

Good Credit is Key to Solid Financial Future:

F&M Bank and ICBA Offer Tips for Establishing and Maintaining Good Credit

Washington, D.C. (February 23, 2018): When establishing financial fitness goals, the Independent Community Bankers of America and F&M Bank want to remind customers: it's easier to build a credit score than to repair a bad one.

"Having a good credit history is key to any financial plan," said Pete Reichardt, President and CEO of F&M Bank. "Credit scores take into consideration years of past behavior, so it's important to establish a history of responsible credit practices and build your score by maintaining good habits."

ICBA and F&M Bank offer the following tips to help build and maintain good credit.

- If you are just beginning to establish your credit history, open a checking account and keep careful track of your balance.
- Use debit and credit cards for convenience and safety, but not to overspend. Missed or late payments damage your credit and hurt your credit score.
- A good mix of credit (i.e., a revolving credit line and an installment loan) also boosts your credit score and further demonstrates that you can manage different types of credit.
- Demonstrate stability in the three to six months before a major purchase. Avoid opening or closing accounts or moving large amounts of money around.
- Build an emergency fund equal to at least six months of living expenses. If the unexpected happens, you will still be able to pay fixed expenses instead of falling behind.
- Alter your credit focus as you approach lifecycle stages. As you near retirement, for example, start paying down major purchases (such as a mortgage).
- Monitor your credit regularly so you can correct any errors and detect any potential signs of identity theft. Order a copy of your credit report annually from www.annualcreditreport.com.

Establishing good spending and saving habits, and sticking with them, is critical when times are tough and can go a long way toward helping you achieve your financial goals. F&M Bank can serve as a great resource to help get you started on the road to establishing good credit, which will serve as the foundation for a more secure financial future. Please contact us at 608-372-2126 or visit us online at www.fmnetbank.com for further questions.

