



What Is a Credit Report?

A credit report is a summary of how you pay your financial obligations. It begins when you first apply to borrow money. It allows potential lenders to evaluate risk so that, based on your past performance, they can decide whether or not you are likely to repay the borrowed funds.

There are 2 main credit bureau companies in Canada - Equifax and TransUnion - and each will send you a copy of your own report once a year for free, if you request it by mail or by phone. Even if you think you know what is on your credit report, it's still a good idea to obtain a copy once a year to make sure it's accurate. Along with your credit report, you'll also receive a form that will allow you to make a correction to your file or explain certain circumstances. It's also worth noting that requesting your own report is not recorded negatively against you (it's not considered a "hit"). You can contact either Equifax or TransUnion at the numbers below.

EQUIFAX CANADA	TRANSUNION
Consumer Relations: 1-866-828-5961	Consumer Relations: 1-866-525-0262
Touch tone request: 1-800-465-7166	Touch tone request: 1-800-663-9980
equifax.ca	transunion.ca

Types of Credit Accounts:

- R Revolving Account (has a limit, and you can pay and use, like a credit card)
- I Installment Account (has a fixed number of payments, like a car loan)
- O Open Account (the full balance owing must be paid by each billing cycle, as with a cell phone account or monthly insurance premiums)

Usual Manner of Payment	R	I	O
Too new to rate	0	0	0
Paid as agreed	1	1	1
Paid late but within 30 days	2	2	2
Paid up to 60 days late, but not more than 90; 2 payments past due	3	3	3
Paid up to 90 days late, but not more than 120; 3 payments past due	4	4	4
Account is at least 120 days overdue but not yet rated a 9	5	5	5
Making payments under a consolidation order, debt repayment program or similar arrangement	7	7	7
Repossession (indicates if it was a voluntary return or not)	8	8	8
Bad debt; placed for collections	9	9	9



Everything pertaining to regular consumer debt, good or bad, stays on your credit report for 6-7 years depending on which province you live in.

Credit: Building, Repairing and Using It Wisely

A credit report summarizes your credit history and contains information based on what you have done in the past. Lenders use it to verify information about you, your borrowing activity and your repayment history. Your credit score on the other hand, is based on information in your credit report, and it is used by lenders to predict the likelihood that you will repay future debt.

Factors that affect your credit score include:

- Your payment history - do you generally make your payments on time? Paying on time is crucial for a good credit rating.
- How much you owe - your outstanding balances compared to your credit limits. Even if you have a high limit, you shouldn't need to use the full available limit on an ongoing basis.
- How long your credit file has been open - both a young person with negative information in their credit file and a slightly older person with no credit file will likely have difficulty obtaining credit.
- How many times you have applied for new credit - how many inquiries are registered on your credit file and what is the nature of those inquiries? Your credit score reflects how often you apply for new credit and how you handle the accounts that you've opened recently.
- The type of credit you have - consolidation loans, personal loans, lines of credit, credit cards, and deferred interest/payment plans all impact your credit score differently. The impact may be positive or negative, depending on your overall credit file.
- Collection items or judgements registered against you affect your credit score negatively.

Factors that affect your overall credit rating include items listed above, in addition to:

- Regular savings contributions proportionate to your income.
- Maintain a stable address and employment circumstances.
- Avoid overdraft and NSF's which can signal financial difficulty.
- Pay more than the minimum payment due each month and work on bringing the balance down. Limit your use of the card until it is paid in full.
- Only apply for credit that you need. One -- perhaps two credit cards -- with reasonable limits based on your income, are all you should need. Pay them off in full every month.
- Keep all credit card balances well below the limits.



- Reduce your monthly debt payments (excluding mortgage payments) to no more than 14-20% of your take home pay. This will allow you to manage unforeseen financial challenges effectively.
- Keep credit limits reasonable - if used to the limit, you should pay the full balance off within a year and leave it paid off.

Good AND bad, everything stays on your credit file for 6-7 years.



CREDIT BUREAU REQUEST FORM

(If you would like to receive a copy of your credit report with this request, please complete fully and attach photocopies of both sides of 2 pieces of ID)

CONSUMER RELATIONS CENTRE

3115 Harvester Road, Suite 201

Burlington, Ontario L7N 3N8

Tel 800 663-9980

www.transunion.ca

You may also request your credit report by phone using our Interactive Voice Response system:
1(800) 663-9980 (Prompt 1)

The information on this form is requested to enable our associates to confirm your identity and access your file as mandated by consumer reporting legislation. If our system does not currently contain a file with the information you provided, your inquiry will result in a file being created or updated accordingly.

PERSONAL INFORMATION

Last Name:	First Name:		
Middle Name	Date of Birth: (MM/DD/YYYY)	JR/SR	
Social Insurance Number: (Optional)	Home Phone Number: (Optional).		
Referred By (Institution/Company/Website):			

ADDRESS INFORMATION

Present Address:			Apt #:
City:	Province:	Postal Code:	How Long:
Previous Address: (If Present is less than two years)			Apt #:
City:	Province:	Postal Code:	How Long:

EMPLOYMENT INFORMATION (OPTIONAL)

Employer:	How Long:
<i>I understand and consent to the information provided above being used to update my credit file. I understand that my identification will be used for authentication purposes and will be stored electronically.</i>	
<i>I am the person named above and I understand that I could be prosecuted under federal or provincial legislation for obtaining information from a consumer reporting agency by fraudulent means or under false pretences.</i>	
Signature:	Date:

Your request CANNOT be fulfilled without including both sides of 2 pieces of acceptable photocopied ID.



REQUEST TO OBTAIN MY FREE CREDIT REPORT

Important Information & Instructions:

In order to protect your personal information we will validate your identity before mailing your credit report to your confirmed home address. You must provide a photocopy of the front and back of:

- 2 pieces of government-issued identification (e.g. driver's license, health card, birth certificate, passport etc.)
- If your address is not up-to-date on either identification, you must also provide an additional document showing your current home address (e.g. telephone or utilities bill or bank statement). We recommend you **blackout** transactional details as we only require the date of the document, the sender, your name, address and your account number.
- If you provide your **Social Insurance Number (S.I.N.)**, we will cross-reference it with our records to ensure that we disclose the correct information to you. Knowing your S.I.N. helps us avoid delays and confusion in case another individual's identifying information (such as name and address) is similar to your own.
- If you provide a **credit card** statement or copy of your **credit card** as proof, please ensure to **blackout** your CVV.

The information you provide on the form will be used to confirm your identity and may also be used to update your credit report. Such updated information will be stored, safeguarded, used and/or disclosed in the normal course as part of your credit file. For more information about Equifax's privacy practices, please see our Privacy Policy at <http://www.consumer.equifax.ca/privacy>. For clarity, in any case, we will keep a copy of the information you provide to demonstrate that we complied with our obligation to obtain reasonable identification from you.

Please send your completed form with proof of identity to: **National Consumer Relations: P.O. Box 190, Station Jean-Talon Montreal Quebec H1S 2Z2** or by fax to: **514-355-8502**. Kindly allow 5-10 days for delivery. If any corrections to your credit report are necessary you must complete the Credit Report Update form enclosed with your package, or visit www.equifax.ca and click on "How to File a Dispute" under Credit Report Assistance.

PLEASE PRINT: LAST NAME FIRST NAME, INITIAL SUFFIX (Sr., Jr., etc.)

PLEASE PRINT: CURRENT STREET ADDRESS APT. CITY PROVINCE POSTAL CODE

PREVIOUS ADDRESS(ES) WITHIN LAST 3 YEARS

PLEASE PRINT: PREVIOUS STREET ADDRESS APT. CITY PROVINCE POSTAL CODE

PLEASE PRINT: E-MAIL Address

DATE OF BIRTH: MONTH/DAY/YEAR S.I.N.: (OPTIONAL) NAME & LAST 4 DIGITS OF MAJOR CREDIT CARD: (OPTIONAL)

SIGNATURE DATE

YES, I WOULD ALSO LIKE TO PURCHASE MY EQUIFAX CREDIT SCORE* FOR \$11.95 (tax included) and I authorize Equifax to charge the payment to my credit card: VISA MasterCard AMEX

Cardholder Name: _____

Card Number: _____ Expiry Date: _____
MONTH/YEAR

Note: Cheque and cash payments are not accepted. Cardholder's name must be same as requestor's name.

*Equifax Credit Score is a product some service providers use when assessing applications for credit and services. It is not part of your credit report, but is based on the particular information in your credit file at the time it is calculated. Equifax Credit Score is not the same as the FICO Score, which is also used by some lenders. Equifax will provide your credit report free of charge, whether or not you purchase your Equifax Credit Score. **There is another credit reporting agency in Canada that provides this service:** TransUnion of Canada, P.O. Box 338, L.C.D.I. Hamilton ON L8L 7W2 Telephone: 1-800-663-9980 Telephone in Quebec: 1-877-713-3393



Dealing with Debt Collectors and Collection Agencies

If you are having trouble paying your debts, a collector or collection agency may contact you seeking payment. While they have a right to do so, you also have the right to be treated fairly. Understanding your rights under your Provincial Consumer Protection Act is an important step in resolving your debt difficulties successfully. Below is a summary of what collection agencies can and cannot do. For detailed information specific to your Province, please see page two for contact information in your region.

Collection agencies can:

- Attempt to collect on a debt that is in default and has been sent to them for collection
- Contact a debtor at their place of employment to obtain a home address or phone number or make one attempt to reach the debtor when they have been unreachable at home
- Contact the debtor's family, friends or employer in an attempt to obtain a home address or phone #
- Contact the debtor's employer to confirm employment, business title and business address
- Contact you a certain number of times and call between certain hours of the day (local time):

Province	Monday to Friday	Saturday	Sunday	Statutory Holiday
Alberta	7 am - 10 pm	7 am - 10 pm	7 am - 10pm	7 am - 10pm
BC	7 am - 9 pm	7 am - 9 pm	1 pm - 5 pm	Cannot call
Manitoba	7 am - 9 pm	7 am - 9 pm	No calls	Cannot call
Ontario	7 am - 9 pm	7 am - 9 pm	1 pm - 5 pm	Cannot call
Saskatchewan	8 am - 9 pm	8 am - 9 pm	No calls	Cannot call

Collection agencies cannot:

- Try to collect more than the debtor owes
- Apart from taking legal action, they cannot try to collect money from a debtor if the debtor has disputed the debt in writing or if the debtor has proof that they are not responsible for the debt



- Try to collect without holding a valid debt collection agent license
- Place a collect call to a debtor, or ask that money be sent in a fashion that will incur a cost to the debtor
- Continue to contact the debtor by phone when the debtor has requested in writing that the collection agency only communicate with them in writing and the debtor has provided a mailing address (exception: this does not apply in Saskatchewan, however, most collection agencies will be respectful of the request if communication in writing is maintained)

Unreasonable collection practices:

- Make a charge or threat that has nothing to do with collection of the debt
- Make abusive calls in which they lose their temper and use profanity or other verbal abuse
- Talk to the debtor's employer without the debtor's permission, unless it is to confirm employment
- Talk to the debtor, the debtor's family, friends or employer in a way that will humiliate or distress
- Make frequent calls that constitute harassment
- Give the debtor what looks like a court document when it isn't

Assistance in Your Province

Alberta – Consumer Contact Centre, Service Alberta

Edmonton 780.427.4088, Toll Free in AB only 1.877.427.4088,

www.servicealberta.gov.ab.ca/Consumer_Info.cfm

British Columbia – Consumer Protection BC

Toll Free in BC 1.888.564.9963, www.consumerprotectionbc.ca

Manitoba – Consumer Protection Office

Winnipeg 204.945.3800, Toll Free 1.800.782.0067, www.gov.mb.ca/cca/cpo/index.html

Ontario – Ministry of Consumer Services

Toronto 416.326.8800, Toll Free 1.800.889.9768,

<https://www.ontario.ca/page/consumer-protection-ontario>

Quebec - Office of Consumer Protection:

Quebec City: 418-525-0311, Montreal: 514-395-0311 or 1-866-526-0311, www.lautorite.qc.ca



Saskatchewan – Consumer Protection Branch

Regina 306.787.5550, Toll Free 1.877.880.5550, www.justice.gov.sk.ca/credit-and-debt



[Today's Date]

[Creditor Name]

[1 Downtown Street]

[City, Province Postal Code]

WITHOUT PREJUDICE

ATTENTION: CREDIT DEPARTMENT

RE: ACCOUNT # 1234 567 890 SMITH, JOHN

Dear [Creditor]:

I am writing to inform you that my current income from [CPP, OAS, Disability Pension, Government Assistance, etc] is not enough for me to be able to make any payments towards my alleged debt at this time.

I respectfully request that you contact me by letter only going forward; please do not contact me by telephone. I will respond to any letters you send to me in a timely manner.

If at any time I am in a position to resume payments on the alleged debt, I will contact you immediately to make appropriate arrangements.

I thank you for your patience and understanding during this difficult time.

This communication is provided solely for the purposes of notifying you to communicate in writing only and does not constitute an acknowledgement of the alleged debt described above.

Sincerely,

[your name]

[complete mailing address]

[phone number]

[account number]