

October 20, 2011

To: Members of the U.S. Senate
Members of the U.S. House of Representatives

From: Floyd E. Stoner, Executive Vice President, Congressional Relations & Public Policy

Re: Get Smart About Credit 2011, Oct. 20

Today and throughout the fall bankers will be sharing credit “know-how” with teens and young adults as part of the American Bankers Association Education Foundation’s Get Smart About Credit Day.

Thousands of bankers are investing in their communities by providing face-to-face credit education as part of this national program. Please join them in working toward this common goal: more financially literate future generations. Here are ways you can help improve credit smarts this fall:

1. Distribute the enclosed “Credit Dos & Don’ts” tips to your constituents, via email or newsletter.
2. Raise awareness by recording a public service announcement, using the enclosed “Credit Dos & Don’ts” tips and encouraging local radio and television stations to carry your message.
3. Designate your banking or education LA to represent you at a teaching event in your area.

Students are just not getting the information they need to manage credit wisely. And that’s not because they don’t want to know about it. Bankers can and do fill this knowledge gap. In a recent survey of past Get Smart About Credit participants, 85 percent said they have seen positive results from their teaching efforts.

As you know, we’re in a new environment when it comes to credit. A good credit score is more important than ever. It opens the door to homeownership and the best interest rates. And despite the recent housing turmoil, homeownership remains an important economic stepping stone for many. For low-income families, homeownership means more wealth for the parents and higher academic achievement for the children. And it all starts with good credit habits and a good credit score.

Support Get Smart About Credit and banker-teachers across the nation by raising awareness about credit education. For a list of participating banks, please see our [Get Smart About Credit Honor Roll](#).

If you have questions about the program, or would like contact information for any of the participating banks, please contact the foundation’s executive director, Laura Fisher, at 1-800-BANKERS or lfisher@aba.com.

Credit Dos and Don'ts

DO read the fine print on a credit application. The application is a contract, so read it carefully before signing. Credit card companies are very competitive so interest rates, credit limits, grace periods, annual fees, terms and conditions may vary.

DO order a copy of your credit report annually. AnnualCreditReport.com is the only authorized source for the free credit report that is yours by law. You can request your free report online, by phone or by mail. Visit www.annualcreditreport.com, call 1-877-322-8228 or fill out the Annual Credit Report Request form and mail it to: Annual Credit Report Request Service, PO Box 105281, Atlanta, GA, 30348-5281.

DO be wary of anyone who claims they can "fix" your credit report. No one can legally remove negative accurate information from your credit history. The only thing that can fix a credit report is time and a positive payment history.

DON'T want a credit card or don't think you're ready for the responsibility? Just say "no." Just because you receive a credit offer, doesn't mean you have to accept it. If you no longer wish to receive prescreened offers, opt out. Call 1-888-5-OPTOUT (1-888-567-8688) or visit www.optoutprescreen.com.

DON'T ignore the warning signs of credit trouble. If you pay only the minimum balance, pay late, use cash-advances to fund daily living expenses or transfer a lot of balances you might be in the "credit" danger zone. Talk to a financial counseling organization to regain control of your finances.

DON'T share your credit card number. Never give out credit card or personal information if you have not initiated the transaction. Be aware of identity theft and phishing scams that ask for credit card numbers.