

# Credit Myths and Facts

## Myth 1: Debt is Debt

**FACT:** Not all debt is the same. R100 000 debt in maxed out credit cards is different from a R100 000 bond. Maxed out cards can be seen as risky, whereas a bond or vehicle finance isn't.

## Myth 2: Checking your report will hurt your score

**FACT:** Checking your report on [www.mycreditcheck.co.za](http://www.mycreditcheck.co.za) or [www.mycreditexpert.co.za](http://www.mycreditexpert.co.za) won't damage your score. However, if you make multiple applications for credit at providers in a short time, this can hurt your score.

## Myth 3: There is only one credit score

**FACT:** Your credit score differs between bureaus because the way they calculate them is different. Your bureau score can also be different from the score a credit provider sees because that score may look at different information and apply different weightings to the information.

## Myth 4: Closing accounts will help your score

**FACT:** One of the most important factors a credit score represents is payment behaviour. If you skip several payments and then settle your account, your payment behaviour still doesn't look very good. Rather pay each month regularly and on time – this is good payment behaviour.

## Myth 5: Paying debts erases them

**FACT:** Even if you pay up your arrears, they still remain on your credit profile for some time. That means, when your score is calculated, the evidence of your payment behaviour is still there and may still affect your score.

## Myth 6: I need to pay someone to fix my credit score

**FACT:** There are agents out there that promise to fix your report and your score but at a fee. But why pay them when you can dispute your information yourself at credit bureaus for free.

## Myth 7: Credit bureaus are stopping me from getting credit

**FACT:** Credit bureaus don't decide on if a lender will lend to you. Each credit provider has its own rules. Your credit score and report only form part of that process, but the decision is ultimately up to the provider.

## Myth 8: The bureau has blacklisted me

**FACT:** Previously, credit bureaus only kept negative information which led to the term blacklisting. These days, bureaus keep both positive and negative information. Credit providers weigh up this information as part of their decision process; this means you're not on a blacklist.

If you're disputing information on your **My Credit Check** report (this is based on the Experian Sigma database, or the old Compuscan database):

- Visit [www.mycreditcheck.co.za](http://www.mycreditcheck.co.za) or
- Email [za.consumercare@experian.com](mailto:za.consumercare@experian.com)

If you're disputing information on your **My Credit Expert** report (this is based on the Experian database), you can dispute it by:

- Visiting [www.mycreditexpert.co.za](http://www.mycreditexpert.co.za) or
- Email [eza.consumer@experian.com](mailto:eza.consumer@experian.com)