



# MODULE 6: Credit Reports and Scores

## PARTICIPANT GUIDE

**Records**      **Closed Accounts**  
**Payment History**      **Credit Summary**

### Your Credit Report Overview

credit report and credit history are valuable tools that lenders use when determining they will extend you credit or your credit-worthiness. Lenders typically look for scores that are higher versus lower. It's important to maintain a close eye on your credit report to ensure all reported information is accurate. In the event that there is a negative erroneous item on your credit report then there are several ways you can contact the reporting credit bureau to have the item investigated or removed.

Account	Total Number	Balance	Available	Credit Limit
Mortgage	1	\$156,856	N/A	N/A
Installment	1	\$1,506	N/A	\$16,819
Revolving	5	\$25	\$3,239	\$3,264
Other	1	18	-\$18	N/A
Total	8	\$1,451	N/A	\$300

### Inquiries Related to Your Credit Hist

most 2 years: 4	\$741.52
months: 1	\$383.25



The Federal Deposit Insurance Corporation is an independent agency created by the Congress to maintain stability and public confidence in the nation's financial system. One way we do that is by providing free, non-biased financial education materials, including this Participant Guide. For more information about our family of Money Smart products, visit [www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart).

# Section 1: Credit Reports

We will discuss credit reports and how the information in your credit reports can affect many areas of your life.



## Key Takeaway



**Your credit history can affect your access to credit, loans, jobs, housing, insurance, and other important services. Understanding your rights helps you know how to protect your credit history.**

## What is a Credit Report?

A credit report is a document that contains your credit history.



### Try It: Is This in a Credit Report?

Check off the correct answer during the group exercise.

Item	Is it included?		Notes
	YES	NO	
1. Your name	<input type="checkbox"/>	<input type="checkbox"/>	
2. Your age	<input type="checkbox"/>	<input type="checkbox"/>	

### Try It: Is This in a Credit Report? *continued*

Item	Is it included?		Notes
	YES	NO	
3. Arrests and convictions	<input type="checkbox"/>	<input type="checkbox"/>	
4. Your credit card payments	<input type="checkbox"/>	<input type="checkbox"/>	
5. Your income	<input type="checkbox"/>	<input type="checkbox"/>	
6. Bankruptcies	<input type="checkbox"/>	<input type="checkbox"/>	
7. Cell phone plan payments	<input type="checkbox"/>	<input type="checkbox"/>	
8. Debt-to-income ratio	<input type="checkbox"/>	<input type="checkbox"/>	

### Try It: Is This in a Credit Report? *continued*

Item	Is it included?		Notes
	YES	NO	
9. Student loan payments	<input type="checkbox"/>	<input type="checkbox"/>	
10. Credit card limits	<input type="checkbox"/>	<input type="checkbox"/>	
11. Traffic tickets and fines	<input type="checkbox"/>	<input type="checkbox"/>	
12. Savings account balance	<input type="checkbox"/>	<input type="checkbox"/>	
13. Debit card purchases	<input type="checkbox"/>	<input type="checkbox"/>	

## The Fair Credit Reporting Act

The Fair Credit Reporting Act (FCRA) is a federal law that provides you with rights related to credit and other consumer reporting.



### Try It: Credit Reporting and Your Rights

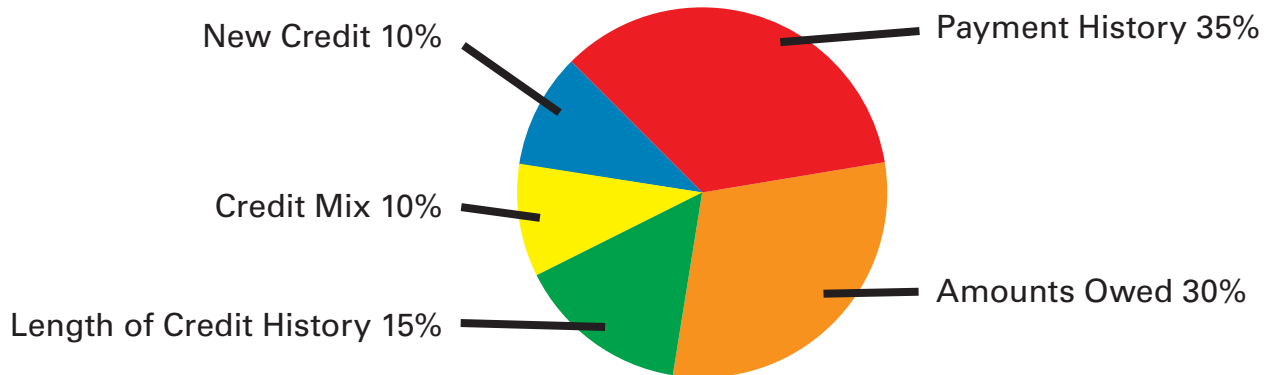
Review each Fair Credit Reporting Act (FCRA) right. Think about what this right means to you.

Summary of Fair Credit Reporting Act (FCRA) Right	What Action Can You Take?
<p>1. <b>Anyone who uses a credit report to deny your application or offer you less favorable terms for credit, insurance, or employment must tell you they did so.</b> They must give you the contact information for the credit reporting agency they used.</p>	
<p>2. <b>You have the right to know what is in each of your credit reports.</b> You will be required to prove you are who you say you are when you request to see your reports.</p>	
<p>3. <b>You have the right to dispute incomplete or inaccurate information.</b> The credit reporting agency must investigate unless your dispute is frivolous.</p>	
<p>4. <b>Credit and other consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information</b> usually within 30 days after they receive a dispute.</p>	

### Try It: Credit Reporting and Your Rights *continued*

Summary of Fair Credit Reporting Act (FCRA) Right	What Action Can You Take?
<p>5. <b>Consumer reporting agencies may not report outdated negative information.</b> For example, this includes most unpaid debts that are more than seven years old.</p>	
<p>6. <b>Access to your credit report is limited to people or businesses with a valid business need to use it.</b> This includes an application with a creditor, insurer, employer, landlord, or other business.</p>	
<p>7. <b>Your credit reports will not be provided to employers unless you give your consent.</b> The consent must be in writing.</p>	
<p>8. <b>You can opt out of receiving certain unsolicited offers</b> for credit or insurance based on what is in your credit reports.</p>	
<p>9. <b>If you aren't able to resolve a problem affecting your credit reports, you can seek help.</b> Submit a complaint by calling (855) 411-2372 or visiting <a href="http://consumerfinance.gov">consumerfinance.gov</a>.</p>	

Here is how FICO® weights information from your credit reports in its general credit scoring model. Other models may weight information differently.



### Try It: What Makes Credit Scores Go Up and Down?

Read the scenario and then answer the questions.

#### Scenario: Alex Learns about Credit Scores

Alex needs a new truck. He uses it to get to and from work and school. He purchased his current truck seven years ago using cash. It was already nine years old, so he got a great deal on it.

But now it's breaking down too often.

He finds the perfect truck, but the dealer will only offer him an expensive loan. He is shocked. He learns that the reason why he was not offered better terms is because his credit scores are low.

Alex decides to learn a little more about credit scores before buying a new truck.





### Try It: What Makes Credit Scores Go Up and Down? *continued*

The table below lists situations Alex faced and what he did. What effect do you think each situation likely had on his credit scores? Consider each on its own assuming that nothing else on Alex's credit reports changed.

Use an up arrow  $\uparrow$  for actions you think likely made his credit score go up, a down arrow  $\downarrow$  for actions you think likely made his credit score go down, and an equal sign  $=$  if you think there is likely no change in his score.

Situation Alex Faced and What He Did	Likely Effect on Credit Scores	Notes From Discussion
1. Alex's hours at work were cut back unexpectedly, so his take-home pay was reduced. <ul style="list-style-type: none"> <li>▪ He is late with his credit card and cell phone payments for a few months.</li> </ul>	$\uparrow$  $\downarrow$  $=$	
2. Alex wasn't able to increase his hours or find another job. <ul style="list-style-type: none"> <li>▪ He nearly reaches his credit limit on his only credit card.</li> <li>▪ He is making minimum payments only.</li> </ul>	$\uparrow$  $\downarrow$  $=$	
3. Alex has a younger sister who needs to find an apartment—she is moving out on her own. Her credit needs a lot of work. <ul style="list-style-type: none"> <li>▪ He agrees to cosign for the apartment.</li> <li>▪ The landlord does not pull Alex's credit report.</li> </ul>	$\uparrow$  $\downarrow$  $=$	
4. While buying groceries, Alex was asked to fill out an application for the store's credit card in exchange for 20% off the groceries. <ul style="list-style-type: none"> <li>▪ He applies for the credit card to get the discount. His application is approved.</li> </ul>	$\uparrow$  $\downarrow$  $=$	

### Try It: What Makes Credit Scores Go Up and Down? *continued*

Situation Alex Faced and What He Did	Likely Effect on Credit Scores	Notes From Discussion
5. Alex files his taxes early and receives a tax refund. <ul style="list-style-type: none"> <li>▪ He uses his refund to pay down his credit card balances.</li> </ul>	↑ ↓ =	
6. Alex's truck breaks down. He has to have the truck running for his job. He has no emergency savings. <ul style="list-style-type: none"> <li>▪ He again uses most of the available credit on one of his credit cards to cover the repair.</li> </ul>	↑ ↓ =	
7. Alex took a financial education class and learned about the importance of reviewing his credit reports. <ul style="list-style-type: none"> <li>▪ He orders his free credit reports from <b>annualcreditreport.com</b>.</li> </ul>	↑ ↓ =	
8. After reviewing his credit reports, Alex realized he doesn't use his oldest credit card. <ul style="list-style-type: none"> <li>▪ He closes that credit card account.</li> </ul>	↑ ↓ =	
9. Alex has one credit card, but has never had a loan. He applied for a credit-building loan from his bank. His application was approved. <ul style="list-style-type: none"> <li>▪ He takes out the loan.</li> </ul>	↑ ↓ =	

### Try It: What Makes Credit Scores Go Up and Down? *continued*

Situation Alex Faced and What He Did	Likely Effect on Credit Scores	Notes From Discussion
<p>10. Alex notices he has an account in collections from a medical visit.</p> <ul style="list-style-type: none"> <li>▪ He calls the medical clinic where the debt originated and asks them about it.</li> </ul>	<p>↑</p> <p>↓</p> <p>=</p>	
<p>11. Alex was able to get more hours at his job.</p> <ul style="list-style-type: none"> <li>▪ He pays his credit card bills consistently and on time.</li> </ul>	<p>↑</p> <p>↓</p> <p>=</p>	
<p>12. Alex received a prescreened offer for a credit card in the mail.</p> <ul style="list-style-type: none"> <li>▪ He does not apply for it.</li> </ul>	<p>↑</p> <p>↓</p> <p>=</p>	
<p>13. Alex decided he can't wait any longer to get a new truck.</p> <ul style="list-style-type: none"> <li>▪ He goes shopping for a loan over a three-week period. Several lenders look at his credit reports.</li> </ul>	<p>↑</p> <p>↓</p> <p>=</p>	
<p>14. Alex just had a birthday. He hopes his credit scores will increase now that he's older.</p> <ul style="list-style-type: none"> <li>▪ He's now 26 years old.</li> </ul>	<p>↑</p> <p>↓</p> <p>=</p>	

### Try It: What Makes Credit Scores Go Up and Down? *continued*

Situation Alex Faced and What He Did	Likely Effect on Credit Scores	Notes From Discussion
15. Alex cosigned for his best friend's loan. <ul style="list-style-type: none"> <li>▪ She is now 60 days late with her payment, and Alex doesn't have any money to make the payments for her.</li> </ul>	↑ ↓ =	
16. Alex decides to get new furniture. <ul style="list-style-type: none"> <li>▪ He uses his debit card to buy the furniture.</li> </ul>	↑ ↓ =	

Overall, do you think Alex's credit scores have likely increased or decreased over the past year? Why?

Do you think Alex will get a good rate and terms for a loan for a new truck?

Yes   
  No   
  I'm not sure

## Section 5: Build, Repair, and Maintain a Productive Credit History

We will discuss strategies to build, repair, and maintain a productive credit history.



### Key Takeaway



Your credit history does not have to be your credit future.

### A Productive Credit History

A productive credit history means a credit history that helps you do the things you want to do.

For example, you may want to:

- Get a car using a car loan
- Buy a house
- Qualify for an apartment
- Get a job

Depending on your current situation, you may need to:

- Build your credit
- Build an alternative credit history
- Repair or improve your credit
- Maintain your credit



## Apply It: Building My Credit

You can use this checklist to explore options for building credit.

Building Credit	What It Is	What to Watch Out For
<p><b>Get a secured credit card</b></p> <p><input type="checkbox"/> This is an option for me</p>	<p>To get a secured credit card, you must make a deposit with the financial institution that issues the credit card. Often it is around \$500, which is also generally the credit limit. The credit limit is the maximum you can charge on the credit card.</p>	<p><b>Fees.</b> Secured credit cards often have fees: annual fees, monthly fees, and others. The credit card issuer cannot charge fees that add up to more than 25% of the credit limit in the first year. Read the fine print. Make sure the fee structure does not increase after the first 12 months.</p> <p><b>Credit utilization rate.</b> Be sure to keep the amount you charge as low as possible compared to your credit limit. Borrowers who have large balances in proportion to their credit limits may see their credit scores fall.</p> <p><b>Missing payments.</b> Be sure to pay the full amount due each month. Getting a secured credit card will not improve your credit scores if you miss payment deadlines. The creditor must receive the payment by the due date.</p> <p><b>Reporting.</b> Check your credit reports to ensure the financial institution regularly reports your payments to Equifax, Experian, or TransUnion.</p>

Apply It: Building My Credit *continued*

Building Credit	What It Is	What to Watch Out For
<p><b>Get a credit-building loan</b></p> <p><input type="checkbox"/> This is an option for me</p>	<p>These are installment loans usually for \$1,000 or less. You repay them through regular, scheduled payments for 6 to 12 months.</p>	<p><b>Interest rates.</b> For most loans, you will have to pay interest. Be sure you can afford to repay the loan, including the interest. Remember, even if the loan is deposited in an account and you make the loan payments from this deposit, you will still need additional money to cover the interest.</p> <p><b>Missing payments.</b> While regular, on-time payments can build your credit, missing or late payments will harm it. Be sure you can afford the payments before taking on this loan. Find out if you can set up automatic payments so you can be sure you won't forget to make them.</p> <p><b>Reporting.</b> Check your credit reports to ensure the financial institution regularly reports your payments to Equifax, Experian, or TransUnion.</p>
<p><b>Become an authorized user on someone else's account</b></p> <p><input type="checkbox"/> This is an option for me</p>	<p>This provides you with a credit card in your name, but someone else owns and is responsible for the account.</p> <p>If the primary account holder uses it responsibly and has good credit, it may provide a slight boost to your credit scores.</p>	<p><b>Reporting.</b> Check your credit reports to ensure the financial institution regularly reports authorized user status to Equifax, Experian, or TransUnion.</p> <p><b>Missed payments by the account holder.</b> Late and missed payments on the account can affect your credit. Make sure the person who owns the account has good credit and pays on time and as agreed.</p>

Apply It: Building My Credit *continued*

Building Credit	What It Is	What to Watch Out For
<p><b>Get a cosigner</b></p> <p><input type="checkbox"/> This is an option for me</p>	<p>Ask a friend or relative with good credit to cosign your loan. A cosigner promises to repay the loan if you do not.</p>	<p><b>Your relationship.</b> If you do not pay back the loan, your cosigner will be responsible for the payments. You may have damaged their credit as well.</p> <p><b>Reporting.</b> The lender should report the payment information for both you and the cosigner to the credit reporting agencies.</p>
<p><b>Apply for a credit card at a store or gas station</b></p> <p><input type="checkbox"/> This is an option for me</p>	<p>These credit cards typically have a lower credit limit and a higher annual percentage rate (APR).</p> <p>It may be easier to get approved for one of these cards than other types of credit cards.</p>	<p><b>Interest rates.</b> The interest rate is likely to be high. Make sure you do not charge more than you can pay. Keep the balance on the card as low as possible compared to your credit limit.</p> <p><b>Reporting.</b> Check your credit reports to ensure the lender regularly reports your payments to Equifax, Experian, or TransUnion.</p>
<p><b>Make a large down payment on a purchase and negotiate a loan for the balance</b></p> <p><input type="checkbox"/> This is an option for me</p>	<p>Offering to make a large down payment can make it more likely that a lender will approve your lending application. And, you will not have to borrow as much money.</p> <p>For example, if you are buying a used car for \$5,000 and have enough cash, you might consider making a down payment of \$1,000 to \$3,000.</p> <p>Repaying the loan as agreed can help you build your credit history.</p>	<p><b>Interest rates.</b> The interest rate is likely to be high. Make sure you do not borrow more money than you can pay.</p> <p><b>Loss of asset.</b> The loan is likely to be secured by the asset you are buying. If you do not make your payments on time and as agreed, the asset may be repossessed.</p> <p><b>Reporting.</b> Check your credit reports to ensure the lender regularly reports your payments to Equifax, Experian, or TransUnion.</p>



### Apply It: Building My Credit *continued*

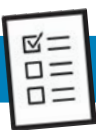
Building Credit	What It Is	What to Watch Out For
<p><b>Create an alternative credit history</b></p> <p><input type="checkbox"/> This is an option for me</p>	<p>Many of the bills you pay are not included in credit reports. Create a record showing your timely and regular payments of other bills as an alternative to a credit report.</p> <p>Use <i>Apply It: Creating My Alternative Credit History</i> on the next page.</p>	<p><b>Acceptance.</b> Many businesses will not accept an alternative credit history in place of a credit report or scores. Be sure to check with potential service providers about their policies on considering alternative credit histories.</p> <p><b>Evidence.</b> Make sure you have evidence to back up your claims of timely and regular payments, such as:</p> <ul style="list-style-type: none"> <li>▪ Receipts</li> <li>▪ Statements</li> <li>▪ Letters from the businesses you pay regularly</li> </ul>
<p><b>Other</b></p> <p><input type="checkbox"/> This is an option for me</p>		



## Apply It: Repairing and Improving My Credit

Use this checklist to explore options for repairing and improving your credit.

- Get and review your credit reports.** Go to [annualcreditreport.com](https://annualcreditreport.com) for the free credit reports you are entitled to every 12 months from each of the three nationwide credit reporting agencies.
- Dispute and correct any errors.** Look for inaccurate information, information that does not belong to you, and outdated information still being reported.
- Make sure anything that is in the collection account section of your reports belongs to you.** And, if something appears in the collection account section, make sure it is not also reported in another section.
- Pay all of your bills on time and as agreed.**
- If you have credit cards, use as little of your credit limit as possible.** Carrying high balances on credit cards compared to available credit limits can significantly reduce credit scores. Some experts advise using no more than 30% of your available credit while others advise using no more than 20%. While keeping balances at or below those percentages may be a goal that you cannot reach right now, it helps to use as little of your credit limit as possible.
- Use a credit building strategy.** Options may include:
  - Secured credit cards
  - Credit building loans
  - Becoming an authorized user on an account
  - Getting a cosigner
- Keep old accounts open if you can.** Older accounts create a longer credit history.
- Apply for credit only if you really need it.** Applications for credit create inquiries. Too many inquiries can negatively affect your scores.
- Negotiate different terms.** See if you can increase your credit limit on revolving accounts (such as credit card accounts or lines of credit) or ask for lower interest rates. Changes can improve your credit and make your credit more affordable.
- Ask for a “good will” deletion.** If you have paid your bills on time and as agreed with a creditor, but missed a payment or two, you may be able to negotiate a deletion of the negative entry. If this doesn’t work, ask what else could be done to prevent it from being reported to a credit reporting agency.



## Apply It: Maintaining My Productive Credit History

Many of the strategies for maintaining productive credit are the same as those for repairing and improving credit. Use this checklist to keep your credit history productive after you have built, repaired, or improved it.

- Continue to pay your bills on time and as agreed.** This will have the greatest impact on both your credit reports and scores. It is the most important strategy for maintaining productive credit reports and scores.
- Continue to pay down your debt balances.** If you are paying your bills on time and as agreed, this is likely already occurring. But make sure you see this reflected in the balances on your credit reports.
- Keep the amount of credit you use as low as you can compared to your credit limits.** This applies to credit cards as well as lines of credit. Only use what you need.
- Don't apply for too much credit.** Applying for too much credit at once can suggest financial problems. Lenders may not view this favorably when you apply for credit.
- Avoid actions or inactions that may create new entries in the public records section of your credit reports.** If you have been served with a lawsuit notice and don't show up to court, the court will likely find in favor of the individual or business that is suing you. Get legal help if needed.
- Pay your taxes and child support in full and on time.** A tax lien may be filed if you do not pay your income taxes, property taxes, or other taxes. A lien gives the government the legal right to your property—financial assets, personal property, or real estate—if you do not pay the taxes you owe. Not paying child support can lead to garnishment, liens on properties, and withholding of tax refunds or other governmental payments, along with other consequences.
- Check your credit reports at least once every 12 months at [annualcreditreport.com](http://annualcreditreport.com).**
- Dispute errors on your credit reports.** Be sure to keep records of your disputes.
- Keep good financial records.** Good recordkeeping will give you:
  - proof if there are any errors in your credit reports
  - information if your identity is stolen and you have to contact your creditors quickly
  - peace of mind



## Apply It: Getting Help With My Credit

You may feel overwhelmed by the steps you need to take to get, read, repair, and build your credit. If so, you are not alone. You can get help. But, you need to be careful because all help is not the same.

You can use this list to get help with your credit.

Provider	What You Can Do	Contact Information
<b>Financial Institution</b>	Ask a customer service representative if someone can help you understand information in your credit reports.	
<b>Nonprofit Consumer Credit Counseling Service</b>	Get help from a nonprofit consumer credit counseling service. You can meet with a counselor over the phone or in person if available in your area. Visit <b>usa.gov</b> and search on “credit counselors.”	
<b>HUD-approved Housing Counseling Agency</b>	Meet with a housing counselor approved by the Department of Housing and Urban Development (HUD). Find your local HUD-approved housing counseling agency by visiting <b>www.hud.gov</b> and searching on “housing counseling agencies.”	

### Apply It: Getting Help With My Credit *continued*

Provider	What You Can Do	Contact Information
<b>Financial Education Nonprofit</b>	Find out if there are nonprofit financial education providers in your community. Staff may be trained to provide financial education, coaching, or counseling. Check with your local library. Or, call 2-1-1 (if available) to find local resources.	
<b>Certified Financial Planners (CFP)</b>	Schedule an appointment with a certified financial planner (CFP). CFPs generally provide financial planning and investment information, plans, and advice on a commission or fee-only basis. Visit <b>usa.gov</b> and search on "certified financial planner."	
<b>Other:</b>		
<b>Other:</b>		

### Credit Repair and Debt Consolidation

Understand what is provided by credit repair companies or debt consolidation businesses. Make sure you know what they are selling you.

- **Credit repair companies**
  - For a fee, these companies promise to fix your credit
- **Debt consolidation businesses**
  - They offer different services

### Use Caution

Use caution when getting assistance. It helps to know the difference between debt consolidation and debt settlement.

**A debt consolidation loan** is a new loan that you use to pay off some or all of the other debts you have.

**Debt settlement** is working with your creditors to make payment arrangements.

### Credit Repair Scams

Some businesses make promises about repairing your credit that they cannot deliver. Beware of credit repair companies that:

- Promise to erase bad credit or to remove other negative, but accurate, information from your credit reports
- Promise fast and easy credit repair
- Offer to create a new identity for you
- Want you to pay for credit repair services before providing any service
- Will not tell you your rights and what you can do yourself

Before signing a contract, check with your state's attorney general's office, or local consumer protection agency to see whether complaints have been filed against the company.



## Protecting Your Credit History

You can take extra steps to protect your credit. Depending on your needs, you can limit access to your credit reports to prevent the opening of new accounts in your name.

Extra Protection	When to Use It and Requirements	What it Does, Cost, and Limits
<b>Initial Fraud Alert</b>	<ul style="list-style-type: none"> <li>▪ You are concerned you may become the victim of identity theft or fraud</li> <li>▪ Must provide proof of identity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Requires creditors and other businesses to take steps to verify your identity before granting credit in your name</li> <li>▪ The credit reporting agency you place the initial fraud alert with must notify the other two nationwide credit reporting agencies to place an alert</li> <li>▪ The alert is free</li> <li>▪ The alert stays in place for one year (effective September 21, 2018)</li> </ul>
<b>Active Duty Military Alert</b>	<ul style="list-style-type: none"> <li>▪ You are an active duty member of the military on deployment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Requires creditors to take steps to verify your identity before granting credit in your name</li> <li>▪ The credit reporting agency you place the active duty military alert with must notify the other two nationwide credit reporting agencies to place an alert</li> <li>▪ The alert is free and stays in place for 12 months, but can be renewed for the length of your deployment</li> </ul>
<b>Extended Fraud Alert</b>	<ul style="list-style-type: none"> <li>▪ Your identity has been stolen</li> <li>▪ Must provide proof of identity theft and a copy of an identity theft report</li> <li>▪ Create an identity theft report at <b>IdentityTheft.gov</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ The same as an initial fraud alert except it stays in place for seven years</li> </ul>

Extra Protection	When to Use It and Requirements	What it Does, Cost, and Limits
<b>Credit Freeze</b>	<ul style="list-style-type: none"> <li>▪ You want more protection than a fraud alert</li> </ul>	<ul style="list-style-type: none"> <li>▪ You have a legal right to freeze your credit reports</li> <li>▪ Prevents access to your credit reports</li> <li>▪ Prevents new accounts for credit from being opened and in some states, stops new accounts for other services such as insurance and utilities</li> <li>▪ May take 24 to 48 hours to lift a freeze if you want to apply for credit, a job, or something else that requires access to your credit reports, so you must plan ahead</li> <li>▪ There is no cost to place or lift a freeze (effective September 21, 2018)</li> <li>▪ To be effective, you must put a freeze at each of the three nationwide credit reporting agencies</li> </ul>
<b>Credit Lock</b>	<ul style="list-style-type: none"> <li>▪ You want more protection than a fraud alert</li> </ul>	<ul style="list-style-type: none"> <li>▪ Similar to the credit freeze except this is a credit reporting agency product, not a right provided by law</li> <li>▪ May be easier to lock and unlock than to freeze and unfreeze</li> <li>▪ May cost more than a freeze after introductory offers</li> </ul>



## Remember the Key Takeaway

Your credit history does not have to be your credit future.



Visit the FDIC's website at [www.fdic.gov/education](http://www.fdic.gov/education) for more information and resources on banking-related issues. For example, FDIC Consumer News provides practical hints and guidance on how to become a smarter, safer user of financial services. Also, the FDIC's Consumer Response Center is responsible for:

- Investigating all types of consumer complaints about FDIC-supervised institutions
- Responding to consumer inquiries about consumer laws and regulations and banking practices

**You can also call the FDIC for information and assistance at  
877-ASK-FDIC (877-275-3342).**



**MONEY SMART for Adults**  
**PARTICIPANT GUIDE**  
**Module 6: Credit Reports and Scores**

September 2018  
[www.fdic.gov/education](http://www.fdic.gov/education)