

[31] Bankruptcies: A person legally declared to be unable to pay debts (date filed, type of action, [IND for personal; BUS for business], court name, court code, liability, assets, filer [subject, spouse or both], case number and trustee, disposition of bankruptcy and description of the bankruptcy).

[32] Third-party collections: A debt which a creditor is unable to collect and hires a third party to do so (name of third-party collection agency, collection agency member number, reported date, type of collection [UP CL - unpaid collection or PD - paid collection], original amount of collection, date of last activity with credit grantor, balance as of date reported, reason, ledger number, verified date, credit grantor and account number, description).

[33] Secured loans: A chattel mortgage, registered loan, or registered lien is a loan where the debtor has given personal property as collateral and the loan is registered with the provincial government. This is not derogatory information. (Secured loans are not extended in the province of Quebec.) [Date reported; name of reporting government agency; member number of reporting agency, maturity date of the loan, name and address of creditor; amount of loan; description of loan status].

[34] Judgments: A court order against a debtor for payment of monies owing (date judgment granted or date filed; judgment status [ST JD - satisfied judgment, JD GT - judgment]; court identification number/name of court; amount of judgment; defendant; judgment number; plaintiff; status of judgment [satisfied, unsatisfied or disposition unknown] and date, when applicable). Other public record information may include foreclosures, credit counselling, and orderly payment of debt (OPD).

[35] TRADE INFORMATION

Bus/ID Code: Company name and/or telephone number and/or customer number.

RPTD - Date item was reported to Equifax.

OPND - Date account was opened with credit grantor.

H/C - High credit on the account; the highest amount owed or credit limit.

TRMS - Monthly repayment amount.

BAL - Balance owing as of date reported.

PDA - Past due amount as of date reported (shown if applicable).

RT - Type of account and manner of repayment: see Trade Information Descriptions and Manner of Payment (North American Standard ratings) for detailed rating descriptions.

30/60/90 - Number of times subject has been 30, 60 or 90 days past due with this account.

MR - Months Reviewed - the number of times or months this account has reported.

DLA - Date Last Activity - Date of last activity with this account, could be purchase date, last payment date or in worst case, write-off date.

* Indicates the information was updated by an accounts receivable tape.

Prev Hi Rates - relates to the 30/60/90 section; provides ratings and dates of the 3 most recent delinquencies

Description - Provides additional information about the account.

[36] Credit Utilization: Provides the percentage that the customer has utilized their credit by dividing balances by high credit. The total of all open high credit amounts and all open account balances are also displayed.

[37] BANKING INFORMATION SECTION:

Type of account, name and telephone number of institution; date item was reported to Equifax; type of account; customer's member number; date account was opened with credit grantor; balance of account (approximate range); additional information on account.

[38] CONSUMER STATEMENT SECTION: Rptd, Purge: Date reported and date information will be deleted from the credit report - Declaration: Statement the consumer or subject added to the file to explain discrepancies or other comments.

Trade Information Descriptions

When viewing a trade line, it is important to be able to understand what the coding is telling you. The following is a list of the codes used in rating a trade line.

Figure 63⁴ – Equifax Trade Information Descriptions

Types of accounts:

- O: Open account (30 days or 90 days).** This indicates that the account has just been opened and the borrower hasn't even made his or her first payment yet, so it cannot be rated.
- R: Revolving or option (open-end account).** An example of this would be a credit card such as a Visa, Mastercard, department store card, etc. The word revolving refers to the fact that as the borrower makes a payment, that amount is again available as part of the credit limit. For example, if you have a credit card with a \$5,000 limit and you owe \$4,000 and you make a payment of \$4,000, that amount is again available to you to borrow.
- I: Installment (fixed number of payments).** An example of this would be a car loan, personal loan, etc. This type of credit has equal payments that will eventually fully repay the loan. Unlike a credit card when the borrower makes a payment that amount is not available to be re-borrowed.
- C: Line of Credit**
- M: Mortgage**

⁴ Equifax Canada,

https://www.equifax.com/assets/canada/english/consumer_credit_report_user_guide.pdf

Trade Information Ratings

Figure 64 – Trade Information Ratings

Manner of payment (North American Standard account ratings):

- 0 - Too new to rate; approved but not used.
- 1 - Pays (or paid) within 30 days of payment due date or not over one payment past due.
- 2 - Pays (or paid) in more than 30 days from payment due date, but not more than 60 days, or not more than two payments past due.
- 3 - Pays (or paid) in more than 60 days from payment due date, but not more than 90 days, or not more than three payments past due.
- 4 - Pays (or paid) in more than 90 days from payment due date, but not more than 120 days, or four payments past due.
- 5 - Account is at least 120 days overdue but is not yet rated “9.”
- 7 - Making regular payments under a consolidation order or similar arrangement.
- 8 - Repossession (voluntary or involuntary return of merchandise).
- 9 - Bad debt; placed for collection; skip.

Credit Rating Examples

Let's say that your borrower has a credit card that is currently up to date. The rating on this card will be an R1. R represents a revolving type of debt, while 1 indicates that the account is up to date with no past due amounts. If, however, this borrower is behind two months, which is two payments, the rating will be an R3.

If the borrower has a loan, such as a car loan, and it is up to date it will be rated as an I1. I represents an installment type debt which typically has fixed payments, while 1 indicates that the account is up to date with no past due amounts. If, however, this borrower is behind four months, which is four payments, the rating will be an I5.

If the lender decides to repossess the car because of these missed payments, it has the right to repossess, or take the security and sell it. In this case his rating on this car loan would be an I8. If, after the car was sold there was still an outstanding amount owing to the lender, and the lender didn't feel it could get that money from this borrower, it would change the rating to an I9. This means that the lender does not expect to get this money and has therefore written off this debt.

Equifax Glossary of Terms Used in a Credit Report

Figure 65⁵ – Equifax Glossary

The following key words are specific abbreviations used in various sections of the credit file. Please use this list to interpret the abbreviations when you see them. The highlighted terms are typically the ones that a mortgage agent will most frequently encounter.

A Spousal account	EMP Date employed	NV Not Verified
ACC Account number	ES Employment - subject	O Own or open account
AGE Age of subject	E2 Subject's second former Employment	OPD Orderly payment of debt
AKA Also known as	FA Former address	OPND Date Opened
B Both	FAD File activity date	PD Date paid
BAL Balance	FB Foreign bureau	P/D Past due amount
BDS Birth date - Subject	FN File number or former name (depends on line)	PR/BK Proposal under bankruptcy
BKRPT Bankruptcy		PR/OI Public records or other information
BRN Creditor's name and/or address	FORCL Foreclosure	R Revolving account
BUS Business	FS Date file was established	RPTD Date reported
BUS Business industry code	GARN Garnishment	RT Current rating (i.e R1, I1, etc.)
CA Current address	H/C High Credit	S Single
CASE NO. Case number	I Installment (account/individual)	SAVAC Savings account
CDC Consumer debt counseling	ID Identification information	SECLN Secured loan
CF Co-subject's former employment	IND Individual	SINCE Date file was established
CHKAC Chequing account	INQS Inquiries	SPECL Special notice item
CRCLD Court consolidation	IN VOL Involuntary	SSC Social insurance/spouse
CRT Update by in-house operator	INVER Indirectly verified	SSS Social insurance/subject
D Divorced	J Joint	STJD Satisfied judgment
DAPA Debtor assistance pool account	JUDG Judgment	STS System-to-system customer
DEF Defendant	LEFT Date left employment	TRMS Terms (payment amount)
DEPS Dependents	LIAB Liabilities (amount)	U Unknown
DIS Dispute following resolution	LWR Lawyer	UN Unique file number
DLA Date of last activity	M Married	UPCL Unpaid collection
DN Death notice	MAR Marital status	VER Date verified
DVFD Divorce filed	MATURE Date of maturity	VLDEP Voluntary deposit
DVFL Divorce final	MR Months reviewed	VOL Voluntary
EC Spouse's current employment	N/RES Non-responsibility notice	W Widow, widower
EF Subject's former employment	NSF Non-sufficient funds	XX Automatic combine

⁵ Equifax Canada, <http://www.equifax.ca/Home/Docs/guidea.htm>

Figure 87 – Comparison between Equifax and Transunion: Years kept on file

Item	Years kept on file	
	Equifax	Transunion
Credit transactions, from the date of last activity	6	6
Judgments, from the reporting date	6	7
Collections, from the first date of delinquency	6	6
Secured Loans, from the date opened	6	5
Bankruptcy, from the date of discharge	6	7
Consumer Proposal, from the date satisfied	3	3
Credit Counseling, from the date paid	3	2