



What does your credit score mean?

You probably have a general idea of what a credit score is, but do you know how it's calculated and what it really means?

A credit score is a number (usually between 300 and 850) that represents your creditworthiness. Basically, it provides a snapshot of how likely you are to repay your debts on time.

Your credit score can play a big role in your life and influence things like your monthly car payments, your ability to snag that sweet apartment and even the hiring manager's decision on that new job you applied for. That's why it's super important to understand how they work.

What's a good credit score?

A credit score of 720 or more is considered prime – this means you're in good shape. Scores under 550 mean you could be turned down for a loan. Scores in the good- not-great range (550 to 720) might get you loan approval, but your interest rates will be higher than if you had a prime credit score. Nobody likes the idea of paying more money for no reason, so it makes sense to adopt credit habits that will boost your overall score.

How is my credit score calculated?

The FICO score is the best known and most widely used credit score model in North America. It's also known as the Beacon score in Canada.

The vast majority of financial institutions use the FICO model, which is based on consumer credit files from the two national credit bureaus:

- Equifax Canada
- TransUnion Canada

Because a consumer's credit file may contain different information at each of the bureaus, FICO scores can vary, depending on which bureau provides the information to FICO to generate the score.

Each credit bureau uses a slightly different calculation, but the basic breakdown goes like this:

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35% = payment history - Making payments on time boosts your score.

30% = capacity - This is one of the areas where the less you use of your total available credit, the better. If you get close to maxing out all your credit cards or lines of credit, it tanks your score, even if you're making your payments on time.

15% = length of credit - Good credit habits over a long period of time raise your score.

10% = new credit - Opening new credit cards (this includes retail credit cards) has a short-term negative effect on your score, so don't open a whole bunch at once!

10% = mix of credit - Having a combination of different types of credit (like revolving credit and instalment loans) boosts this part of your score. Credit cards are considered revolving credit, and things like car loans and mortgages are instalment loans.

How do I get my score?

You are entitled to one free credit report per year by mail from Equifax and TransUnion. Spacing out your credit report requests allows you to check on your credit every six months or so. If you can't wait for a free report by mail, you can always get an instant credit report online from Equifax or TransUnion for approximately \$15.

When you receive your credit report, you'll notice that it does not list your three-digit credit score. Despite this, it's still a helpful reference because it serves as the basis of your credit score.

If you know how a credit score is calculated, then you know how to look for factors on your credit report that might be influencing your score for better or for worse. It's also an easy way to look at account openings, account closings and what your repayment history looks like.

You can get access to your actual credit score from either Equifax or TransUnion for an additional fee (\$20 to \$25).

Some commercials make it seem like credit scores are big, mysterious, randomly assigned numbers. But with a little research, a little patience and some good habits, you can influence your credit score in a positive way and not be caught off guard by a denied loan or an outrageous interest rate. provides general information only, and does not constitute financial, accounting, tax, legal or other professional advice. We encourage you to obtain personalized advice from qualified professional regarding your particular circumstances.

Holiday Hours

We will be closed for the following days:

Canada Day:	July 1
Civic Holiday:	August 5
Labour Day:	Sept. 2

Consolidation Loan

4.99% APR

Terms & conditions apply.

Ganaraska Financial Credit Union



Community Donations

Hike for Hospice

Peterborough staff, friends and family took time on the weekend to get involved with the Hike for Hospice in May 2019. We were able to donate \$1510.00! Hike for Hospice is a non-competitive walk and Hospice Peterborough's largest fundraising event. It brings families, friends, neighbours and co-workers together to support and recognize the palliative and bereavement struggles of individuals and families in our community.



Rebound Child & Youth Services

Ganaraska Financial Credit Union was happy to support Rebound Child & Youth Services and their amazing programmes available to our community. Staff members Jennifer Beth, Mabel, Lisa and Michelle meet with Executive Director Carol Beauchamp and Fund Development Coordinator Rachel Edwards.



Junior Achievement

GFCU has been happy to sponsor Junior Achievement in the Kawartha/ Peterborough community. John McNutt (L) met with our staff Kelly, Justin, Megan and Maria to present a cheque for \$1000 to support the efforts of this vibrant and successful organization.



Big Bike 2019

on June 13th our Cobourg, Port Hope staff were involved raising money and collecting donations for Heart and Stroke Big Bike event. With the help of many of our valued members and staff, we presented cheques totalling \$844 for the cause. Thank you!



Fraud protection: A quick guide to help you stay vigilant

Whether it's cyber fraud or phone scams, tricksters steal millions from unsuspecting Canadians every year. Get educated to avoid being a statistic.

Criminals are defrauding an increasing number of Canadians, with numerous reports indicating that scams—including cyber, insurance, and phone—are on the rise. A 2018 report from PwC indicated that 55 per cent of Canadian respondents were victims of economic crime, up from 37 per cent in 2016, while CPA Canada's 2019 Annual Fraud Study found that 70 per cent of people are more concerned about fraud today than they were five years ago.

Fraud prevention and identity management of Equifax Canada, one of the country's two credit reporting agencies points out that fraud costs the Canadian economy billions of dollars a year.

Despite fraud continually making headlines and Canadians being more vulnerable to having their identities stolen, many people are still unfamiliar with fraud and how it works. Here's what you need to know:

WHAT IS FRAUD?

Fraud is what crooks commit after they've stolen your identity. First, a criminal steals your personal information, whether that's through online phishing emails, pulling personal information out of the garbage, or another way. They would then use that information to open a credit card, take out a mortgage or start a new bank account in your name. It's when they start stealing your money, or funds from an institution, that fraud occurs. Once they get a mobile or a credit card or a passport number, they can start using that information for criminal activity.

HOW CAN YOU PROTECT YOURSELF AGAINST FRAUD?

There's no foolproof way to protect against fraud, but there are some steps to take to lessen the chance of something nefarious happening. The first step is ensuring criminals can't steal your information. Examples of this are shredding any documents with identifying details on them, avoiding opening any unfamiliar emails, not leaving a passport lying around on a trip, and so on. However, Canadians must go beyond some of the more obvious anti-identity theft measures. For example, don't use public Wi-Fi, which is often unsecured and easy to hack. As well, make sure any computer or phone you do buy, especially if it's second-hand, hasn't been hacked. Try it out before buying and look for signs of a hack, including slow-to-load videos, crashing apps and sudden device resets.

HOW CAN YOU TELL IF YOU ARE BEING DEFRAUDED?

It's not always easy to tell if you've been the victim of fraud, but one way to check is to see if any odd charges have been placed on your credit card. It depends on the lender, but typically people have 30 days to dispute a claim on a card, so it's important to check every statement.

Equifax and TransUnion can also create fraud alerts under your name. If someone tries to open a bank account, get a loan or credit card with your information, you'll receive a call from an agent to make sure that you made that request. It's about being prepared and doing due diligence,

WHAT HAPPENS IF A FRAUD HAS OCCURRED?

Consumers should call their financial institution right away if a fraud has occurred. Banks, credit card companies and other lenders will work with consumers—you will have to fill out some paperwork—to remove any fraudulent charges.

Equifax and TransUnion can also do the legwork for you, for a fee. They have identity-theft specialists on staff who can call Passport Canada, credit card companies, driver's licensing authorities and others to tell them that your identity has been stolen and that you'll need new documents. In any case, you'll want to minimize the impact. You have to get in front of it and it will take time to resolve, but you're not usually held liable for any fraudulent activity.



We are paying **3%** on Special Member Shares!

Ask how you can purchase yours today!