

EMERGENCY INSTRUCTIONS FOR YOUR SAFETY

JUST IN CASE...

CREDIT SAFETY



CREDIT SAFETY GUIDE

STEP-BY-STEP GUIDE
ON HOW TO PLAN A
SELF-DRIVEN CREDIT
REPAIR JOURNEY

POWERED BY

Credilife[®]
...a financial wellness company

Thursday August 31st, 2017

CREDIT SAFETY INSTRUCTIONS

Step-By-Step instructions on how to
SAFELY START a self-driven credit repair.

Every step that you take when improving your credit should be based on the best practices that should be a part of every credit improvement plan.

This set of “Credit Safety Instructions” in no way replaces the impact and effectiveness of having a plan put together based on the unique information within your credit report by a credit professional.

There is little likelihood we will encounter a situation requiring safety preparation, but it is good practice to be acquainted with the safety features we have provided you on this airplane.

If you are going to do it yourself, here are Step-By-Step instructions from a professional on how to SAFELY START on a self-driven credit repair.





STEP 1:

Identify your goals

Are you wanting to qualify for a home loan? Are you seeking financing for a new vehicle? Are you looking for another type of lending? Maybe you in need of a clean background for an apartment or a job background check?

You need to clearly identify what your goals are to be able to know what to do to achieve them. **WRITE YOUR GOALS DOWN** - keep them in front of them. A clearly identified goal made into a regular visible reminder will help you to stay focused and motivated during the steps that you take to achieve that goal. Next, find out what is needed to qualify for your goals - what score is needed, what credit profile is needed, etc. Educate yourself so that you have a working knowledge of credit and understand what it will take to get you to the qualifications that are needed to achieve your goals!

Make a written plan and steps to take as well as the timeframe in which to take them to obtain your goals. Follow that plan.



STEP 2:

Access your 3 Credit Bureau Reports

This can be done online through a credit monitoring service. When picking a credit monitoring service, only pick a service that will provide a report that is updated

frequently - monthly updating is best.

Make sure that you pick a credit monitoring service that provides a report that is easy to read. What good is having your credit report if you don't understand what it says? Clear understandable formatting of the report will be crucial as you will be reading it often throughout the process.

The report that you pull needs to be a full credit report with all 3 bureaus (Equifax, TransUnion and Experian) and not just a summary of the information that the bureaus contain. I prefer Smart Credit professionally. I have all of my clients use it and the link available through Credilife discounts the monthly Premium Membership to just \$21.99/mo. <https://www.smartcredit.com/credilife>

Smart Credit not only includes access to a full 3 Bureau Report every 30 days with their membership, but they also include a \$1 million dollar identity fraud protection insurance for your whole family, a score tracker, ScoreBuilder, ScoreMaster, and Money Manager. Save your reports each month to monitor the changes that have taken place over the course of your Credit Journey.

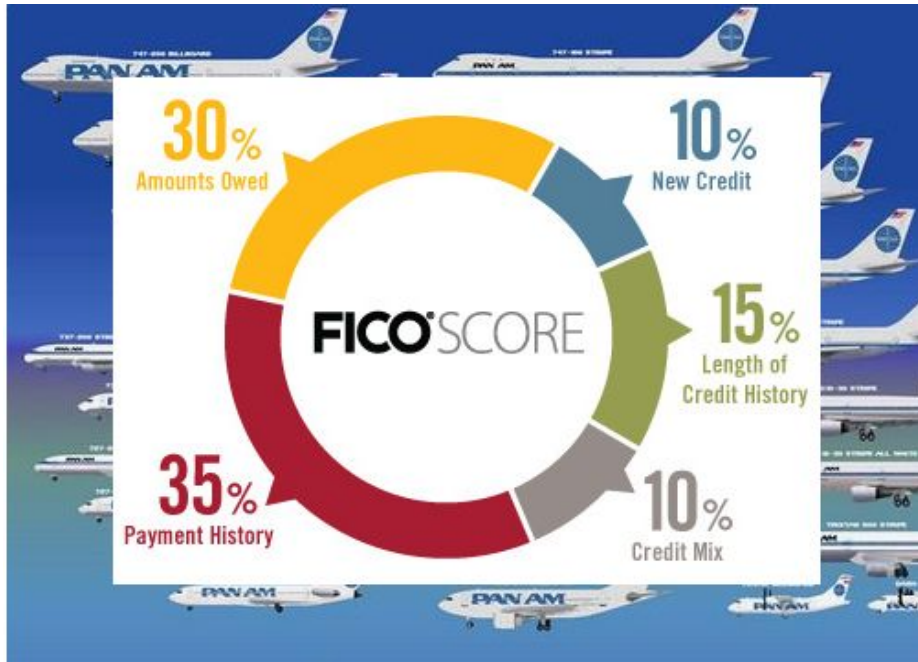


STEP 3:

Learn the factors that make up the FICO Credit Score

Learn the factors that make up the FICO™ Credit Score. An understanding of how different types of credit and different actions impact your score will help you design your plan and make the right choices in your credit development. In the FICO™ formula, 35% of your score is payment history, 30% is utilization on revolving accounts (amounts owed on credit cards), 15% is length of credit history, 10% is inquiries (new credit) , and another 10% types of credit used (having a blend of different types of accounts).

THE FICO™ WHEEL



STEP 4:

Read through your credit report

Read through your credit report and - using a highlighter - identify everything that is or was negative, questionable, wrong or even fraudulent. Don't forget to identify name variations, addresses that you do not live at, jobs you are not at, etc. Everything negative - even if you recognize it - is worth note. Mark everything that is even questionable. Those newly highlighted items will become the subjects of your verification investigation.



STEP 5:

Validate new and active collections

If you have a new collection, here is your opportunity to validate it. Send a validate letter directly to the creditor or collection agency. You will on do this if you have received a recent collection notice with the small print offering validation. You will also do this if you have been getting phone calls and letters about an open collection.



STEP 6:

Investigate items from your credit report

It is time to start your investigation to verify (a different action from validating) the highlighted items on your credit report. You will use the template letter example(s) from the “FILES” section of the Credilife Credit & Personal Financial Wellness Group linked with the FCRA - FREE Credit Repair Advice Group.

List your accounts on the letter specifically requesting verification of one aspect of each account - balance, date of last activity, account number, open date are just a few examples of the many aspects of which you can demand verification.

There are many different letter samples in the “FILES” section of the Credilife Credit & Personal Financial Wellness group for a variety of dispute types. You will use the sample investigation/dispute letter template for your investigation.

Type your letter to each bureau and mail them each with a copy of your Driver's License or photo ID, a copy of your Social Security Card or a copy of the front page of your taxes from 2016 and a copy of a CURRENT utility bill or voided check showing your correct address. Expect results in your credit monitoring in about 38 days and in your mailbox in approximately 45 days.



STEP 7:
Credit Development

While seeing things get deleted is probably the most exciting part of your credit repair, it is the credit development and building that is as - if not MORE important than the investigation.

Your credit itself is a picture of your history of repaying on lent money.

You should have 2 revolving accounts (credit cards), 1 retail account and 1 installment account for a base credit profile.

Make sure that you know, understand and meet the requirements of any accounts you wish to apply for BEFORE applying for them. If you don't, you will waste an inquiry - costing you points from your score.

If your credit is poor, you will be looking at secured credit cards. A secured credit card is one in which you make a security deposit with the lender and they issue you a credit card.

For secured credit cards I recommend, Capital One Secured, First Progress and CreditOne. If you have a bad history with any of these banks that you have not settled/paid, you will be denied.

retail credit cards, I suggest the Fingerhut Fresh Start Card (you must have a score over 500 and have no negative history with them.

For retail credit cards, I suggest the Fingerhut Option available here:
<http://www.my800credit.com/credit-tools/revolving-accounts/>
(you must have a score of at least 500 and no negative history with them)

For an installment account, I recommend a Credit Builder CD available here:
<http://www.my800credit.com/credit-tools/installment-accounts/>
Self Lender is a savings driven installment account that will report to all three national credit bureaus as an installment loan that will help to round out your credit profile. With NO HARD INQUIRY this is a FANTASTIC option for those looking to improve their credit.



STEP 8:

Avoid unnecessary credit inquiries

Watch giving your info to stores to get a discount by applying for their cards. Every inquiry costs you between 5-15 points from your score. Every inquiry stays on your credit for 24 months. Every inquiry impacts your score for 12 months.

Step-By-Step instructions on how to SAFELY START a self-driven credit repair program. We hope this is useful to you and keeps you SAFE throughout your credit repair journey.

