



Bad Credit Rating Default Removal Case Study

Client Profile:

Name: David
State: VIC
Sex: Male
Age: 36
Married/Single: Married
Listing Type: Payment Default
Original Creditor: Breeze Finance
Current Creditor: Breeze Finance
Paid / Unpaid: Paid
Listing Amount: \$825

Application received: 08/02/2011
Stage 2 Payment received: 15/02/2011
Default Removed: 01/03/2011

Background:

The client took out a Car Loan from Esanda Finance. He paid out the loan. The client then received a letter from Breeze Finance P/L stating that he owed them \$825 for car insurance however the client never recalls getting insurance from Breeze Finance. He did not dispute the matter and agreed to pay the overdue account. The client was under the impression that the account was already paid until he applied for a home loan only to find out that there was a payment default listed against his name by Breeze Finance.

What were any challenges with the Creditor:

A formal letter was drafted and sent to the creditor. Upon receiving the formal letter the creditor refused to co 'operate as they believed we needed to take the matter up with Veda Advantage. We advised the creditor that Veda Advantage are a credit reporting agency and that the matter was to be dealt with their company as they were responsible for listing the payment default.

Why was the default Removed:

After negotiating with the creditor, A Legislative Compliance Officer found that the creditor could not provide sufficient evidence as to why the client should have been listed and instructed the creditor to remove the default.

Summary:

David was determined to clear his credit rating when he came to MyCRA as all he wanted was to have this overdue account listed against him be removed so that he and his partner could apply for a home loan to purchase a house for his young family. The default was removed in 12 working days -

Congratulations David.