

Temporary support if you cannot pay a loan

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CLEARER CREDIT HISTORY



Easy English

Blue words



Some words in this book are **blue**.

We write what the blue words mean.

Help with this book



You can get someone to help you

- understand this book

- find more information.



Contact information is at the end of this book.

About this book

This book is from Arca.

We used to be called the Australian Retail Credit Association.



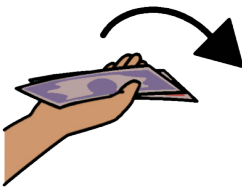
This book is about support if you cannot pay your **loan**.



Loan means a business gives you money to buy something.



For example, a bank gives you money to buy a house.



You have to pay the money back.



A loan can also be a credit card.



A business that gives loans is called a **lender**.

What can make it hard to pay your loan?



You might find it hard to pay your loan if you have **financial difficulties**.



Financial difficulties means you do **not** have enough money.

You might **not** have enough money if there is a sudden change in your life.



For example

- you get very sick



- you find it hard to pay bills



- you lose your job

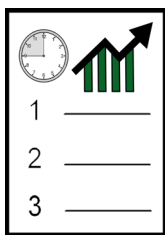


- there has been a natural disaster, like a flood or bush fire.

How to get help if you cannot pay your loan



You **must** tell your lender as soon as possible if you **cannot** pay your loan.

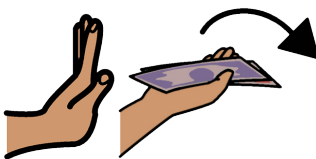


Your lender might make a **temporary financial hardship arrangement** for you.

Temporary financial hardship arrangement means new rules for your loan.

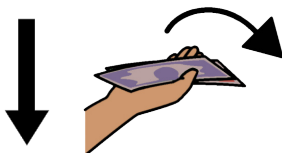


The new rules do not last for the whole time of your loan.

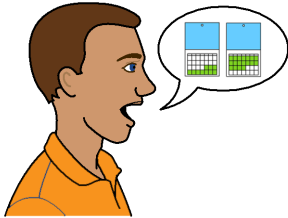


The new rules might let you

- stop payments on your loan for a while



- pay less for a while.



Your lender will tell you how long the new rules go for.



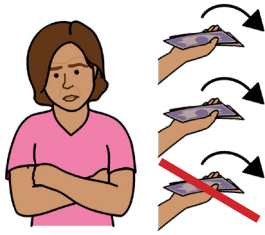
You **must** talk to your lender if you still **cannot** pay your loan when the new rules end.



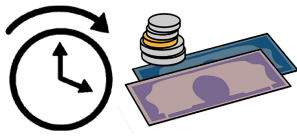
Your lender might make more new rules for your loan.

You still have to pay back **all** of your loan.

What if you do not ask your lender for help?

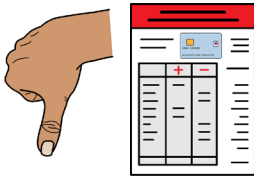


You might miss a lot of loan payments if you do **not** ask your lender for help.

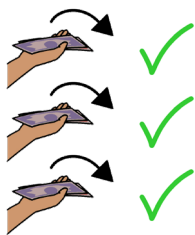


If you miss a lot of loan payments you might

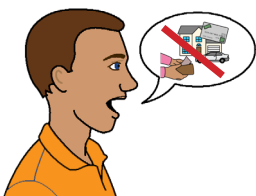
- have to pay a **late fee**
 - a late fee is when you have to pay extra money to your lender



- get a bad **credit report**
 - a credit report is one of the things lenders look at when you ask for a loan.

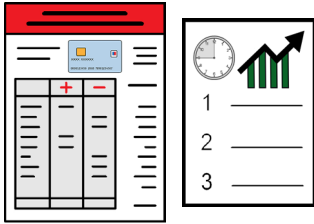


For example, if you have paid other loans on time.

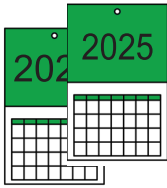


You might **not** get a new loan if you have a bad credit report.

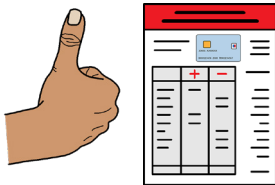
Does your temporary loan plan go in your credit report?



Your credit report will say your loan has new rules for a while.

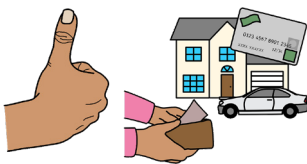


The information lasts for 1 year on your credit report.

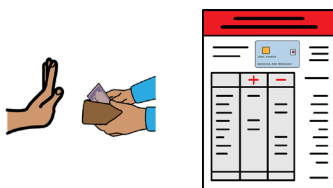


You will **not** get a bad credit report if you follow the new rules for your loan.

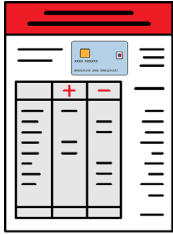
For example, you make all your payments on time.



The new rules for your loan do **not** stop you getting more loans in the future.



You can get a free copy of your credit report every 3 months.



How to get a free copy of your credit report

There are 2 places to get a free copy of your credit report.



Equifax

Website [equifax.com.au](https://www.equifax.com.au)

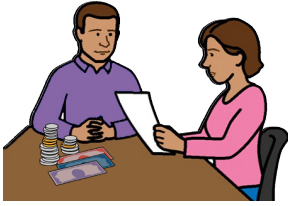
Call 13 83 32



Experian

Website [experian.com.au](https://www.experian.com.au)

Call 1300 783 134



Where to get free financial counselling

Financial counselling is when someone helps you manage your money.



National debt helpline

Website ndh.org.au

Call 1800 007 007

More information

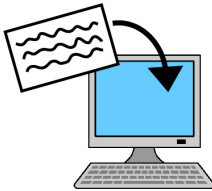


You can find more information on our CreditSmart website.



Website

creditsmart.org.au/financial-hardship



Email

creditsmart@arca.asn.au

If you need help with English



Use the free Translating and Interpreting Service or TIS to make a phone call.

You can call the TIS in your language.



Call 131 450

Give the TIS officer the phone number you want to call.

If you need help to speak or listen



Use the National Relay Service to make a phone call.

You must sign up to the service first.



Website accesshub.gov.au/nrs-helpdesk



Call 1800 555 660

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