

## **How can I improve my credit score?**

Let's just say that there is no instant solution to getting a perfect credit score. Bad debts that appear on your file will disappear over time. In the meantime, here are some tips to help you:

**1 Don't pay your bills overdue.** You know you left the cell phone company's statement on top of a tablet. You didn't have time to settle the electricity bill on the way to the bank. Oh! The cable bill's still in the envelope!

Today's financial institutions allow you to pay your bills online and it's even possible to automate your payments.

Pay your bills by the due date and if you can't pay the full amount, pay at least the minimum amount due. This will benefit your credit rating. On the other hand, a 30-day delay will affect your file and any overdue payments beyond that period will be even worse. Whether the amount is high or low, a delay is very badly viewed by creditors.

**2 Do not use your credit to the fullest.** Rating agencies are concerned about credit cards and lines of credit being used to their fullest potential! Whether it's a credit card or line of credit, keep the amount low; it's recommended that you keep your credit card balance below 30% of your authorized limit. If your balance is frequently at 50% or more of the authorized limit, it will negatively affect your credit rating.

**3 Keep your old credit cards.** Carefully keep your old credit cards and the lines of credit that have been granted to you for a long term because they positively increase your credit score.

**4 Limit the number of retail store credit cards.** Retail store credit cards, even when paid within time limits, do not earn you points for your credit rating. Credit reports frequently indicate by a code that the consumer has "too many retail credit cards".

**5 Reduce your indebtedness ratio.** Reduce the amounts you owe on your credit cards. They cost you a lot of interest. Also reduce the amount of your car loan and mortgage, which will increase your credit score.

**6 Reduce loan applications.** The more applications you file, the more your credit score is affected. You're "shopping around" for a mortgage or a car loan? Each application for a loan from a financial institution should be at least two



weeks apart. Rating agencies will group them together and consider them as one application.

**7 Verify your monthly statements.** Always check your monthly statements for accuracy, as they may contain errors. They will also allow you to see how you are using your credit cards. If unauthorized transactions have been charged to your account, don't wait to report them to the issuing company.

Be aware of interest rate increases or fee increases that could affect credit conditions.