



QUALITY  
CREDIT REPORTING



# YOUR GUIDE TO THE ASSET ACCUMULATION REPORT - FOR SKIPPED & DELINQUENT TENANTS

26 Key Topics in  
the Delinquent  
Tenant Report

# YOUR GUIDE TO DELINQUENT TENANT REPORTING

Begin the debt recovery process by identifying your delinquent tenant's assets and liabilities. The Asset Accumulation Report will help determine probability of debt recovery.

Being a property manager brings with it the potential for serious risk, liability, and consequences at a time when the scales of justice seem tipped in favor of the delinquent or skipped tenants. Once a tenant has gone delinquent, property managers must decide whether to proceed with a legal action, and after all, if there is minimal probability of recovering the debt, why incur the costs of a lawsuit?

The QCR Asset Accumulation Report is designed specifically with your skipped and delinquent tenant in mind. The report will identify assets and liabilities and locate the skipped tenant for service purposes. The report will be the Due Diligence required by the owner/shareholder prior to writing off losses or incurring the additional expense for legal action. This report can assist in making decisions at different stages as well, from the time the tenant first falls into arrears to the time the tenant makes the midnight move. It can assist during abatement negotiations, discoveries or after the judgment has been obtained.

This Guide will walk you through each section of the Asset Accumulation report, showing the information provided and explaining why it is important. The Asset Accumulation Report consists of 26 areas and this Guide presents the material you will receive, explains its relevance and how to interpret the information. The guide can be used by the landlord/property manager to learn and understand the content and to assist in interpreting the different sections. We have pointed out which areas to pay special attention to, ensuring the overall evaluation of the skipped/delinquent tenant is thorough, in order to assist in the right decision going forward.

## What Assets can QCR identify?

### Real Property

Locate real property assets, identifying fraudulent conveyances and spousal property.

### Mortgages Interests

Locate mortgage interests, including vendor take back mortgages.

### Personal Property/Motor Vehicles

Identify personal property, including motor vehicles, equipment, goods, inventory and accounts.

### Business Interests

Locate your tenant's business interests. We often find co- debtors and co-defendants that link your tenant to other companies and businesses.

### Bank Accounts

Identify your tenant's banking relationships, which can be useful for garnishment during the debt recovery process.

### Rents

Identify this form of income.

### Wages

Locate the tenant's place of employment and salary which will allow the landlord to garnish wages.

## What Liabilities can QCR identify?

### Tax Liens

Your tenant's tax liens, (including PST, Corporation Tax, RST and GST) are liabilities which need to be identified, as some are trust funds, giving the Minister of Finance preferred creditor status.

### Collections

Establishing a history of collections identifies both debt and repayment history.

### Pending Legal Actions/Judgments

Our pursuit to locate these actions will be significant in determining the probability of debt recovery.

### Credit Card Balances

Determining combined credit card balances confirms significant debt.

### Secured & Unsecured Borrowing Facilities

Our lien and credit file search will identify your tenant's secured and unsecured borrowing facilities.

### Mortgages

Our property sub-searches and banking contacts confirm registered mortgages and current balances.

### Bankruptcies, Consumer Proposals & Receiverships

Bankruptcy creates serious constraints for the landlord, and our direct search with the Superintendent of Bankruptcy will confirm recent filings and particulars.



## Section 1: Summary

This section is helpful for an overview of all information contained in the report, divided into an Asset and Liability section. Further information regarding specific summary content is available within the body of the report under the appropriate section.

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### Assets

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#### Real Property

2000 Islington Avenue Toronto, Ontario  
Last assessed value \$497,000

25 King Street, Toronto (co-owned with DEF Company Inc.  
Last assessed value \$410,000

10 Oak Lane, Toronto, Ontario - James Doe  
Last assessed value \$350,000

522 Forest Hill Place, Toronto, Ontario (transferred from James Doe  
in November of 2005)  
Last assessed value \$430,000

#### Possible Business Interests/Affiliations

DEF Company Inc.  
JAM Corporation (100% of shares purchased by ABC Company Inc.,  
in April 2005)

#### Motor Vehicles

2006 Toyota Camry  
2005 Impala

#### Bank Account Deposits

Royal Bank of Canada - Corporate Deposit account balance  
(\$10,000-\$30,000)  
Royal Bank of Canada - Individual Deposit account balance  
(\$1,000-\$3,000)

#### Rents

25 King St W, Toronto, Ontario (property is owned by subject  
corporation and has rental income secured by Royal Bank

Spousal property is leased to a tenant for an undisclosed amount

Liabilities	
Collection Claims	1 on file for the company in question - \$1,881
Legal Actions	1 on file for the company in question - \$250,000
Judgments	None on file
Bankruptcy Filings	None on file
Secured Borrowing Facilities	<u>Corporate</u> Operating Line with Royal Bank of Canada, 100% utilized with current, high six-figure balance (\$700,000-\$900,000) Term Loan with Royal Bank of Canada, current low, five-figure balance (\$10,000-\$30,000)
Mortgages	<u>Corporate</u> \$300,000 mortgage with CIBC registered against 2000 Islington Avenue, Toronto \$400,000 mortgage with CIBC registered against 25 King Street, Toronto
Tax Liens	1 on file for the company in question - Retail Sales Tax in the amount of \$32,000
Secured Lease Facilities	1 equipment lease with CIT Financial
Real Property Lease	126 High Tech, Toronto, Ontario - Premises leased \$1,500/ month

## Section 2: Corporate Structure

Within this section, you will find either corporate structure or business name registration information (sole proprietorship or partnership). The following is an example of a corporation profile report in the [Province of Ontario](#):

Corporation Name Previous	ABC Company
Name	Not applicable
Predecessor	123456 Ontario Inc.
Jurisdiction	Ontario
Status	Cancelled by Corporate Tax Branch October
Amalgamation Date Ontario	11, 1987
Corporation Number	1234567
Last Document Filed Registered	Change Notice, October 18, 2000
Head Office Address Officers /	10 Oak Lane, Toronto, Ontario
Directors	James Doe, 10 Oak Lane, Toronto, Ontario
Business Names	One on file - Accountants R Us

**Note:** All corporation profile reports are retrieved from the Ministry in each Province.

## Areas Requiring Special Attention

### Status

The status of a company is very important and should be confirmed by the search. Each Province uses similar terminology, as follows:

#### Legal Entity Status (Alberta)

#### Status (Manitoba, Saskatchewan, British Columbia, Ontario, and all East Coast Provinces)

These areas of the chart (Legal Entity Status or Status) confirm whether or not the company is active – and it is imperative that you confirm this.

If a company is not active, you will notice terminology such as:

Struck	Removed from register
Dissolved	Default notice filed
Cancelled	Dissolution in progress

Two ways in which a company can be in default or cancelled:

### Voluntary

The company itself may begin the voluntary dissolution process to dissolve the company.

### Involuntary

#### Companies Branch

A company may be cancelled, struck, removed or placed in default by Companies Branch for default under the Act, an example would be failure to file annual returns.

#### Corporate Tax Branch

A company may be cancelled, struck, removed or placed in default by Corporate Tax Branch for failure to file tax returns or for tax arrears.



## **Jurisdiction**

This area is very important to note, as you will find that the jurisdiction in which the search is conducted may not be the home jurisdiction of the company. As an example, your prospective tenant could be Johns Clothing Limited in Toronto. We would conduct the company search in Ontario and may find that the company's home jurisdiction is actually in British Columbia. This would indicate that the company was incorporated in the Province of British Columbia, not in Ontario, but is registered to do business in Ontario. In these cases, Quality Credit would automatically do an additional search in the home jurisdiction to ensure that the company is active in both the home jurisdiction and extra-provincial jurisdiction.

## **Legal Entity Name/Corporation Name**

This section is also important, as it helps to ensure that the correct legal name is placed on the lease. Often a company has made amendments to its original name and/or has been amalgamated with other corporations, both of which change the company's name. It is very important to take notice of any differences in the name provided on the application and the name revealed from the corporation or business name search.

## **Date of Incorporation/Amalgamation**

This section will establish how long the company has been in business and will also establish any history of amalgamations with other corporations.

## **Directors/Shareholders**

Please note that shareholder information is only reported in Alberta, Manitoba and Saskatchewan. The other provinces will only indicate directors/officers of the corporation.



## Section 3: Business Interests and Affiliations

A search for business interests is important in identifying the assets of a company or individual. We can locate co-debtors and co-defendants that link the tenant to other companies and businesses.

Corporation Name	DEF Company
Previous Name	Not applicable
Jurisdiction	Ontario
Status	Active
Incorporation Date	October 11, 2001
Ontario Corporation Number	1234585
Last Document Filed Registered	Change Notice, October 18, 2002
Head Office Address Officers/	2000 Islington Ave., Toronto, Ontario
Directors	James (Jim) Doe, 10 Oak Lane, Toronto, Ontario
Business Names	None on file

\* The above corporation has been reported as a co-defendant in a legal action launched against ABC Company Inc

Locate you tenant's business interests. We often find co-debtors and co-defendants that link you tenant to other companies and businesses.

Corporation Name

JAM Company

Previous Name

Not applicable

Jurisdiction

Ontario

Status

Active

Incorporation Date

November 9, 2002

Ontario Corporation Number

3516842

Last Document Filed

Annual Return

Registered Head Office Address

10 Oak Lane, Toronto, Ontario

Officers/Directors

James (Jim) Doe, 522 Forest Hill, Toronto, Ontario

Business Names

None on file

\* Please note ABC Company Inc., acquired 100% of shares of company in April of 2005.

## Section 4: Company Addresses / Locations

10 Oak Lane, Toronto ON

Current Owners Tina and James Doe

2000 Islington Ave, Toronto ON

Registered owner ABC Company Inc.

25 King St W, Toronto, ON

Current owner's ABC Company Inc. and DEF Company Inc.

126 High Tech Rd, Toronto, ON

416-889-5245 We contacted the listing and confirmed the number is no longer in service

We contacted the T&K Property Managers (landlord of the reported location), which revealed ABC Company Inc. is currently located at 126 High Tech Rd, Toronto ON

Amount of Space 500 Square Feet

Monthly Rent \$1,500

Payment Record - Frequently Late

## Section 5: Mergers and Acquisitions

This search will reveal any mergers that formed the company in question or acquisitions made by the company.

Target	JAM Company
Acquirer	ABC Company Inc.
Announced	April 12, 2005
Revised	April 23, 2005
Status	Complete
Classification	Change in control
Estimate Price	\$450,000
Payment	Cash
Percentage Bought	100%

## Section 6: Canadian Company Capabilities (CCC)

CCC is an Industry Canada website which reveals detailed information on a company, including contacts, products, services, trade experience and technology.



## Accountants R Us - ABC Company

Last Updated: 2006-03-14

**Legal Name:** ABC Company Inc. o/a Accountants R Us

**Operating Name:** Accountants R US - James Doe

### **Mailing Address**

10 Oak Lane,  
Toronto, ON  
M2N 2L4

### **Location Address**

126 High Tech Rd,  
Toronto, ON M2N  
2L4

**Telephone:** (416) 555- \_ \_ \_ \_

### **Contact Information**

**Name:** James Doe

**Title:** President

**Area of Responsibility:** Accounting

## **Company Description**

### **Chartered Accountant, Accounting, and Income Tax**

<b>Country of Ownership</b>	Canada
<b>Year Established</b>	1987
<b>Exporting</b>	No
<b>Primary Industry Primary</b>	541212 - Offices of Accountants
<b>Business Activity Total</b>	Services
<b>Sales (\$CDN)</b>	\$1 to \$99,999



## Section 7: Company Website Information

Websites can provide useful information when investigating the tenant. Website addresses are provided with direction to areas in the site, which may be of interest to the landlord.

We located a web site for ABC Company Inc.,  
[www.abccompany.com](http://www.abccompany.com)

We have taken the following information directly from the company website:  
Corporate Information

Today there are 3 locations in Canada. The website may have information in which you are interested, including the following:

- Newsletter at [www.abccompanynewsletter.com](http://www.abccompanynewsletter.com)
- What's New at [www.abccompanywhatsnew.com](http://www.abccompanywhatsnew.com)

## Section 8: Media Search

In-depth media search includes full-text news, business sources, and blogs extracted from major Canadian dailies and newswires, regional community papers, TV, and radio transcripts all of which can provide valuable information regarding information published on a corporation or individual. A full copy of the publication will be provided for any match.

## Section 9: Personal Background

This section of the report summarizes specific areas of the reports and will indicate red flags (negative information) revealed within. You will need to refer to the applicable section of the report to obtain the particulars of a legal action, collection, or any other negative information. This section further outlines information pertaining to the individual such as aka's, profession, last known address, confirmation of date of birth, social insurance number and name of spouse.

Name

James Doe aka: Jim Doe

Current Address/ Real Property

10 Oak Lane, Toronto, ON - We located a telephone listing for the subject address, (416) 555- . We contacted the listing and confirmed the individual resides at the above address.

Spousal Property

522 Forest Hill Place, Toronto, ON - We located a telephone listing for the subject address, (416) 898- . We contacted the listing and confirmed Tina Doe is the owner of the property and the individual we spoke to reported to be the tenant.

Date of Birth

August 16, 1969

Social Insurance Number

555-\*\*\*-222

Spouse

Tina Doe

Business Interests

ABC Company Inc., o/a Accountants R Us  
DEF Company Inc.  
JAM Corporation

Employment Information

Bell Canada - We contacted Bell Canada and confirmed that the individual is employed full time with the company.  
Position - Finance Department  
Salary - \$65,000 a year    bonus

Locate the tenant's place of employment and salary which will allow the landlord to garnish wages.

## Section 10: Professional Search

A professional search can be completed when the tenant is a lawyer, accountant, physician/surgeon, dentist, orthodontist, registered nurse, pharmacist, veterinarian, or other health professional (chiropractor, psychologist, physiotherapist etc.). Confirmation of registration within the profession is provided, revealing registration status, date of registration and other significant particulars regarding license status and complaints filed. This information is valuable when assessing the creditability and experience of your professional tenant.

Legal Name	James Doe
License Number	1-7573
Designation	PA CGC
Address License	126 High Tech Road, Toronto, Ontario
Status Effective	Active
Date	June 1, 1990

# Corporate and Individual Assets

## Section 11: Banking Relationships - Corporate

Identify your Tenant's banking relationships, which can be useful for garnishment during the debt recovery process.

### Royal Bank of Canada

Address of Branch	225 Yonge Street and 5100 Yonge Street, Toronto, Ontario
Date of Reference	January 2, 2006
Account Opened	June 6, 1995
Name of Account	<u>ABC Company Inc.</u>

#### Secured Operating Loans

Authorized Limit	High, six-figures (\$700,000 - \$900,000)
Current Balance	100% utilized
Repayment History	Up-go-date and paid as agreed

#### Term Loans

Authorized Limit	Low, five-figures (\$10,000 - \$30,000)
Current Balance	Low, five-figures (\$10,000 - \$30,000)
Repayment History	Up-to-date and paid as agreed

#### Deposit Accounts

Average Balances Maintained	Low, five-figures (\$10,000 - \$30,000)
Current Balance	Low, five-figures (\$10,000 - \$30,000)
NSF Activity	None in the past three months



## Section 12: Banking Relationships - Individual

Identify your Tenant's banking relationships, which can be useful for garnishment during the debt recovery process.

### Royal Bank of Canada

Address of Branch	225 Yonge Street and 5100 Yonge Street, Toronto, Ontario
Date of Reference	January 2, 2006
Account Opened	June 6, 1995
Account Number	016-225-200
Name on Account	<u>James Doe</u>

#### Term Loans

Authorized Limit	Low, five-figures (\$10,000 - \$30,000)
Current Balance	Low, five-figures (\$10,000 - \$30,000)
Repayment History	Up-to-date and paid as agreed

#### Mortgage

Authorized Limit	\$300,000
Current Balance	Low, six-figures (\$100,000 - \$300,000) balance
Repayment History	Up-to-date and paid as agreed

#### Deposit Accounts

Average Balances Maintained	Low, four-figures (\$1,000 - \$3,000)
Current Balance	Low, four-figures (\$1,000 - \$3,000)
NSF Activity	None in the past three months

## Areas Requiring Special Attention

### Account Opened

This piece of information is relevant in establishing how long the applicant has been dealing with an institution. If the company has been incorporated for 10 years, yet provides a bank reference with whom they have been dealing for less than one year, it is an indication that it has either changed the institution it dealt with in the past, or that it has accounts established at other institutions which have not been provided on the application.

### Repayment History

This piece of information confirms whether a borrowing facility is up-to-date and paid as agreed.

### NSF's

This section confirms whether the company/individual has a history of returned cheques, usually in the past three months.

### Account and Loan Balances

This information is relevant in establishing how substantial a company's borrowing facilities and deposits are.

## Section 13: Summary of Banking Relationships

Name	Location / Other
Royal Bank of Canada	222 King St, Toronto, Ontario- Corporation & Individual Accounts
Royal Bank of Canada	5100 Yonge Street, Toronto, Ontario - Corporation Accounts
CIBC	1 Yonge Street, Toronto, Ontario - Corporation & Individual Accounts
TD Canada Trust	11 Memorial Lane, Toronto, Ontario - Individual Accounts

# Real Property Assets - Corporate and Individual

## Section 14: Comprehensive Real Estate Search

Locate real property assets, identifying fraudulent conveyances and spousal property.

### ABC Company Inc.

We conducted a comprehensive real estate search on ABC Company Inc., which revealed record of two properties in the Province of Ontario, which appear to be registered in the subject name. The particulars are as follows:

<i>Reported Owners</i>	<i>Municipal Address</i>	<i>Consideration Value</i>	<i>Registration Date</i>
ABC Company Inc.	2000 Islington Ave, Toronto, Ontario	\$256,000	March 25, 2000

  

<i>Reported Owners</i>	<i>Municipal Address</i>	<i>Consideration Value</i>	<i>Registration Date</i>
DEF Company Inc. and ABC Company Inc.	25 King St W, Toronto, Ontario	\$1,000,000	March 25, 2000

We conducted a comprehensive real estate search on Accountants R Us, which revealed no record of real property in the Province of Ontario, which appears to be registered in the subject name.

We conducted a comprehensive real estate search on 123456 Ontario Inc. (Predecessor of ABC Company Inc.), which revealed no record of real property in the Province of Ontario, which appears to be registered in the subject name.

### Business Interests / Affiliations

We conducted a comprehensive real estate search on DEF Company Inc., which revealed record of one property in the Province of Ontario, which appears to be registered in the subject name. (please see particulars above) We conducted a comprehensive real estate search on JAM Corporation, which revealed no record of real property in the Province of Ontario, which appears to be registered to the subject name.

## James Doe

We conducted a comprehensive real estate search on James Doe which revealed one property in Ontario which appears to be registered in the subject name. The particulars are as follows:

<i>Reported Owners</i>	<i>Municipal Address</i>	<i>Consideration Value</i>	<i>Registration Date</i>
James Doe and Tina Doe	10 Oak Lane, Toronto, Ontario	\$345,000	March 25, 2000

## Tina Doe (Spouse)

We conducted a comprehensive real estate search on the individual's spouse, Jane Doe which revealed record of two properties (including the one reported above) in the Province Ontario which appear to be registered in the subject name. The particulars are as follows:

<i>Reported Owners</i>	<i>Municipal Address</i>	<i>Consideration Value</i>	<i>Registration Date</i>
Tina Doe	522 Forest Hill Drive Toronto, Ontario		December 25, 2005

## Address Search

### 126 High Tech Rd, Toronto, Ontario

<i>Reported Owners</i>	<i>Municipal Address</i>	<i>Consideration Value</i>	<i>Registration Date</i>
123466 Ontario Inc.	126 High Tech Rd, Toronto, Ontario	\$980,000	January 25, 1989



## Address Search

### 522 Forest Hill Dr., Toronto, Ontario

<i>Party To</i>	<i>Party From</i>	<i>Consideration Value</i>	<i>Registration Date</i>
James Doe, Tina Doe	Tina Doe	\$0	December 25, 2005

We also conducted a comprehensive real estate search on the companies we found James Doe to have an interest in, including ABC Company Inc., DEF Company Inc. and JAM Corporation. We found three properties which appear to be owned by the corporations and the particulars are as follows:

<i>Reported Owners</i>	<i>Municipal Address</i>	<i>Consideration Value</i>	<i>Registration Date</i>
ABC Company Inc.	2000 Islington Avenue, Toronto, Ontario	\$256,000	March 25, 2000

<i>Reported Owners</i>	<i>Municipal Address</i>	<i>Consideration Value</i>	<i>Registration Date</i>
DEF Company Inc. and BC Company Inc.	25 King Street West, Toronto, Ontario	\$380,000	April 19 2001

## Section 15: Land Registry Sub Search

Locate real property assets, identifying fraudulent conveyances and spousal property.

A Land Registry Sub Search establishes whether or not the delinquent tenant owns a subject property and provides further particulars (depending on the Province), including name of all registered owners, previous owners, purchase price of property, date of purchase, last assessed value and particulars on outstanding mortgages registered on title. The information appears as follows:

### 2000 Islington Ave, Toronto, Ontario

Municipal Address	2000 Islington ave Toronto Ontario
Current Owner(s)	ABC Company Inc.
Previous Owners	Not Reported
Registration Date	March 15, 2000
Purchase Price	\$256,000
Original Principal amount of First Mortgage	\$300,000 - CIBC Mortgage Corp
Date of Registration	March 25, 2000
Last Assessed Value	\$497,000

Please note that the sub-search reveals registrations pertaining to ownership and outstanding financial encumbrances only

Our property sub-searches and bank ratings confirm registered mortgages and current balances.

## 25 King Street West, Toronto, Ontario

Municipal Address	25 King Street West, Toronto, Ontario
Current Owner(s)	DEF Company Inc. and ABC Company Inc., as joint tenants
Previous Owners	Not Reported
Registration Date	April 19, 2001
Purchase Price	\$380,000
Original Principal amount of First Mortgage	\$400,000 - CIBC Mortgage Corp
Date of Registration	June 10, 2005
Last Assessed Value	\$410,000

Please note that the sub-search reveals registrations pertaining to ownership and outstanding financial encumbrances only

## 10 Oak Lane, Toronto, Ontario

Municipal Address	10 Oak Lane, Toronto, Ontario
Current Owner(s)	James Doe and Tina Doe, as joint tenants
Previous Owners	Not Reported
Registration Date	March 25, 2000
Purchase Price	\$345,000
Original Principal amount of First Mortgage	\$300,000 - Royal Bank of Canada
Date of Registration	March 25, 2005
Last Assessed Value	\$350,000

Please note that the sub-search reveals registrations pertaining to ownership and outstanding financial encumbrances only

Locate mortgage interests, including vendor take back mortgages.

## 522 Forest Hill Place, Toronto, Ontario

Municipal Address	522 Forest Hill Place, Toronto, Ontario
Current Owner(s)	Tina Doe, sole owner
Previous Owners	James Doe and Tina Doe, as joint tenants
Registration Date	June 15, 1985
Purchase Price	\$195,000
Original Principal amount of First Mortgage	\$150,000 - CIBC Mortgage Corp
Date of Registration	June 15, 1985
Last Assessed Value	\$430,000

Please note that the sub-search reveals registrations pertaining to ownership and outstanding financial encumbrances only.

## Section 16: Motor Vehicle File - Corporate and Individual

Identify motor vehicle assets.

### Motor Vehicle File

Name of File	ABC Company Inc.
Address	10 Oak Lane, Toronto, Ontario
RIN	125 256 321
Vehicles	2004 Toyota Camry, Red 4 Door, VIN# 1HU568KIK205ULU12

Name of File	James Doe
Address	10 Oak Lane, Toronto, Ontario
Date of Birth	August 16, 1969
Vehicles	2005 Chevrolet Impala, Plate Number JDOE



## Liabilities / Credit Information

### Section 17: Commercial Credit File

#### Summary

Search Conducted on	ABC Company Inc., 126 High Tech Road, Toronto, Ontario
Date Searched	January 1, 2006
Name on File	ABC Company Inc., 126 High Tech Road, Toronto, Ontario
Report Date	January 2006
File Established	November 4, 1988
Address	10 Oak Lane, Toronto, Ontario
Other Names / Addresses on File	Accountants R Us, 2000 Islington Ave, Toronto, Ontario 126 high Tech Road, Toronto, Ontario

#### Credit Details

##### Current Payment Record

Date Reported	Month of Last Sale	High Credit	Current Balance	Past Due Balance
March 2016	January 2016	\$8,000	\$400	\$0
February 20016	January 20016	\$7,500	\$200	\$50
February 20016	August 20015	\$11,000	\$1,235	\$0

##### Historical Payment Record

Date Reported	High Credit	Current Balance	Past Due Balance
October 2015	\$8,000	\$400	\$0
September 2015	\$7,500	\$200	\$50
January 2005	\$11,000	\$1,235	\$0
December 2014	\$9,200	\$0	\$835

## Section 18: Derogatory Information - Commercial

### Derogatory Information

Returned Cheques	None on file
Collection Claims	1 on file - \$1,881
Legal Suits	1 on file - \$250,000 January 2006
Judgments	None on file

### Collection Claims

A collection is debt which the creditor has been unable to collect. The creditor hires a third party (collection agency) to attempt to collect the debt. The collection agency reports all collections to the individual or corporate debtor's credit file once the collection has been launched. The collection claim section appears as follows:

Establishing a history of collections identifies both debt and repayment history.

Debtor Creditor	ABC Company Inc.
Date Placed	XYZ Corporation
Amount Placed	February 18, 2002
Disposition	\$1,881
	Unknown

### Areas Requiring Special Attention

- All information reported under Derogatory Information
- All information reported under Collection Claims
- Historical Payment Record/Current Payment Experience – note amounts and frequency of payments which are not current

## Section 19: Legal Actions / Judgments - Commercial

This section provides any information available with regards to legal actions and judgments. The summary at the beginning of the report makes note of any match in this area. The graph you will find in this section appears as follows:

File Number	05-CV-225621
Short Title	1234526 Ontario Inc. VS. James Jim Doe; Tina Doe; DEF Corporation; ABC Company Inc.
Subject Appears As	Defendant
Case Type	Civil
Issuing Date	May 6, 2005
Filing Type	Statement of Claim
Amount	\$250,000
Disposition	Unknown

### Areas Requiring Special Attention

- All information reported under Derogatory Information
- All information reported under Collection Claims
- Historical Payment Record/Current Payment Experience – note amounts and frequency of payments which are not current

## Section 20: Consumer Credit File

Determining combined credit card balances can confirm significant debt.

Name on File	James Doe
Also known as	Jim Doe
Collections	None on file
Legal Actions	1 on file - see legal action / judgment section
Judgments	None on file
Bankruptcy	None on file

## Trade Accounts

Creditor	Date Reported	Opened	High Credit	Balance	Status
MBNA Canada BMO	January 2006	September 2002	\$15,000	\$1,055	R1 - as agreed
Mastercard	January 2006	January 2001	\$26,300	\$26,103	R2 - past due \$771
Royal Bank of Canada	January 2006	January 2002	\$5,000	\$3,454	I1 - as agreed
TD Canada Trust	January 2006	December 2005	\$35,000	\$35,000	R1 - as agreed
Royal Bank of Canada	January 2006	July 2005	\$25,000	\$24,960	R1 - as agreed

## Areas Requiring Special Attention

Negative Information can include record of collections, legal actions, bankruptcy, late payment history and written off bad debts. See late payment history chart below for further details. The summary will note any negative information and you will find the particulars in the charts below the summary. Take note of the number of credit card and loan accounts, and the credit limits and balances of each. If an individual has a significant number of loan and credit card debts with balances at limits, it may be considered negative information

## Late Payment History Chart

- R1 Pays (or paid) within 30 days of billing; pays account as agreed
- R2 Pays (or paid) in more than 30 days, but not more than 60 days, or not more than one payment due
- R3 Pays (or paid) in more than 60 days but not more than 90 days, or two payments past due
- R4 Pays (or paid) in more than 90 days but not more than 120 days, or three or more payments past due
- R5 Account is at least 120 days overdue but is not yet rated a '9'
- R7 Making regular payments under a consolidation order or similar arrangement
- R8 Repossession
- R9 Bad debt. place for collection: skip

## Section 21: Legal / Judgments - Consumer

Identifying these actions will be significant in determining the probability of debt recover.

This section provides any information available with regards to legal actions and judgments. The summary at the beginning of the report makes note of any match in this area. The graph you will find in this section appears as follows:

File Number	05-CV-225621
Short Title	1234526 Ontario Inc. Vs. James Jim Doe; Tina Doe; DEF Corporation; ABC Company Inc.
Subject Appears As	Defendant
Case Type	Civil
Issuing Date	May 6, 2005
Filing Type	Statement of Claim
Amount	\$250,000

Our lien and credit file searches will identify your tenant's secured and unsecured borrowing facilities.

## Section 22: Personal Property Lien Registrations - Corporate and Consumer

This section includes PPSA updates and will identify security agreements and liens, including borrowing facilities, lines of credit, term loans, lease facilities, and chattel mortgages. Negative registrations revealed may include tax liens, writs, land charges, crown charges, and statutory claims.



Debtors	Secured Party	Registration Date	Collateral
<p>James Doe 126 High Tech Road, Toronto ON</p> <p>James (Jim) Doe August 16, 1969 10 Oak Lane, Toronto ON</p>	Royal Bank of Canada 5100 Yonge Street, Toronto, Ontario	<p>July 27, 2005</p> <p>Last renewed July 29, 2002 for a three-year period</p>	<p>Inventory, Accounts, Equipment and Other</p> <p>\$Amount attached to lien \$25,000</p>
<p>ABC Company Inc. 10 Oak Lane, Toronto ON</p> <p>James Doe August 16, 1969 12 Elm Street, Toronto ON</p>	Canadian Imperial Bank of Commerce 5100 Jane Street, Toronto, Ontario	<p>July 27, 2000</p> <p>Last renewed July 29, 2007 for a three-year period</p>	Inventory, Accounts, Equipment and Other
<p>ABC Company Inc. 126 High Tech Road, Toronto ON</p> <p>Accountants R Us 10 Oak Lane, Toronto ON</p>	CIT Financial 181 Bloor St., Toronto, Ontario	January 4, 2005	Equipment
ABC Company Inc. 126 High Tech Rd, Toronto, ON	Royal Bank of Canada 225 Yonge Street, Toronto, Ontario	July 5, 2005	<p>General Assignment of Rent (GAR) Property: <u>25 King St W, Toronto, Ontario</u></p> <p>Identify this form of rental income.</p>
DEF Company Inc. 126 High Tech Rd., Toronto, ON	Her Majesty the Queen in Right of the Ministry of Finance (Retail Sales Tax Branch)	May 9, 2006	<p>Amount attached to lien \$32,000</p> <p>Establishing a history of collections identifies both debt and payment history.</p>

Debtors	Secured Party	Registration Date	Collateral
James Doe August 16, 1969 10 Oak Lane, Toronto ON  ABC Company Inc. 10 Oak Lane, Toronto ON	Royal Bank of Canada 5100 Yonge Street, Toronto, Ontario	July 27, 2005  Last renewed July 29, 2002 for a three-year period	Inventory, Accounts, Equipment and Other  Amount attached to lien \$25,000
James Doe 10 Oak Lane Toronto ON	TD Canada Trust 11 Memorial Lane, Toronto ON	December 10, 2005	Motor Vehicle, 2005 Impala Amount attached to lien \$35,000

## Types of Secured Liens

### 1 - Liens which are registered in the normal course of business

#### Security Agreement

A security interest is typically registered by lenders and sellers who wish to register their interest in the personal property of a debtor to secure payment of the debt and/or to establish a priority position in the collateral. This type of lien includes leases (equipment/vehicles), transfers of accounts, chattel paper and consignments. You will note that financial institutions (banks and credit unions) utilize the system to secure borrowing facilities (term loans and credit lines).

#### Sale of Goods and Factor Act Registrations

This registration is for a buyer's interest in goods left in the possession of the seller.

### 2 - Liens which could be considered negative

#### Writ of Enforcement

This type of lien is negative because a Writ of Enforcement is the result of a legal action and is to assist in enforcing a debt.

#### Civil Enforcement Registrations

These registrations include Attachment Orders (granted by the court prior to judgment), Reports of Seizure (to authorize taking possession of personal property), Sale of Seized Property (authorizing the sale of seized property) or Sales Proceeds Distribution.

#### Garageman's Lien

This type of lien is also negative information as a garageman registers a lien against an owner's vehicles for repairs, parts, or storage for which he has not been paid.

#### Crown Charge/Tax Liens

These liens or charges are with regards to interests of the crown and could include tax liens for unpaid HST, GST, PST, RST, or Income Tax.

**Note:** Lien names or types may vary from Province to Province

## Section 23: Bankruptcy - Commercial / Consumer

This section of the report reveals a history of bankruptcy, receiverships, and proposals under the Act. If a bankruptcy is located, we provide full particulars, including dates and trustee information. It is important to note that under the law, we are only permitted to report bankruptcy history within a specific amount of time, depending on the Province. Our guidelines are as follows:

Industry Canada, the Office of the Superintendent of Bankruptcy revealed no record of a bankruptcy, or proposal history for ABC Company Inc. or James Doe, in the past seven years, as January 2, 2006.

British Columbia	in past 6 years
Alberta	in past 6 years
Manitoba	in past 6 years
Saskatchewan	in past 6 years
Ontario	in past 7 years
All other Provinces	in past 7 years

Bankruptcy creates serious constraints for the landlord, and our direct search with the Superintendent of Bankruptcy will confirm recent filings and particulars.

## Types of filings under the Bankruptcy Act

### Consumer Bankruptcy

Bankruptcy is a legal proceeding that is available to individuals to help with financial crisis. To go into bankruptcy, it is necessary for a person to be insolvent. To be insolvent means to owe at least \$1,000 and not be able to meet your debts as they are due to be paid.

### Consumer Proposal

Is filed under the Bankruptcy Act, but it is not an actual bankruptcy. A consumer proposal is simply an agreement between a person and his/her creditors, whereby the person pays only a portion of his/her debts, thus avoiding bankruptcy. A proposal is made to the creditors and if accepted, the consumer must abide by the payment terms and amounts negotiated. An individual does not lose his/her assets under a consumer proposal.

### Debt Consolidation Orders

A consolidation order can allow an individual to repay debts over a three-year period, free from creditor harassment. An individual does not lose his/her assets under a consolidation order. Receivership (Commercial) A receiver or receiver/manager, under the Bankruptcy and Insolvency Act, is a person or company who has been appointed to take or has taken possession of substantially all the inventory, accounts receivable and other property of an insolvent company pursuant to a security agreement or order of the court.

## Section 24: The Companies Creditors Arrangement Act (CCAA)

The search will reveal if the skipped or delinquent tenant has been granted protection under the CCAA. This Federal Act allows financially troubled corporations the opportunity to restructure their affairs. By allowing the company to restructure its financial affairs, through a formal Plan of Arrangement, the CCAA presents an opportunity for the company to avoid bankruptcy and allows the creditors to receive some form of payment for amounts owing to them by the company.

## Section 25: Tax Court of Canada

A search of the tax Court of Canada is conducted. The Court is independent of the Canada Revenue Agency and is a Superior Court through which both individuals and companies may litigate with the Government of Canada on matters arising under legislation over which the Court has exclusive jurisdiction. The bulk of appeals to the Court relate to income tax, goods and services tax and employment insurance.



## Section 26: Historical Information

QCR has a significant database of historical information with three decades of information, which is utilized to examine trends and payment history. This information includes banking, landlord and credit ratings.

### Banking Relationships

#### Royal Bank of Canada

Address of Branch	225 Yonge Street, Toronto Ontario
Date of Reference	January 4, 2004
Account opened	June 6, 1995
Name on Account	James Doe and Tina Doe

### Term Loans

Authorized Limit	Low, five-figure (\$10,000 - \$30,000)
Current Balance	Low, five-figure (\$10,000 - \$30,000)
Repayment History	Up-to-date and paid as agreed

### Deposit Accounts

Average Balances Maintained	Mid, four-figure (\$1,000 - \$3,000)
NSF	None in the past three months

# CONTACT US



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