

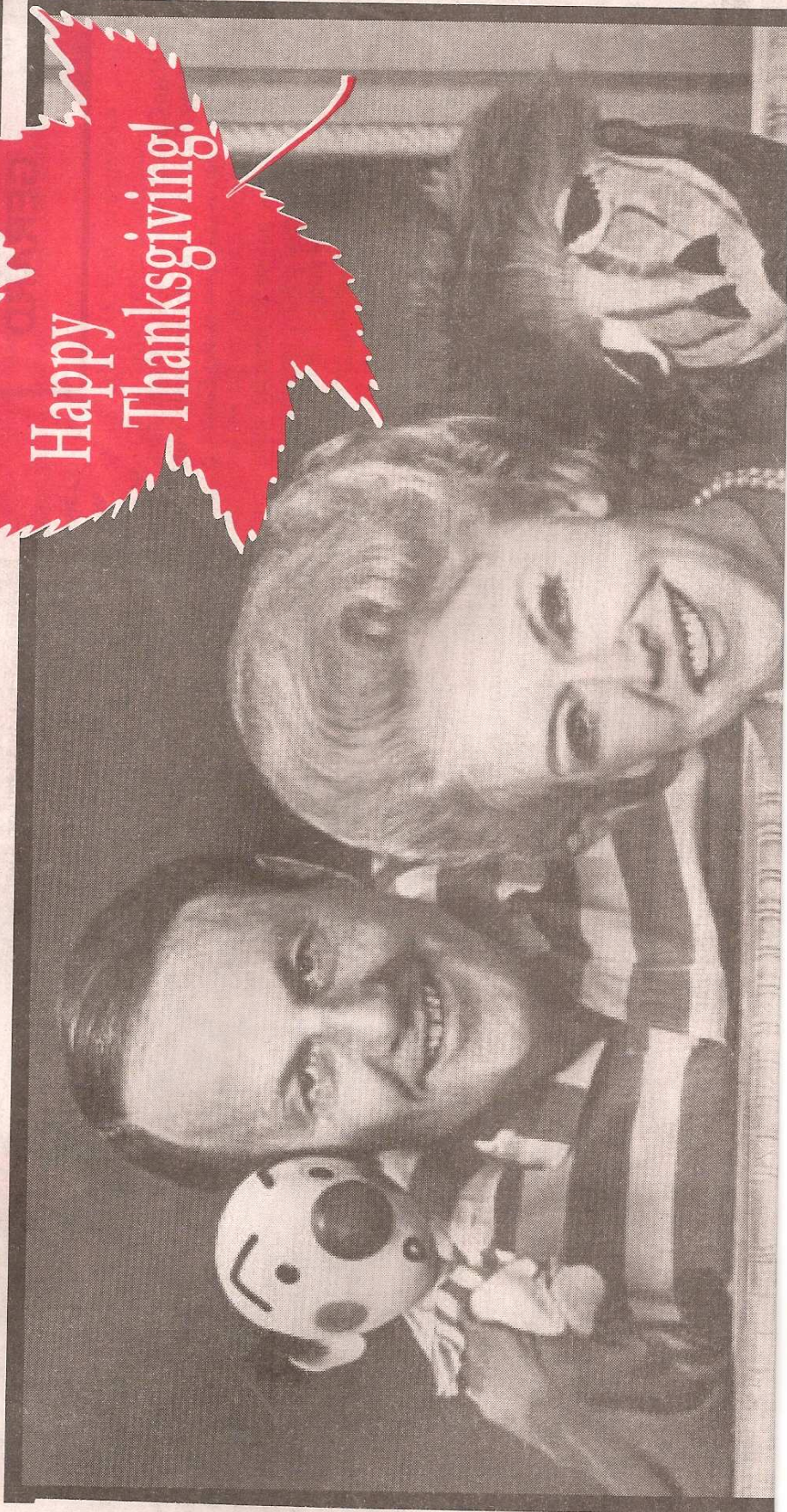
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Legal Matters

Credit consciousness: What you may not know about your credit but should

By Jeff Isaac

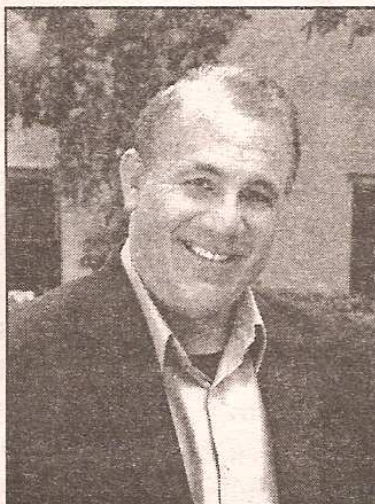
Just as with a retirement and savings account or stock market investments, one's credit standing is a controllable asset that can have a notable impact—either positive or negative—on one's wealth. Consumers should understand that one's credit worthiness carries tangible monetary value. Build your credit score and you can build your bank account in kind.

Consider these Credit Wealth Quick Tips to help safeguard your financial solvency:

You are allowed to check your credit once per year with each of the credit bureaus without adversely affecting your score. It is recommended you check one of the three majors (Equifax, Experian, and Transunion) at the beginning, middle and end of each year.

Only one Web site is authorized to fill orders for the free annual credit report you are entitled to under the law (*annualcreditreport.com*), but it does not offer free credit scores—just credit reports. You can buy your credit score for about \$15 at *MyFico.com*.

Annualcreditreport.com and the nationwide consumer reporting companies will not send you an e-mail asking for your personal information. If you do receive such an e-mail, see a pop-up ad, or get a phone



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call from someone claiming to be from *annualcreditreport.com* or any other consumer reporting company, do not reply or click on any link. It is likely a scam. You can forward any such e-mail or information to the Federal Trade Commission at *spam@uce.gov*.

Those who are unemployed, planning to apply for jobs in the next 60 days, receiving public welfare assistance or believe the credit file contains mistakes resulting from fraud qualify for a free credit report.

If you have had problems paying previous loans, bounced checks, or made late payments in the past, it is possible to lessen the negative impacts to your credit with simple dialogue. Call your creditors and discuss such issues.

It can often take longer than expected to fix mistakes on a credit report. As such, be sure to check credit well in advance of a major purchase: three to six months before applying for a mortgage, two to four months for an auto loan, and one to two months for credit cards.

Ensure negative information is appropriately expunged. By law, bankruptcies must be removed

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from credit history after 10 years. Law suits and judgments, tax liens, arrest records, and other types of undesirable information must be removed after seven years.

If false information on your credit report is identified but is not removed, by law you may be entitled to actual damages, plus punitive damages. Any credit-reporting agency or creditor can be sued for letting unlawful parties view your credit history.

According to a new law, individuals may now "piggy back" a credit card with authorized users (spouse, children) to assist in increasing credit scores.

Debts of less than \$100 are no longer applicable to the degrading of a credit score.

The 20-year old credit rating system is being overhauled, with the resulting changes expected to affect scores as much as 20 points. Among the new changes that will take effect in the spring of 2009, credit ratings will take into account the amount of available credit actually being used and the lack of account activity.

The minimum FICO score is now 720 to qualify for "good" credit rates—an increase from the old benchmark of 680.

FICO score classifications are as follows: 720-850 is Excellent—the best financing terms and represents the best score range; 700-719 is Very Good—qualifies to receive favorable financing; 675-699 is Average—will qualify for most loans; 620-674 is Sub-prime—may qualify, but will pay higher interest; 560-619 is Risky—might have trouble getting a loan; 500-559 is Very Risky—you need to work on improving your rating.

FICO score considerations are as follows: pay bills on time—35 percent; reduce what you owe—30 percent; hold cards and maintain a history—15 percent; limit credit applications—10 percent; mix up your credit (credit card and car loan), diversify—10 percent.

If you are paying too much interest and/or

want to consolidate credit cards, you may execute a balance transfer of all accounts to one single new card with better terms. Sites like *cardtrak.com* give many options of cards at lower interest rates. Once the balances are transferred, cancel accounts with a zero balance to positively affect your credit score.

Jeff Isaac, principal attorney at the San Diego-based The Lawyer in Blue Jeans Group, is also the author of The Wacky World of Laws, which takes a lighthearted look at laughable laws and comical court cases in the U.S. and beyond. More information about Isaac and the book may be found online at www.LawyerInBlueJeans.com.

Prayer angels

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tread. I get knocked down some, and it is never easy, but

Another shared, "If someone comes to your mind praying for them. Once I was in prayer, and suddenly from Korea who had been adopted by my friend. So, and at last! Praise and thanksgiving began to flow, called. Earlier that day, she said, Matthew and at themselves. They were pinned so tightly that they could see toys underneath them. The mother had eventually come to amazement, they were fine! No cuts or scratches from mom that I was praying during that exact time, we both

People often wonder if the purpose of prayer is to be ready for something in the future, opens our inner eyes. We're asked to do in the Kingdom...and sometimes when you feel drawn to pray for someone, do it. Remember,

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