

5 Steps to Smarter Credit

A quick-start checklist for building strong credit habits

✓ 1. Know Your Score & Report

- Get your free report at AnnualCreditReport.com.
- Review it at least once a year.
- Check for mistakes (wrong names, balances, or accounts you don't recognize).

✓ 2. Pay on Time, Every Time

- Set reminders or autopay for all bills (credit cards, utilities, loans).
- Even one late payment can stay on your report for 7 years.

✓ 3. Watch Your Credit Usage

- Keep credit card balances under 30% of your limit (10% or less is even better).
- Example: \$1,000 limit → try not to carry more than \$300 balance.

✓ 4. Keep Accounts Open (When Possible)

- Closing old cards can lower your score by shortening your credit history.
- If a card has no annual fee, keep it open—even if you only use it occasionally.

✓ 5. Build, Don't Rush

- A good score is built over time, not overnight. Focus on long-term habits, not quick fixes.
- Avoid too many new credit applications at once (each one adds a "hard inquiry").

"Credit literacy is freedom. Once you understand how the system works, you'll never fear it again. This checklist is for educational purposes only—it's not credit repair, it's credit empowerment."