

Your Family Finances

From The Federal Reserve Board

New Notices Can Help Consumers Manage Credit

(NAPSA)—There's helpful news for consumers who want to improve or maintain their credit standing. New regulations on credit reporting will provide consumers with a better understanding of how lenders view their credit history.

New rules from the Federal Reserve and the Federal Trade Commission require lenders to inform consumers about certain aspects of their credit report. The new rules introduce several types of notices:

Credit Score Notice

In some cases, shortly after you apply for credit, you will get a notice that tells you your credit score and information about how your score compares with other consumers' scores.

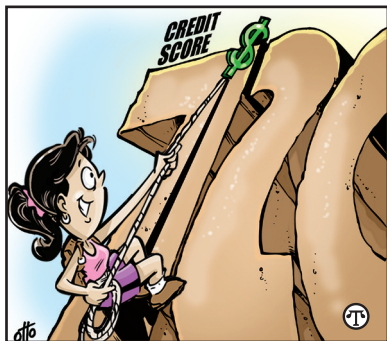
If you do not have a credit score—for example, if you never had credit before—the lender's notice would identify the particular credit bureau it used to get information.

Risk-Based Pricing Notice

You may receive a "risk-based" pricing notice from your lender if there is negative information in your credit report and you are offered a loan with an annual percentage rate (APR) that is higher than the APR offered to other consumers who apply for that loan.

What Do the Notices Do for Consumers?

These new notices give you the opportunity to check the accuracy of the information in your credit report and dispute any information that you believe is incorrect.



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If you receive a notice, the experts at the Federal Reserve Board suggest taking the following steps:

- **Review the notice.** Read it carefully to make sure you understand how your credit report or credit score may affect the price you pay for credit. Ask the lender to explain anything in the notice that you do not understand.

- **Get a copy of your credit report.** Go to www.annualcreditreport.com and get your free credit report by following the instructions on your notice. Review the information carefully.

- **Dispute any errors.** If you find errors in your credit report, you may dispute the information and request that the information be deleted or corrected.

For more information in English and Spanish, visit the website at www.federalreserve.gov/creditreports.