Credit Reporting - Frequently Asked Questions

These FAQs explain what will happen to certain credit reporting information, including Repayment History Information (RHI) and account details when an account is transferred to a new credit provider as HSBC exits retail banking in Australia.

1. What is credit reporting and where can I access my credit report?

Many financial institutions in Australia report information to the credit reporting bodies, under the Comprehensive Credit Reporting (CCR) regime. This includes consumer's credit liability information and details such as the type of credit product held, account opening and closure date, credit limit and repayment history. Reportable credit accounts include Home Loans, Credit Cards, and Personal Loans. This means that most Australian consumers have repayment history information being reported for at least one credit account.

Australia's two main credit reporting bodies are Equifax and Experian. You can access your credit report, which includes your credit score, free of charge once every three months from each of the credit reporting bodies.

CreditSmart.org.au contains instruction on how you can access your free credit report:

Free Credit Report Australia: Check My Score, Rating & History - CreditSmart

2. What will happen to my HSBC Credit Card credit reporting if my outstanding balance is assigned to Credit Corp?

Your Comprehensive Credit Reporting record for the HSBC Credit Card account assigned to Credit Corp will be deleted, including:

- Repayment History Information (RHI), and
- Comprehensive Credit Reporting account details associated with that open account such as type of loan, open date, and credit limit.
- Any historical credit bureau enquiries relating to your application for a HSBC Credit Card and any default listings will remain on your credit bureau record.

3. **What will happen to my credit report, if I have already closed my accounts with HSBC and they are not being assigned to Credit Corp**

If you have closed your account with HSBC, your Comprehensive Credit Reporting Information will reflect the account closure and repayment history information will remain on your credit file for up to 24 months.

Historical credit enquiries relating to your application for a HSBC credit product and any default listings will remain on your credit report for the relevant retention periods (generally 5 years from when those listings were made).

4. **Why will the deletion of Comprehensive Credit Reporting information be requested for open credit card accounts after the credit cards are assigned to Credit Corp?**

After the assignment of outstanding balances to Credit Corp, HSBC will no longer provide monthly CCR updates to the credit reporting bodies relating to the assigned credit card accounts. As Credit Corp is not a signatory to the Principles of Reciprocity and Data Exchange (PRDE) which is a pre-requisite for reporting CCR information and does not contribute CCR information to the credit reporting bodies, HSBC will notify the credit reporting bodies of the assignment. HSBC's understanding from the credit reporting bodies, is that this will result in a deletion of the CCR data by them.

5. **What impact will deleting a comprehensive credit reporting record have on my credit record?**

As everyone's credit record is unique, the impact this will have on your credit record and credit score is dependent on your individual circumstances. Deleting the record helps reduce unintended adverse impacts from incomplete Comprehensive Credit Reporting.

If you had a history of making repayments on time, removing that information depending on the Credit Reporting Bodies scoring model, could have a neutral or negative effect on your credit score. If the account contained late-payment information, its removal could have a neutral or positive effect on your credit score.

As credit scores are calculated differently by each credit reporting body and dependent on individual circumstances and different scoring models, the exact movements are difficult to predict.

6. **What does deleting a credit card record mean for my future credit applications?**

The lender you apply with will not be able to see this record and repayment history when obtaining your credit file. This means that you will need to disclose this to the lender as part of your application, so they capture your accurate financial position.

7. **Why are you not deleting my credit enquiry related to the credit card assigned to Credit Corp?**

It is important that the credit reporting bodies are able to retain an accurate record of your credit enquiry history, to allow future lenders to understand your credit activity, and use this information as part of any activity you have with them.

Credit enquiries remain on your credit report for up to 5 years from when they were listed.

8. **When will my repayment history information relating to the open credit card assigned to Credit Corp be deleted by Equifax and Experian?**

HSBC will notify the credit reporting bodies once all the accounts are assigned to Credit Corp. This notification will trigger the credit reporting bodies to delete the relevant data from their systems. Any deletion remains subject to the credit reporting bodies' approval and usual processing times, which we understand are generally 30 days or less.

9. **Will my credit score change because of these updates?**

The two main credit reporting bodies (Equifax and Experian) create their own credit scores calculated from the data in your individual credit report. Where underlaying information changes, the score may change. How the removal of the CCR information impacts your score will depend on the credit reporting body and the other information contained in your credit report. Removal of the information may result in your score changing (higher or lower) or may not result in any change.

More details on credit reporting and individual credit scores can be found on the Credit Smart website located at www.creditsmart.org.au

10. When will these updates show on my credit report?

Due to different processing and reporting cycles at the credit bodies, credit reporting updates, where approved, may take several weeks after transfer before they appear on your credit report. This includes reporting on any transfer or closure details.

11. Who do I contact if my credit report looks wrong or I want to request a correction?

You can contact:

- HSBC before the assignment to Credit Corp
- Equifax or Experian (credit reporting body) that holds your credit information

You will be able to find instructions at Credit Smart:

Fixing errors in your credit report - CreditSmart

After the assignment, you can contact:

- Credit Corp
- Equifax or Experian (credit reporting body) that holds your credit information

If you have a complaint relating to the information on your credit report or your account, you can raise it with HSBC Customer Relations Department before the assignment to Credit Corp by:

Phone (within Australia, toll free, 8:00am to 7:00pm AEST): 1300 308 188
Phone (overseas): +61 2 9005 8181
Post: Customer Relations Team - HSBC Bank Australia Limited, Tower 1 - International Towers Sydney, 100 Barangaroo Avenue, Barangaroo NSW 2000, Australia.
We will attempt to respond to any complaints, access or correction requests as soon as possible, and no later than 30 days once we've verified your identity. If it's a complex matter, we may need to ask you for an extension and provide a reason why.

You may also contact Credit Corp's internal dispute resolution department after the assignment by contacting them by:

Phone: 1300 768 621
Mail: Customer Care, GPO Box 4475, Sydney NSW 2001, or
Email: customercare@creditcorp.com.au

If you remain dissatisfied with the response, you may raise your concerns with the Australian Financial Complaints Authority (AFCA), who are able to provide a free and independent review of your concerns. You may contact AFCA by calling 1800 931 678 or visiting www.afca.org.au. Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.