

Consumer proposals

Your frequently asked questions, answered.



We've answered common questions you may have after filing your consumer proposal. Please review this FAQ, and if you still have questions, contact your proposal administrator.

Questions include:

- Why do I keep getting statements, and why do they show payments?
- What do I do when a creditor is calling?
- Why am I still getting letters?
- Why are my creditors still taking payments from my bank account?
- Why is interest accruing in my old bank account?
- Why are my debts still showing on my credit report?
- Do you file my income taxes?
- How do I fix errors on my credit reports?
- Are you going to take my GST credits?
- When are my counselling sessions?
- What happens if my creditors reject my proposal?
- Can I change my payments?
- Does my proposal include my student loans?
- When are my 45 days up?

Why do I keep getting statements, and why do they show payments?

Some creditors may continue to send you system-generated statements during the term of your proposal. As long as this debt appears on your list of debts, you don't need to notify us about these statements.

Statements may also show payments on the debt—this is normal. Every few months, Grant Thornton sends creditors their share of your proposal payments, and some creditors will record these payments on your statement.

Please call your administrator if:

- You get a statement for a debt you forgot to include in your proposal, or
- You receive a collection letter, so we can demand the creditor stop collection activities.

What do I do when a creditor is calling?

A consumer proposal legally protects you from collection activities. Once you file your proposal, your creditors can no longer call you about the debt. If you continue to receive collection calls, tell the creditor you filed a consumer proposal with Grant Thornton and provide your file administrator's contact information.

Your creditor may ask for your 'estate number.' This is a unique number the Office of the Superintendent of Bankruptcy (OSB) assigns to each bankruptcy or proposal in Canada. You can find it at the top of almost any form we sent you. An estate number typically looks like this: '12-3456789.' If a creditor keeps calling, inform your file administrator about the company.

Why am I still getting letters?

In our experience, most creditors respect the insolvency process and stop collection activities once we notify them about your file. It can take up to six to eight weeks for creditors to stop calls and/or letters. If a creditor continues to make collection attempts, contact your file administrator.

Why are my creditors still taking payments from my bank account?

If you owe money to your current bank or financial institution, automated withdrawals for debt payments may continue while their systems adjust. To prevent unwanted withdrawals for debts in your proposal, we strongly recommend opening an account at a new bank or financial institution.

Why is interest accruing in my old bank account?

Interest can still accrue on your accounts until the financial institution closes them. Once you complete your proposal, the account and any accrued interest is forgiven.

Why are my debts still showing on my credit report?

Credit bureaus will remove the debt from your credit report when you complete the terms of your proposal. If you don't complete your proposal, the debts stay on your credit report, and your creditors can resume collection activities.

Do you file my income taxes?

No. During a consumer proposal, it's your responsibility to complete and file your income tax returns.

How do I fix errors on my credit report?

If you find errors or incorrect items on your credit report, it's your responsibility to contact the credit bureau and file a dispute or request an investigation. This can be done by completing and submitting the appropriate forms, which you can find on their websites, along with any supporting documents.

Canada's two credit bureaus—TransUnion and Equifax—must provide a free copy of your credit report once per year upon request. You can download the request forms from their websites:

<https://www.transunion.ca/> or <https://www.equifax.ca/personal/>

Are you going to take my GST credits?

No, you'll keep getting your GST credits as long as you're entitled to receive them.

When are my counselling sessions?

You must complete your first counselling session within 60 days of filing your proposal. The second within seven months of filing. Your telephone or video appointment will be booked through Microsoft Bookings. Kindly ensure to check your junk/spam folder for the date and time of your appointment. On occasion, we'll use the services of third-party counsellors. In that case, they'll contact you directly a few weeks after sign-up with your session details.

What happens if my creditors reject my proposal?

If your creditors reject your initial consumer proposal offer, you still have 45 days to negotiate the terms. If creditors make a counteroffer, we'll review it together and decide whether you can increase your proposal payment. If you can, we'll amend the proposal. If you can't reach an agreement with your creditors, we'll reevaluate, and if necessary, filing for bankruptcy remains an option.

Can I change my payments?

Your proposal payments are like a mortgage or car payment—they automatically come out of your bank account every month. Create your budget with this expectation. If your bank account changes, please contact us to update your payment agreement as soon as possible. If you fall three months behind on your payments, your proposal is annulled, and your creditors will regain the right to pursue their debts.

Does my proposal include my student loans?

If you've been out of school—part time or full time—for at least seven years, your student loans will go away in your consumer proposal. If it's been less than seven years, student loans will not go away in your consumer proposal, and you'll be responsible for paying the loans and any interest accrued until it's paid in full. Regardless of if the debt goes away or not, student loans can vote and receive payments in your proposal.

If you're unsure how long you've been out of school, your student loan lender can confirm this date for you.

When are my 45 days up?

Your 45 days start once we file your paperwork with the Office of the Superintendent of Bankruptcy (OSB) and receive your Certificate of Filing for a consumer proposal.

If you have additional questions about your consumer proposal, please contact us at:

1-855-747-2647 or freshstart@doane.gt.ca