

# What is an Insurance Score?

Travelers uses your insurance score, together with a number of other factors, to determine the best pricing level for you. Generally speaking, customers who have high (good) insurance scores and no prior claims or accidents, qualify for our best price.

**By using insurance scores, most of Travelers customers can get a more favorable rate.**

An Insurance Score based on credit history helps predict the potential for future losses, but it is NOT the sole factor in determining the cost of your policy. It is used with other factors to arrive at the best rate possible.

## An insurance score includes:

- Payment history
- Bankruptcy, foreclosures and collection activity
- Length of credit history
- Amount of outstanding debt in relation to credit limits
- Types of credit in use (i.e. mortgages, installment loans)
- Number of new applications for credit

**See the reverse side for tips on how to improve your insurance score.**

# Ten Tips to Help You Improve Your Insurance Score

1. **Pay your bills on time.** Timeliness in paying your bills improves your score.
2. **Manage your outstanding balances.** As a rule of thumb, maintain account balances at least 75% below your available credit.
3. **Avoid excessive inquiries to your credit reports.** Too many inquiries may negatively impact your score.
4. **Limit the number of credit accounts.** Your access to excessive unused credit could result in too much debt.
5. **Review your credit report regularly.** Know what is on your credit report and take necessary steps to dispute any inaccuracies.
6. **Avoid 'quick' credit fixes.** Good credit is built over time.
7. **Manage your debt consolidation.** Consider how to effectively pay down your debt without generating more credit activity.
8. **Limit the amount of new debt you take on.** Too many new loans or credit accounts opened in a short amount of time can negatively effect your credit rating.
9. **Establish credit if you do not have a long track record.** A longer credit history has a positive impact on your score.
10. **Work with your creditors.** Resolve outstanding balances before they are turned over to a debt collector.