



Bad Credit Rating Default Removal Case Study

Client Profile:

Name:	Eric
State:	VIC
Sex:	Male
Age:	28
Married/Single:	Married
Listing Type:	Default
Original Creditor:	GE Automotive
Current Creditor:	Credit Corp
Paid / Unpaid:	Unpaid
Listing Amount:	\$2458

Application received:	01/11/2010
Stage 2 Payment received:	12/11/2010
Default Removed:	07/03/2011

Background:

The client had a phone account with Telstra and a car loan with GE automotive when he became seriously ill and was battling to keep up with his repayments. The client was contacted by GE Automotive and made aware that his car was going to be sold at auction for the amount outstanding on the account. In 2006 he was admitted to hospital (expected recovery time was 9 to 12 weeks). Around one week following his release from hospital he received a letter from Credit Corp requesting payment of \$6,900. Concerned and not knowing what for, he gave GE Automotive a call and they said that Credit Corp is working on their behalf to collect the interest charges owing on the vehicle. Eric then contacted Credit Corp and organized a payment plan of \$200 a month. He was struggling to meet the monthly repayment and only made part payments. By March 2010 he had negotiated a lump sum payment with Credit Corp and paid them out in full.

What were any challenges with the creditor:

The creditor was refused to remove the listing stating that in their view it had been listed correctly.

Why was the default removed:

Throughout our negotiations our Legislative Compliance Officers found several inconsistencies and instructed the creditor to immediately remove the listing from the credit file

Summary:

Eric contacted his broker looking at purchasing his dream home when his loan request was unsuccessful due to two listings on his credit file. The broker is waiting on the removal of the defaults to place the loan & Eric is relying on the defaults being removed to allow him to buy his dream home. The GE Default was removed in a total of 82 working days. We are still working on the Telstra listing. – **Congratulations Eric!**