

Credit repair

What is a credit report?

A credit report is a list of your borrowing and bill-paying history. The law calls them “consumer reports”, but most people call them “credit reports”.

If your credit report is bad, you may have a hard time with things like getting a credit card, borrowing money, or renting an apartment.

What if my credit report is wrong?

The companies that gather your credit information and create your credit report are called credit reporting agencies. The two largest ones in Canada are TransUnion and Equifax.

TransUnion and Equifax must give you a copy of your credit report for free once a year if you ask. It is a good idea to check your credit report regularly.

If a credit reporting agency has information about you that is wrong you can demand that they correct or remove it. You can write to them and explain why the information is wrong or needs to be removed. You do not have to pay a fee. And you do not need to pay a credit repair agency to do it for you.

There is more information in CLEO’s publication, **Your credit report**.

How can I improve my credit?

The best way to improve your credit rating is to pay your debts on time. If you keep doing this, your credit score will increase over time.

If you cannot pay the entire monthly payment on your bills, at least make the minimum monthly payments.

Who can help me improve my credit?

You can get help from a credit counselling service. These are not-for-profit agencies that help people in debt. Some may charge a small fee based on your income, but they are not in business to make money.

They can help you review your finances, make a budget, deal with creditors, and improve your credit record.

To find a credit counselling service contact the Ontario Association of Credit Counselling Services at **1-888-746-3328** or at [financialfitness.ca](https://www.financialfitness.ca). You can also contact Credit Counselling Canada at **1-866-398-5999** or visit [creditcounsellingcanada.ca](https://www.creditcounsellingcanada.ca).

Can a credit repair agency help?

Probably not.

Credit repair agencies are businesses that promise to “clean up” or “fix” your credit report for a fee. Credit repair agencies often promise things like “no more debt” or “credit fixed fast”.

Debt settlement companies are another type of business that offer to help you fix your credit by getting you out of debt.

Both types of businesses usually charge high fees and cannot do anything for you that you could not do yourself. There is

more information about these businesses in CLEO's publication, [Credit counselling and debt settlement services](#).

What are my rights if I do hire a credit repair agency?

A credit repair agency cannot ask you to pay them before they start work. If you paid in advance, you can ask for your money back. The agency must give you your money back within 15 days.

A credit repair agency cannot charge any fee unless their services result in a real improvement to your credit report. And they cannot promise to improve your credit report until they have read it.

If you hire a credit repair agency, they must give you a copy of your written agreement. The agreement must contain the agency's name, address, and telephone number. It must also have:

- the agreement's date
- a complete list of the services they will provide
- the date they will complete their services
- how much they will charge you if they improve your credit report

What if I change my mind or want to cancel my agreement?

You can cancel your written agreement with the credit repair agency at any time within one year if:

- you did not receive a copy of the agreement, or
- it does not have all of the required information.

You can also cancel the agreement within 10 days without giving a reason. This is called the "cooling off" period.

It is best to cancel your agreement in writing so you have proof. Keep a copy for yourself.

What can I do if I have a problem with a credit repair agency?

You can file a complaint with the Ministry of Government and Consumer Services. There is a complaint form on the Ministry website at ontario.ca/page/consumer-protection-ontario or call **1-800-889-9768**. If the Ministry agrees with your complaint, it can order the agency to follow the rules, refund your money, or pay you compensation.

For more information and help

See stepstojustice.ca/legal-topic/debt-and-consumer-rights and CLEO's other consumer law resources for more information.

You can contact Consumer Protection Ontario for more information about your rights or for help making a complaint. Call **1-800-889-9768** or visit their website ontario.ca/page/consumer-protection-ontario.

You can contact Pro Bono Ontario's legal advice help line for up to 30 minutes of free legal help and advice. Call **1-855-255-7256**.

Some legal aid clinics help with consumer law issues like credit repair agencies. For a list of local clinics visit legalaid.on.ca/legal-clinics or call **1-800-668-8258**.



Visit stepstojustice.ca for more information about consumer problems. This is general information for people in Ontario, Canada. It is not intended to be used as legal advice.

Vous pourriez avoir droit à des services en français devant les tribunaux ou auprès d'organismes gouvernementaux. Visitez justicepasapas.ca/droits-linguistiques-des-francophones.