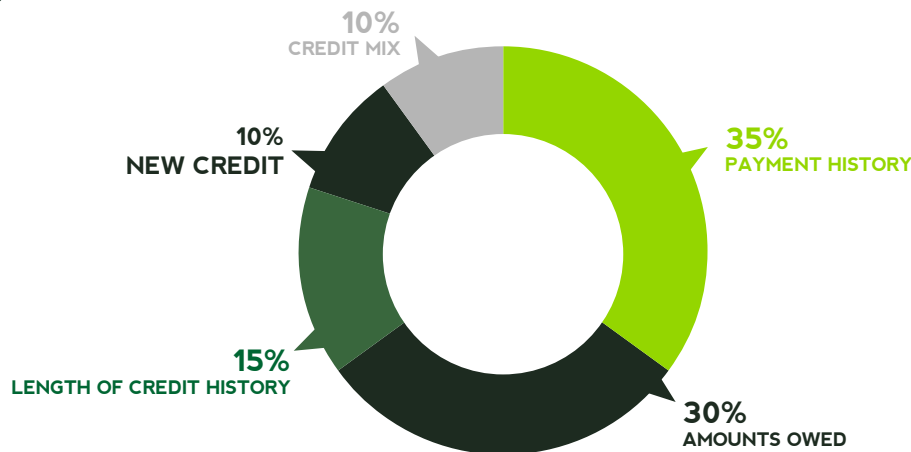




HOW IS MY CREDIT SCORE CALCULATED?

Credit Scores are calculated using the information contained in your credit bureau report. There are three major bureaus - Experian, Equifax, and TransUnion. Data is grouped into five categories and each factors into determining your overall score: payment history (35%), amounts owed (30%), length of credit history (15%), new credit (10%) and credit mix (10%).



Your credit score is derived using both positive and negative (if any) 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 increase your score.

Payment History (35%) - Late payments (especially recent) on open credit accounts will lead to a lower score.

Amounts Owed (30%) - Using a large portion of your available credit may indicate that you are over-extended. Lenders may interpret this to mean you are at a higher risk of defaulting. Aim to keep overall credit card utilization at 30 percent or less each month.

Length of Credit History (15%) - In general, a longer credit history will increase your credit score. Considerations include how long your credit accounts have been established, the age of your oldest account, the age of your newest account, and an average age of all your accounts.

Credit Mix (10%) - Credit scores will consider your mix of credit cards, retail accounts, installment loans, finance company accounts and mortgage loans.

New Credit (10%) - Opening several credit accounts in a short period of time could represent a greater lending risk - especially for people who do not have a long credit history. Try to avoid opening too many new accounts within a short period of time.

The EMUCU Financial Wellness program is here to support you at each step of your financial journey. Workshops (both in-person and online) and individual financial counseling performed by certified staff are available for members and can provide important guidance on money management matters.

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