

WHAT GOES INTO CALCULATING MY CREDIT SCORE (also known as a FICO SCORE or BEACON SCORE)?

There are five types of information used to calculate a credit score. Each type of information counts as a percentage of a total credit score:

- Payment History – 35%,
- Amount Owed vs How Much Credit Is Available – 30%
- Length of Credit History – 15%
- New Credit – 10%
- Types of Credit Used – 10%.

A score takes into consideration all these categories of information, not just one or two.

The importance of any factor depends on the overall information in your report.

A credit score only looks at information in your credit report. However, lenders look at many things when making a credit decision including your income, how long you have worked at your present job, and the kind of credit you are requesting.

Your credit score considers both positive and negative information in your credit report. Late payments will lower your score, but establishing or re-establishing a good track record of making payments on time will raise your score.

If you are denied credit, insurance or employment due to information contained in your credit report, an Adverse Action letter will be sent from the company that denied your application. It will include information about which Credit Reporting Agency you may contact for a copy of your report within 60 days of denial. It will provide the name, address, phone number, and website if available, for the Credit Reporting Agency.

HOW CAN I GET A FREE COPY OF MY CREDIT REPORT IF I HAVEN'T BEEN DENIED CREDIT?

Even if you have not been denied credit, you may want to find out what information is in your credit report. Georgia law states that residents of Georgia may receive two (2) free annual credit reports from the three major Credit Reporting Agencies within a one year period. Under the Fair and Accurate Credit Transactions Act (FACT Act) enacted by Congress in 2005, the three major Credit Reporting Agencies (Equifax, Trans Union & Experian) must offer a centralized resource for making annual reports available to all consumers. The FACT Act also provides two other points designed to help the consumer. Those are making sure your credit report is accurate and protecting oneself from identity theft. You can order all three reports at one time or stagger them throughout the year. As a Georgia resident, you can order a free copy of each report twice a year from the following sources:

www.annualcreditreport.com

or

Calling Toll Free at **1-877-322-8228**

or

Writing to: **Annual Credit Report Request Service**

PO Box 105283

Atlanta GA 30348-5281

For more information you can go to www.ftc.gov/credit.