

Did you know?

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CLEARING CREDIT RATINGS

Under British Columbia's Credit Reporting Act, a credit reporting agency is not allowed to keep negative financial information about individuals for more than six years. The six years even applies to a bankruptcy that was legally completed more than six years ago. It should be mentioned that second bankruptcies can be reported for 14 years.

What is the process for a credit check?

What usually happens after you have asked for money from a financial institution is that they will check out your credit rating. They will sometimes do this by asking private reporting agencies or credit bureaus for information about your credit record. These agencies have access to your credit history and they will be able to state whether loans have been paid on time in the past. There are two credit reporting agencies in Canada. They are Equifax Canada Inc. and Trans-Union of Canada. They are governed by provincial and federal credit reporting laws.

Is anyone allowed to do a credit check?

The credit reporting agencies store and maintain credit information about individuals for use by their members. These members include banks, financing companies, auto leasing companies, retailers, landlords, and employers. Lenders can only see your file if you have granted your written consent or if they notify you in writing that they will be getting a credit report.

How can I get a copy of my credit history?

You can get a copy of your credit report, by contacting the two credit reporting agencies. You need to fill out a form called 'Request to obtain my credit history'. You can write to these agencies for the form or can download a copy of the form from their site. Once you have placed your request, the credit reporting agency will then mail your report to you. It is important that you review your report to ensure the information is accurate.

What if there are errors in my credit report?

It is a good idea to request and review your credit report periodically, to make sure it is accurate. If you believe there is inaccurate information in your credit report, you can take steps to correct it. Simply provide information about the disputed item to the credit reporting agency. If you find unfavourable, but accurate facts in your file, you may be able to prevent a potentially embarrassing situation by discussing this with the lender when you fill out an application. You might consider adding a short statement to your credit file to explain the unfavourable item in your credit file.

1) **Equifax**: Website address: www.equifax.com
Phone: 1-800-465-7166

2) **Trans-Union**: Website address:
www.tuscores.ca. Phone: 1-800-663-9980