

EQUIFAX OFFERS CREDIT FILE ADVICE FOR ENTREPRENEURS

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Equifax highlights the role of credit information as BBA Report suggests there is greater use of personal credit history in small business lending decisions

London, 13th June 2013 – A new report published today by the British Bankers Association (BBA) has highlighted that the personal credit history of owners is being taken into account when small companies and start-ups are applying for funding, as well as business plans. Leading online credit information provider, Equifax, is urging anyone planning to start up a new business and small business owners looking for additional funding to ensure their personal credit information is accurate and up to date.

According to the BBA report, of rejected applications for business loans of less than £25,000, more than half were turned down because of credit scores. The author of the report, Professor Russel Griggs, is calling for business owners to be educated by lenders and advisers about the impact their personal credit score has on applications for finance.

“Without a previous financial track record in business lenders are increasingly looking at the applicant’s personal credit file to help assess a new business loan application”, explained Neil Munroe, External Affairs Director, Equifax. “Anyone planning to apply for finance for a business should therefore check their personal credit history, as well as putting together a strong business plan.

“There are a number of factors that can affect someone’s credit score and it’s not just about keeping on top of credit commitments”, continued Neil Munroe. “A high number of searches on a credit file in a short space of time can affect a credit score. So it’s important to ensure that any enquiry searches that might have been undertaken before an application has been made, are properly recorded on a credit file. Being registered on the electoral roll is also vital for a good credit score.

“Having several credit cards with high limits can also give the impression an individual is financially stretched. So it’s worth thinking about whether any cards are worth closing if they are rarely or never used.

“We also urge anyone applying for finance for a new business to review their credit history before they apply. Then at least they can spot any information that might need to put them in the best position to get a positive response. And if they are declined they will be able to ask the lender the reasons why, fully armed with the knowledge about their own credit history.”

The Equifax Credit Report is accessible for 30 days free simply by logging onto www.equifax.co.uk. If customers do not cancel before the end of the 30 Day Free Trial, the service will continue at £9.95 per month, giving them unlimited online access to their credit information and weekly alerts on any changes to their credit file. It also includes an online dispute facility to help them correct any errors on their credit file simply and quickly.

The Equifax app is available free from the Apple iTunes Store on iPhone and iPad and from Google Play for

Androids.

Tips on Improving a Credit Score

- Make sure you are registered on the Electoral Roll
- If you believe there is any incorrect information on your file contact the credit reference agency that provided the report and you can log a Notice of Dispute. This has to be resolved within 28 days
- Make sure any accounts you don't need or use are closed; dormant accounts could affect your credit score
- Avoid carrying a balance that is more than 30% of your credit limit. Lenders may view this as excessive debt and that you may not be able to keep up with repayments
- If you have had difficulties keeping up with credit payments in the past but are now on top of them, you can add a Notice of Correction to explain the circumstances
- If you've had a CCJ and it is now settled make sure the settlement is recorded on your credit file

ENDS

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About Equifax

Equifax is a global leader in consumer, commercial and workforce information solutions, providing businesses of all sizes and consumers with information they can trust. We organize and assimilate data on more than 500 million consumers and 81 million businesses worldwide, and use advanced analytics and proprietary technology to create and deliver customized insights that enrich both the performance of businesses and the lives of consumers.

Headquartered in Atlanta, Equifax operates or has investments in 18 countries and is a member of Standard & Poor's (S&P) 500® Index. Its common stock is traded on the New York Stock Exchange (NYSE) under the symbol EFX. For more information, please visit www.equifax.com.