

Getting Out of Trouble



It is possible to get out of financial trouble. **It can be done**, but it takes:

- determination
- self-discipline
- honesty
- co-operation among all the members of the family.

Face the problem

The first thing to do is to stop avoiding the problem. If you receive letters from people you owe money to (called creditors), **open** them. Read them. You must know where you stand with each creditor.



Draw up a budget

Sit down and make a list of all your creditors and how much you owe each one.



Make it your goal to pay off your creditors! Work out how much you can afford to pay each one, leaving you just enough to live on. Avoid all unnecessary spending.

Discuss the problem with your family

If you have adult family members who depend on your income, discuss the situation with them. If your family is to get out of debt, everyone in the family must co-operate. You must all agree on the way forward and stick to the plan.

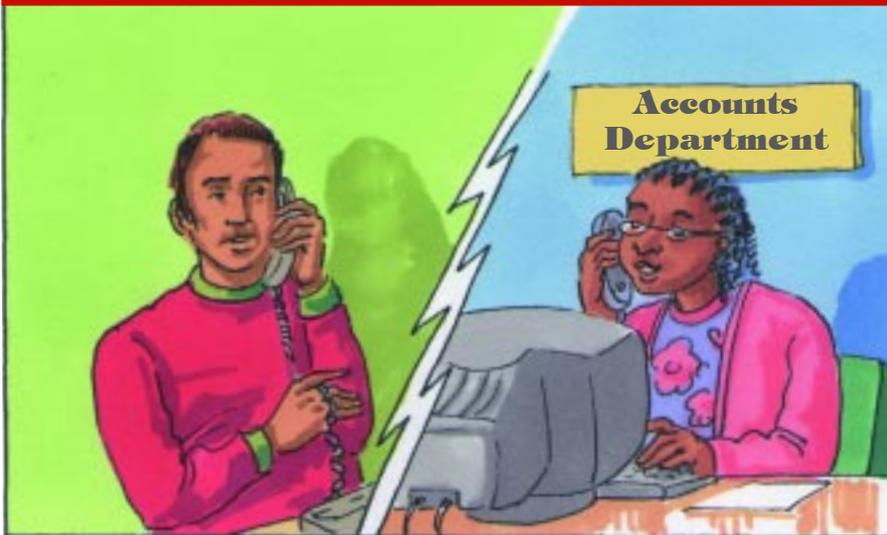


Contact your bank

If you have a housing loan (bond), a cheque account or a credit card, your most important creditor is your bank. Keeping the bank happy has to be your first priority to prevent serious problems. Explain your situation to your bank manager. Ask what the lowest possible repayment is that is acceptable to the bank. Repayments can be temporarily reduced until you are on your feet again.



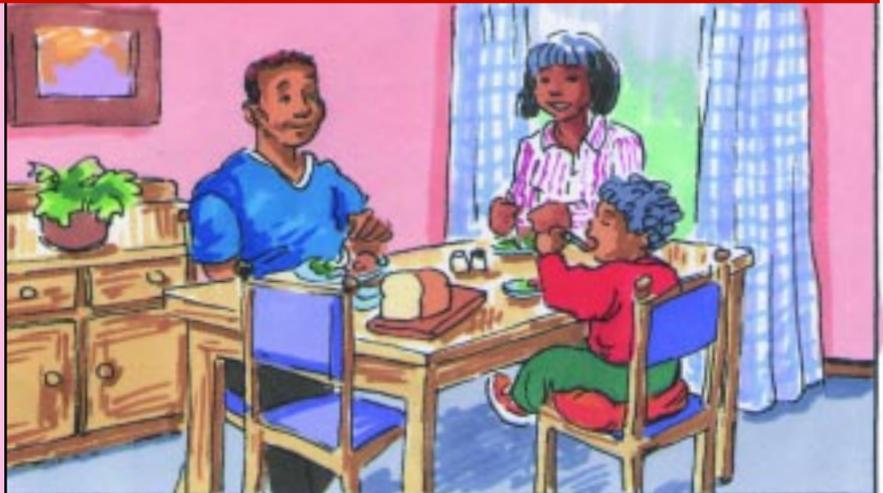
Contact all other creditors



Phone or visit the accounts departments of all your other creditors. Ask to be allowed to pay a smaller monthly amount for a limited time. Remember that the less you pay each month, the longer it will take to pay off the debt. If the creditor agrees, **confirm the agreement in writing**. A telephone agreement is not enough. Immediately follow up with a letter.

Live within your means

Keeping your creditors happy is the first step. Living within your means is the next step! Until your debts are down to a manageable level, **don't buy on credit at all**. Get your family to cut down on all unnecessary expenses. Life does not have to become unbearable — but buy **only** what you **need**.





Once you have taken the first steps to financial control, you will feel a lot better. Money problems have a way of making us depressed, anxious and hopeless. But life does not have to be that way. If you face the problem head on, work out a plan that you can realistically stick to, and **then stick to it**, you can get out of debt and regain control of your money.

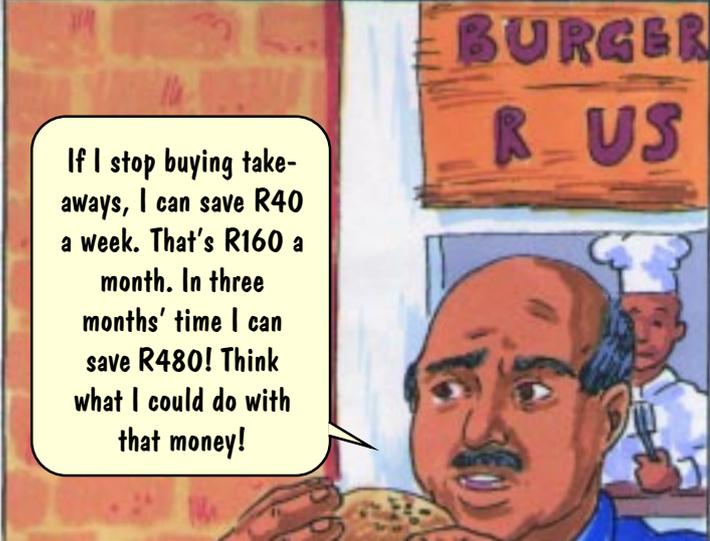
The Bester family did it.



Helen Tshona did it.



Peter Dixon did it.



You can do it! Get financial advice!

