



Improving Your Credit Score

Credit Report Agencies in Canada:

Equifax Canada

www.Equifax.com

1 800 465 7166

Trans Union

www.tuc.ca

1 866 525 0262

Basic information on your file:

Personal Information

Name, Spouse's Name, Current and previous addresses, SIN, Telephone Number, Date of Birth, Current and previous employers

Inquiries

A list of all places, who you have authorized, who have requested a credit report on you.

Public Record Information

Judgements, Registered Items, Bankruptcies

Consumer Statement

You have the ability to put a "Consumer Dispute Comment" on your file

Credit History

Provided by your creditors on a monthly basis

Creditors use the following rating system:

R=Revolving / I=Installment / O=Open

Revolving Credit - the amount varies each month depending on how much you use them
(Credit cards, Personal Line of Credit)

Installment Credit - You borrow a set amount and a specific amount has to be paid each month over a specified period of time (Mortgages, Car Loans, Student Loans, Personal Loans)

- Account ratings (0-9)

Each account on your credit bureau file has a “rating” which indicates whether the account is up-to-date.

0 = account opened but not used

1 = account up-to-date

2 = account 1 payment behind

3 = account is 2 payments behind (and so on..)

7 = account is 6 payments behind or has been settled through a proposal

8 = repossession

9 = account is written off or has gone to collection, released under bankruptcy, etc.

Your Credit Score

At-a-glance indicator that lenders use to estimate your probability of successful loan repayment.

Credit scores range from 300-900. Your credit score is based on the following?

- 10% - type of credit
- 10% - application for new credit (inquiries)
- 15% - length of accounts
- 30% - current debt status
- 35% - late payments, bankruptcies, collections, judgments

* Information taken from Equifax website

How long items are reported on your Credit Report:

3 years

- Credit Inquiries
- OPD / Credit Counselling (from the date successfully completed)
- Registered Consumer Proposals (from the date of registration)

6 years

- Credit Transactions (from the last activity)
- Collection Accounts (as above)
- Banking Information (from the date of Registration)
- Bankruptcy (from the date of discharge)
- Judgments, seizure, garnishments (from the date filed)
- Secured Loans (as above)

14 years

- 2nd bankruptcy (from the date of discharge)

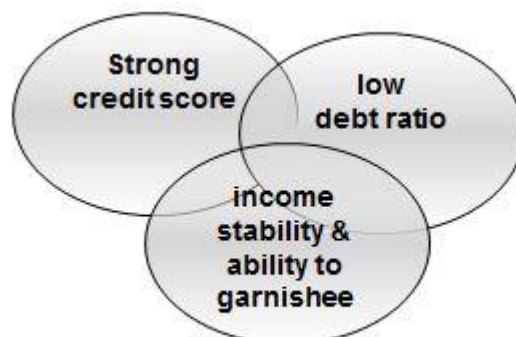
Dos & Don'ts

DO

- Establish your own credit rating
- Review your credit report at least 6 months before applying for credit
- Keep your payments up to date
- Use revolving & installment credit
- Use secured credit to reestablish
- Build a relationship with a lender

DO NOT

- Shop around for credit
- Max out your credit
- Cancel old cards



The 3 elements necessary for a good credit rating are...