

Have you had an annual check up?

Reasons to check your credit regularly

For the same reasons we should all have an annual physical regarding general health, it's an equally good idea to have an annual fiscal in regard to the financial well being of your credit rating. Having and maintaining a good credit rating is very important. For these reasons you should check your credit at least once a year:

- Your credit information should be accurate and current before you apply for a loan, buy insurance, or apply for a job.
- Your credit report can affect your ability to get a loan, as well as affect the rate you are charged for the loan.
- Periodically reviewing your credit report will help deter identity theft and credit card fraud.

Each year, you are entitled to a free credit report from each of the nationwide consumer reporting companies: Equifax, Experian and TransUnion. The three companies have a central web site, a toll-free telephone number, and mailing address for consumers to order the free annual credit reports. To order, log on to annualcreditreport.com, call 1-877-322-8228, or complete the Annual Credit Report Request Form (ftc.gov.com) and mail it to:

Annual Credit Report Request Service
P.O. Box 105281
Atlanta, GA 30348-5281

Repairing your credit...

If your credit rating has gone down in recent years, you can take measures to improve, correct or repair your credit. However, know that no one can legally remove accurate and timely negative information from a credit report. The law allows you to ask for an investigation of information in your file, which you can dispute as inaccurate or incomplete. There is no charge for this.

Some people hire a company to investigate on their behalf, but anything a credit repair company can do legally, you can do for yourself at little or no cost. There is no cost to dispute mistakes or outdated items on your credit report. Under the Fair Credit Reporting Act (FCRA), both the consumer reporting company and the information provider (the person, company, or organization which provides information about you to a consumer reporting company) are responsible for correcting inaccurate or incomplete information in your report. To take advantage of all your rights under the FCRA, contact the consumer reporting company and the information provider.

If you choose to seek the services of a credit repair company, first make sure it is a legitimate organization. They must give you a copy of the "Consumer Credit File Rights Under State and Federal Law" before you sign a contract. They also must give you a written contract spelling out your rights and obligations. Read these documents thoroughly before you sign. Also know that a credit repair company cannot:

- make false claims about their services
- charge you until promised services have been completed
- perform any services until they have your signature on a written contract and completed a three-day waiting period. During this time, you can cancel the contract without paying any fees.

Before signing a contract, make sure it specifies:

- the payment terms for services, including the total cost
- a detailed description of the services to be performed
- the time required to achieve the result
- company guarantees, if any are offered
- the company's name and business address

Excerpts from the Federal Trade Commission,
<http://www.ftc.gov>.