



Bad Credit Rating Default Removal Case Study

Client Profile:

Name: Aaron
State: WA
Sex: Male
Age: 29
Married/Single: Married
Listing Type: Payment default
Original Creditor: Optus Financial Services
Current Creditor: Baycorp Collect PDL
Paid / Unpaid: Paid
Listing Amount: \$925

Application received: 15/11/2010
Stage 2 Payment received: 17/11/2010
Default Removed: 23/12/2010

Background:

The client had freshly moved out of his parents house and his parents agreed to keep his mail sent to this parents address. It had been a while since he had collected his mail, and his telephone account became overdue and a default was issued. The client paid the account straight away after receiving his mail from his parent's house, and he contacted Optus to remove the default and his request was denied as the debt was passed onto a collection agency.

What were any challenges with the creditor:

No real challenges, and information requested was sent to us in a timely manner

Why was the default removed:

With the high level of detail received in the application, our Legislative Compliance Officers were easily able to ascertain possible breaches of the rules and regulations that the creditors must adhere to. We then requested documents from the creditor so that we could investigate these possible breaches. After our investigation, we found that we were correct and we notified Baycorp of the breaches. They swiftly confirmed they will be removing the default.

Summary:

Aaron was aware that he had a default when he applied for a mortgage with his wife and he was advised against applying for the home loan and to use MyCRA's services to repair his credit rating first. Aaron is now able to apply for the home loan for his family – **Congratulations Aaron!**