in the mail or retail credit cards even though there may be a discount available for opening a new account.

To maintain your good credit history, check your credit report every year. Look for errors and correct them as soon as possible. By law, you are entitled to one free credit report from each of the three reporting agencies once a year. Go to www.myfico.com for more information.

The Fair Credit Reporting Act (FCRA) requires each of the nationwide consumer reporting companies—Equifax, Experian, and TransUnion—to provide you with a free copy of your credit report, at your request, once every 12 months. For more information, go to the [Federal Trade Commission's Web site on credit](#).

Free annual credit reports can be ordered from AnnualCreditReport.com.

For information about your credit score, go to MyFICO.com.