

## VantageScore Credit Scoring System

The three largest credit-reporting agencies (Equifax, Experian and TransUnion) recently introduced a new credit scoring system, called "VantageScore," that is intended to simplify the loan process for lenders and borrowers.

Previously, each credit agency had their own proprietary credit scores.

VantageScore Score	Ranking
901-990	A
801-900	B
701-800	C
601-700	D
501-600	F

The higher your credit score, the better the deal you'll get on interest rates for credit cards and loans. Order a free copy of your credit report from each of the three credit-reporting agencies at [Annualcreditreport.com](http://Annualcreditreport.com), or by calling (877) 322-8228, and check to make sure there are no errors dragging down your score.

To improve your score:

1. Pay your bills on time
2. Do not borrow more than 50% of your outstanding limit on any of your credit lines.
3. Retain old credit-card accounts that are in good standing open, even if you rarely use them.
4. Avoid opening numerous credit-card accounts in a short period of time.

Mortgage lenders typically use FICO scores to determine your creditworthiness. You can find out your score for \$14.95 at [MyFICO.com](http://MyFICO.com).