

CREDIT INFORMATION SHARING INFOGRAPHIC

NEGATIVE


Credit Applications


Defaults (>60 days overdue)


Insolvency & Court data

COMPREHENSIVE


Credit Applications


Defaults (>60 days overdue)


Insolvency & Court data



Credit account information



Date Account opened



Type of Credit



Available Credit Limit



Date Account Closed



Monthly repayment history*

24 MONTHS repayment history information



*Only Licensed Credit Providers - Financial Services

The new positive information means a more balanced system for consumers.



EXPLANATIONS – negative & positive information



Credit Applications

As part of completing an application for credit, you will have given a credit provider permission to view your credit report held by a credit reporting body such as Veda, Australia's largest consumer credit reporting agency.



Defaults

A consumer credit default can be recorded on your credit report if you miss a payment which is

more than **\$150*** and is more than **60 DAYS OVERDUE** *previously \$100

Before listing a default, the credit provider must have sent a written notice requesting payment and sent another written notice advising you that the debt may be reported to a credit reporting body. A default remains on your credit report for 5 years.

Insolvency & Court data

This public record information is provided as part of your credit history and includes bankruptcy, personal insolvency, debt agreements, court writs and judgments.



Credit account information including:



Type of credit account such as a credit card or personal loan



Account open date and close dates



Credit limit. This is the maximum amount of credit available to you for an account. If you accept a credit limit increase, the new credit limit could be included on your credit history.

Credit account information can be shared by all credit providers, Financial services, Telco and Utility companies.



Monthly repayment history on credit accounts such as personal loans, mortgages and credit cards.

This will reflect whether you paid the minimum amount required on your financial commitments each month on time or not. There is a five day grace period for any inadvertent late payments.

Repayment history information can only be shared by Licensed Credit Providers (Financial services) – this does not include Telco and Utility companies.

The new positive information means a **more balanced system** for consumers who have a good credit history (as it highlights good behaviour), as well as those who previously had trouble meeting their financial commitments – as it may enable them to access quality credit where they may not have been able to previously.





CREDIT DEFAULT

Chris lived in a share house four years ago and when he moved out he didn't take his name off the phone account and his former housemates did not pay a bill.

As a result, he ended up with a default on his credit report. This remains on his credit report for five years and it comes up on any credit check run on him, which is why he's having difficulty getting a car loan.

Under the new CCR system, "positive" credit behaviour i.e. making monthly repayments on time can help negate the default on Chris' credit report.



SHOPPING AROUND FOR CREDIT

Anna's family is expanding. She has bought white goods and new bedroom furniture on interest-free finance and is shopping around for a personal loan for a car.

To get the best deal, Anna has applied with a few lenders and finds herself being declined. What she doesn't realise is each time she makes an application, it's recorded on her credit report - so although she's just shopping around, she "reads" as someone in financial stress. This stays on her credit report for five years.

Under new rules, credit providers will have a clearer picture of Anna's credit commitments as her credit report will not only show credit applications but open and closed accounts as well as credit limits.



More information available at

www.veda.com.au/yourcreditandidentity/comprehensive-credit-reporting