

A GUIDE TO UNDERSTANDING YOUR CREDIT REPORT

This guide contains a generic sample credit report for a fictitious person. It was created to outline and explain the information you may typically find in a credit report obtained from one of the Australian credit reporting bodies. While each credit reporting body has its own format and structure, the information you may expect to find in each is presented in this sample report which will assist you in interpreting your credit report.

Joanne Lee Smith's Credit Report

PERSONAL INFORMATION

Joanne Lee Smith

Gender Female
Other Names Joanne Lee Duncan
Date of Birth 10/02/1963
Driver's License 035507539
Employer North Darley Private Hospital

Current Address

13 Rosemary Way, Geelong VIC 3220

Address History

32 Jamieson Grove, Parramatta NSW 2150

7 New Street, Fairfield Heights, NSW 2165

This section shows the personal information that is used to assist in identifying you. As well as your current and previous addresses it will show any previous names in the event of a name change due to change in marital circumstances or by deed poll, for example.

SUMMARY OF INFORMATION CONTAINED WITHIN THIS REPORT

Your Credit Score

432

Consumer Credit Information

Consumer Credit Accounts	3
Defaults reported	2
Serious Credit Infringements	1
Credit Enquiries	3

Commercial Credit Information

Commercial Credit Accounts	0
Defaults reported	0
Serious Credit Infringements	0
Credit Enquiries	0

Public Record Information

Bankruptcy Act Actions	1
Court Actions	1
Other Public Record Information	0
Company Directorship	1

Other Information

File Access	3
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Your Credit Score may be shown. This is typically a number between 0 and 1000 (or between 0 and 1200 if obtained from Equifax) that represents a numerical estimate of your overall creditworthiness based on the credit risk assessment models of that specific credit reporting body.

The higher the score, the better it is. Factors that might influence your credit score include the number and type of credit accounts you hold, whether or not you typically make payments on time and whether or not you have any adverse information on your record such as defaults or judgements. Applications for credit, and the type of credit applied for, may also be taken into account.

Consumer, Commercial & Public Record Information

This section will show a summary of the key information contained in the report including:

- an overview of the **consumer credit** accounts you currently hold, or have held with a credit provider,
- an overview of any **commercial credit** accounts you (or a company of which you are a director) currently hold, or have held with a credit provider,
- any relevant information about you that is publically available, including judgements, summons, court proceedings.

CONSUMER CREDIT INFORMATION

The **Consumer Credit Information** section will show more detailed information that a credit reporting body holds about applications that you have made for credit, or existing credit accounts that you hold, for personal, family or household purposes (in other words, consumer credit applications or facilities) as reported by credit providers. Typical examples might include a home loan, credit card, personal loan or a mobile phone account.

This information can include the type of credit account/s, the credit limit/s, the credit provider/s, and the dates/s the accounts were opened and closed.

Consumer Credit Accounts

The **Consumer Credit Accounts** section contains information about both your open and closed credit accounts. While an account is open, information about it can be seen on your credit report. After you close an account, information about it can be seen for up to two years, after the account is closed.

Account Number	Name of Provider	Account Type	Open Date	Close Date	Term Type	Term of Loan (mths)	Credit Limit	Relationship
123	Home Bank	Mortgage	12/06/2001		Fixed	240	\$450,000	Joint borrower
567	Credit Co	Credit Card	28/11/2008		Revolving	Unspecified	\$7,500	Principal's account
918	Yes Bank	Personal Loan	06/08/2010	31/08/2015	Fixed	60	\$15,000	Principal's account

Repayment History Information

Repayment History Information shows up to two years of detail about the monthly payments you have made to the consumer credit accounts listed on your credit report, as reported by credit providers.

It shows when you have made payments on time and if not, it provides an indicator of how many months you fell behind in meeting your payment obligations. It does not show the payment amount.

Read the information from right to left. The most recent information is on the left and shows the latest month's data. The information on the far right shows information from up to 24 months ago.

Not all organisations are allowed to report Repayment History Information. Banks, building societies, credit unions and other lenders may choose to report Repayment History Information. However, telecommunications companies and utilities such as electricity and water companies are among those organisations that cannot currently report monthly Repayment History Information.

Each credit reporting body may have their own way of representing your repayment history. Your credit report will include definitions, a glossary, or a key to help you understand how to interpret the information. Below are two examples that show different ways information may be shown.

Example 1

Acc ID	2016						2015												2014					
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul
123	0	1	0	0	0	2	1	1	0	0	0	0	0	0	2	0	0	0	0	2	1	0	0	0
567	0	0	0	0	0	0	0	x	6	5	4	3	2	1	0	0	0	0	0	0	0	0	0	0
918										x	6	5	4	3	2	1	0	0	0	0		0	0	0

Repayment history definitions

0	Current up to and including the grace period*
1	Up to 29 days past due (after the grace period has been applied*)
2	30-59 days past due
3	60-89 days past due
4	90-119 days past due
5	120-149 days past due
6	150-179 days past due
x	180+ days past due

A “**Grace period**” of 14 days (applied to your first overdue payment) is allowed. During this time, a credit provider will not report a late payment to a credit reporting body. If the amount owing is paid during the grace period, there will be no record on your credit report that you made a late payment.

However, once the grace period has passed, if you have not made full payment of the amount owing, the credit provider may report this as a late payment to the credit reporting bodies.

How to read Example 1

Account 123

In this example, Joanne usually paid her Mortgage (account 123) on time, but missed a payment in October 2014 and in November 2014, making her payment up to 59 days past due. However she made all necessary repayments and brought the account payments up to date in December 2014.

In November 2015, Joanne missed her mortgage repayment, she then made the November payment in December 2015, but missed the December 2015 and January 2016 payments, making her payment up to 59 days past due. However she made all necessary repayments and brought the account payments up to date in February 2016.

Joanne also missed her mortgage payment in May 2016, but made the necessary payments in June 2016 to bring the account up to date.

Account 567

In this example, Joanne’s credit card (account 567) was current and up to date until she missed a payment in May 2015, Joanne then missed the next 6 payments causing the account payments to fall more than 180 days past due (as noted by the x in November 2015). A default was noted on Joanne’s account from July 2015 (see next section). Joanne then made all necessary outstanding payments in December bringing her account back up to date and from December 2015 has kept her account payments current.

Account 918

In this example, Joanne’s personal loan payments (account 918) were current and up to date until she missed a payment in March 2015, Joanne then missed the next 5 payments causing the account payments to fall more than 180 days past due (as noted by the x in September 2015). A default was noted on Joanne’s account from May 2015 (see next section). After falling 6 months into arrears, the account was closed by the credit provider.

In October 2014, no data was received by the credit reporting body for this account and therefore the field is blank.

Example 2

Repayment History Information: Yes Bank. Account 918.																								
Period: Year	2016					2015										2014								
Month	06	05	04	03	02	01	12	11	10	09	08	07	06	05	04	03	02	01	12	11	10	09	08	07
Status										x	6	5	4	3	2	1	0	0	0	0	0	0	0	

Code information

Code	Description
0 (zero)	The consumer credit is not overdue - current up to, and including, the Grace Period
1	Up to 29 days overdue (after the grace period has been applied)
2	30-59 days overdue
3	60-89 days overdue
4	90-119 days overdue
5	120-149 days overdue
6	150-179 days overdue
x	180+ days past overdue

How to read Example 2

Sample Bank. Account 918

In this example, Joanne's personal loan payments (account 918) were current until she missed a payment in March 2015 (as noted by the 1 underneath the month - 03), Joanne then missed the next 5 payments causing the account payments to fall more than 180 days past due (as noted by the x in August 2015). A default was noted on Joanne's account from May 2015. After falling 6 months into arrears, the account was closed in October 2015 (which is why no payments appear after this date).

In October 2014, no data was received by the credit reporting body for this account and therefore the field appears blank.

Consumer Defaults

The **Consumer Default** section provides you with more information about any defaults that a credit provider has listed about you. A default is a formal notification from your credit provider to a credit reporting body that you are 60 days or more overdue in making a payment on a debt where the outstanding amount due is more than \$150.

Before listing a default, the credit provider will have written to you at least twice to say that they may list a default if you do not make a payment. A default remains on your credit report for five years from the date of default even if it has subsequently been paid.

Account Number	Date of Default	Name of Provider	Account Type	Default amount	Status
567	11/07/2015	A Credit Union	Credit Card	\$1,050	Outstanding
918	06/05/2015	Sample Bank	Personal Loan	\$2,088	Outstanding

Consumer Serious Credit Infringements

A **Serious Credit Infringement (SCI)** is an intentional failure to comply with a credit obligation. It is a statement by an organisation that has provided you with credit that they have been unsuccessfully trying to contact you for more than six months during which time they have reasonably come believe that you have been behaving in a way that shows that you do not intend to meet your payment obligations. It may also mean that you have committed or attempted fraud in the way that you have applied for credit (this includes misrepresentation of your financial circumstances or failure to accurately disclose information regarding your financial circumstances in order to increase the chances that your credit application will be approved) or that you have evaded your obligations to make payments.

A credit provider can only report an SCI (on the grounds that you have evaded your obligations) when they have taken certain steps to establish contact with you, and if they have first reported the account as being in default.

A Serious Credit Infringement will remain on your record for 7 years unless you pay the debt. Once it is paid it will revert back to being reported as a default from the date the default was first reported until the date the debt was repaid (if it is less the 5 years since listing) or be deleted, if it is 5 years or more since the SCI was first listed.

Account Number	Organisation	Date	Type of Account	Reason to Report	Amount
5678	The Phone Company	18/03/2011	Telecommunications	SCI	\$1,253

Consumer Credit Enquiries

The **Consumer Credit Enquiries** section will contain information about the amount of times you have made an application for credit, the date of the application, the purpose and the amount you applied for.

It does not show whether the application was successful or not.

The decision to approve or decline credit rests solely with the credit provider.

The enquiries are made by credit providers, mortgage insurers or trade insurers. Consumer Credit Enquiry information remains on your credit report for five years from the date of the application.

Enquiry Date	Credit Provider	Purpose	Credit Limit	Financial Responsibility
02/08/2014	ABC Bank	Mortgage	\$600,000	Guarantor
18/10/2015	123 Mutual	Credit Card	\$12,000	Principal's account
19/03/2016	Sample Credit Union	Personal Loan	\$8,000	Joint borrower

Authorised Agent Enquiries (Consumer)

An **Authorised Agent** enquiry is a footprint left by a 3rd party acting as agent of a credit provider in relation to the processing of an application for credit or managing credit provided by the credit provider.

These records are retained on your credit report for 5 years from the date of the enquiry.

COMMERCIAL CREDIT INFORMATION

The **Commercial Credit Information** section shows the information that a credit reporting body holds about commercial credit accounts, which relate to a company of which you are a director or guarantor or as well as information regarding your past and current credit relationships regarding commercial credit accounts that are for business use.

Typical examples might include a commercial hire purchase application, a business credit card or a trade credit account.

Information regarding commercial credit accounts is recorded on your credit report for five years from the date of placement.

The information contained in the commercial credit section of your credit report would align to the same format as the Consumer Credit Information section above.

Authorised Enquiries (Commercial)

An **Authorised Agent** enquiry is a footprint left by a 3rd party or agent acting on your behalf to assist you to obtain credit.

Mortgage brokers and automotive dealers are examples of types of authorised agents.

These records are retained on your credit report for 5 years from the date of the enquiry.

PUBLIC RECORD INFORMATION

The **Public Record Information** section shows information relating to your credit activity that comes from publicly available sources that can be included on your Credit Report.

It can include information about any personal insolvency information involving you (including both voluntary and involuntary bankruptcy agreements), court proceedings, such as a judgement or summons, as obtained from the courts, the Australian Financial Security Authority (AFSA), and other relevant public record information.

Bankruptcy Act Actions

Bankruptcy Act Information, such as bankruptcies, debt agreements and personal insolvency agreements, is publicly available information that is obtained from the Australian Financial Security Authority (AFSA).

This information is usually held on your credit report for 5 years; however, the retention period can vary depending upon a number of circumstances including the length of the bankruptcy or agreement.

Type	Start Date	Reference #	Trustee #	Status	Date
Bankruptcy: Administration Order	22/07/2014	VIC1346790	9876543	Discharged	18/02/2015

Court Actions/Court Judgement Information

The section regarding **Court Actions and Court Judgement Information** shows a list of any Court Actions (also referred to as Court Judgement Information) concerning you that have been reported to the credit reporting body. This is publicly available information that is obtained from State and Federal court records.

Court Actions information is retained for five years from the day of the judgement. If this debt is paid out during this time your credit report can be updated to indicate that it has been paid or settled but the record will continue to show the Court Actions Information until the expiry of the 5 year listing period.

Record Type	Amount	Court Details	Date Entered	Status	Date reported	Plaintiff	Plaintiff #
Judgment	\$6,000	District Court of Victoria	08/11/2016	Open, filed	26/11/2015	XYZ Bank	10293847

Company Directorship

Directorship information is publicly available information obtained from the Australian Securities and Investments Commissions (ASIC). Directorship information is only updated when requested by you or a credit provider. Both current and previous directorship information remains on your credit report and there is no expiry date for this type of information. However, in the case of **Disqualified Director** information, this information is maintained on your credit report for the term of the disqualification plus at least an additional five years following expiry of the disqualification period, depending on the credit reporting body.

Business Name	Appointment Date	Business Registration Number	Registration State	ABN
Care and Home Services Pty Ltd	07/05/2016	456 987 123	Victoria	52 834 754 586

SAMPLE

OTHER INFORMATION

Other Information

This section contains information about how many times your file has been accessed by credit providers or access seekers.

File Access - information only available to the individual

Credit providers, mortgage or trade insurers are only allowed to view your credit report if they have a “permitted purpose” to do so under the Privacy Act. The main reasons that a credit provider is permitted to view your credit report are:

- if you have applied for credit to that credit provider and the access relates to the credit provider’s assessment of the application or management of credit
- if you are a customer of the organisation and they are concerned that you might be at risk of not being able to make your consumer credit payments,
- if you are a customer and have missed a payment to them

The File Access record for credit providers shows you which credit providers have viewed your credit report in the last five years, when they viewed your credit report and the reason that they did so.

Access Seekers will either be you, or someone authorised by you (in writing) to access your credit report. You, or someone you have authorised, can access your credit information whenever you want. This information will only be available to you, for the purpose of ensuring that you are aware who has accessed your credit report, and when this access occurred.

This information relates to the Credit Enquiry sections of the report and provides you with clear visibility of all credit report enquiries made by credit providers, as well as access by Access Seekers.

Access by Credit Providers, Mortgage or Trade Insurers

Organisation	Industry	Access Reason	Date
The Bank	Bank	Application for Credit	10/03/2016
AUS CRB	Credit Reporting Body	Disclosure	17/12/2012
The Phone Company	Telecommunications	Application for Credit	06/09/2014

Access by Access Seekers

Date	Details
07.09.15	Individual access
28.06.16	ABC Financial Counselling (written authority provided)