

## Module 8 - Debt

## HANDOUT 8-6

### Collection rules

#### You have the right to

- Be told in writing that your account has been turned over to collections
- Confidentiality: A collection agency cannot discuss your debt with anyone other than your creditor or a co-signer, unless you give them permission
- Ask to be contacted in writing only. The calls will then stop
- Ask for a statement of account every six months that shows the amounts you have paid and the balance you owe.

#### A collection agency has the right to

- Call you at home or at work
- Call during allowed hours (varies depending on province or territory)
- Discuss details of your debt with you and the creditor
- Contact your friends, employer, relatives, or neighbours to get your telephone number and address only
- Contact a person who has co-signed for the credit that is now overdue
- Contact a person if you have given permission for them to be contacted.

#### A collection agency cannot

- Try to collect debt without writing to you first
- Use threats or language to frighten and intimidate you
- Pressure you to repay the debt to the point of harassment
- Give you false or misleading information
- Add any costs to the debt you owe
- Contact you during prohibited hours (the times vary depending on province or territory)
- Pretend to be a lawyer or legal authority
- Take you to court without permission from your creditor
- Involve police or send you to jail
- Take your property.

**For more information go to Consumer Affairs Office: <http://www.consumerhandbook.ca/en/topics/financial/collection-agencies>**