

## Credit Scoring FAQs

### 1. What products are available for Credit-Based Insurance rating?

- a. Currently this is only available on Home Pak products starting July 1, 2015 for new and renewal business

### 2. What amount of discount is available?

- a. The maximum discount based on credit scoring will be 10%

### 3. What if I don't provide my consent for a credit check?

- a. We will continue to provide an insurance quote or renew your policy however you will not be eligible to receive any discount you may qualify for. Credit-based scoring is just one factor used to calculate premium. You may still qualify for other discounts.

### 4. I'm concerned about privacy. Who will have access to view my credit score?

- a. The credit score information is sent between your insurer and the credit company through a secure data transmission and is stored in a secure database. The information will not be shared with anyone outside of your insurer and access to the information is limited to a number of employees within the insurance company who need access in order to do their job. Cherry Insurance Ltd. and your broker will not have access to this information and your insurer will not share your credit score with us. Cherry Insurance Ltd. and your broker will adhere to the Code of Conduct for Insurer's Use of Credit Information as determined by the Insurance Bureau of Canada which can be viewed on our website at [cherryinsurance.ca/.....](http://cherryinsurance.ca/.....)

### 5. Will this check show up as a "hit" on my credit rating?

- a. The insurance companies perform what is known as a "soft hit" and does not impact your credit score in any way.

### 6. What happens if I give consent but don't have a good credit rating?

- a. Your policy rating will not increase due to an unfavourable credit score.

**7. Both my spouse and I are listed on our policy, who's credit rating will be used?**

- a. If consent is obtained from both you and your spouse, your broker will work the quote's to try and provide you with the best discount possible. The insurance company will only apply the new rating factor to the first named individual on the home policy and depending on how the rating works out, discounts that were previously applied may no longer be available (i.e. age/loyalty discount). Your broker will review this with you to address any questions you may have.

**8. What information will be required to request the credit information?**

- a. We will require the full legal names (as shown on your government issued photo identification), address and date of birth for all individuals wishing to provide consent.

**9. I had previously provided my consent for Credit-based scoring but no longer want the insuring companies accessing this information. What should I do?**

- a. If you would like to withdraw your consent, please contact us immediately and we will advise the insurer of the change in consent. You will not be penalized for withdrawing your consent and your credit score will not be sought going forward.

**10. I had previously declined providing my consent but would now like to add it. What should I do?**

- a. Please contact us immediately in order to provide your consent. You may be eligible for additional discounts based on your credit score.

**11. I believe my credit score may be incorrect. What are the next steps I should take?**

- a. You can check your credit report at anytime by requesting it from a credit scoring company such as TransUnion by phone at 1-800-663-9980 or at [www.TransUnion.ca](http://www.TransUnion.ca). It is recommended that individuals request a copy of your credit reports from a credit reporting company at least once per year to verify all personal information is up to date, all financial information is correct and to ensure you have not been the victim of identity theft.

**12. I'm a farmer and have an Agro policy with your office. Am I eligible for the Credit-based rating?**

- a. Sorry, but credit-based rating is not currently available for Agro policies. Farm policies are complicated products with a mix of personal and farming property and risks. The application of credit scoring is not straightforward in these cases and may result in an inaccurate assessment.