



## Hardship assistance and your credit report

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### Credit reporting 'know your rights' series no. 13

This fact sheet is the thirteenth in a series that outlines what you need to know about how your personal information can be handled in the Australian consumer credit reporting system. It contains information about how your consumer credit report might be impacted if you make an application for financial hardship assistance. There are lots of technical terms used in the credit reporting system and we refer to some of those terms in this series. You can find more information about these terms in no. 2 (Privacy fact sheet 27) of this series.

#### What is financial hardship assistance?

If you are finding it hard to make your consumer credit payments (for example, because of illness, unemployment or changed financial circumstances) you might be able to apply to your credit provider to change the terms of your consumer credit contract. For example, you may be able to pause or reduce your payments for a period of time. To find out if you are eligible for hardship assistance, your first step should be to contact your credit provider directly.

More information about financial hardship is available on the Australian Securities and Investment Commission (ASIC)'s [Money Smart](#) website).

#### Will your request for hardship assistance be included in your credit report?

No. If you make an application to a credit provider for hardship assistance, the provider cannot disclose the fact that you have made a hardship application to a credit reporting body (CRB) for inclusion in your consumer credit report.

#### What happens if your application for hardship assistance is accepted by the provider?

If a credit provider accepts your application for hardship assistance, the provider **must not** disclose that fact to a CRB.

If your application for hardship assistance results in:

- a variation of the terms and conditions of your consumer credit
- your existing credit being terminated, or
- you being provided with new consumer credit

information about that variation, termination or new credit is able to be included in your consumer credit report. However, that information **must not indicate** that the variation, termination or new credit **was the result of your request** for hardship assistance.

#### Can a default be recorded in your credit report following your request for hardship assistance?

If you make a request to a credit provider for hardship assistance, that provider is **not** permitted to disclose information about a default to a CRB in the following circumstances:

- if the provider is in the process of deciding whether to grant your request, or
- for at least 14 days after the provider has notified you about its decision to refuse your request.

#### What if your application for hardship assistance is granted before a default is included in your credit report?

In circumstances where:

- you have an overdue consumer credit payment that has not yet been included in your consumer credit report as a default, and
- you have made an application for hardship assistance to a credit provider in relation to that consumer credit, and
- the provider has agreed to that request

that credit provider will **not** give a CRB information about that default provided that you comply with the terms of the hardship assistance.

For more information about defaults see no. 10 (Privacy fact sheet 35) of this series.

### **For further information**

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Or visit our website at [www.oaic.gov.au](http://www.oaic.gov.au)