

DEBT COUNSELLING & REVIEW

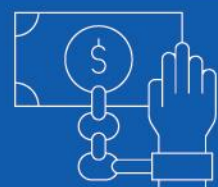
LET'S ASK A FEW IMPORTANT QUESTIONS

- Am I using more credit to repay my debt?
- Do I want to be financially independent and debt-free?
- Do my monthly expenses exceed my monthly income?
- Have I been receiving calls from debt collectors and fear legal action?

IF THE ANSWER IS...

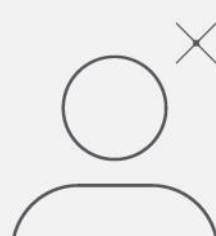
YES You should consider debt counselling/debt review.

NO You should consider yourself as one of lucky few.



South African consumers are R1.66 trillion in debt, owing an average of R274 000 to creditors.

BENEFITS OF A REVIEW



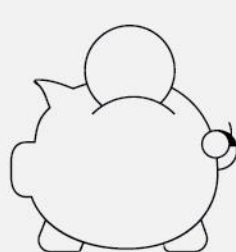
NO BLACKLISTING

Protection against blacklisting by creditors. Your profile will be updated to indicate that you are "Under Debt Review".



CALLS FROM CREDITORS

You will no longer be hounded by your creditors to repay your debt.



REDUCED MONTHLY PAYMENT

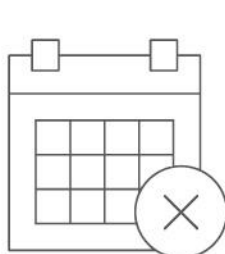
Your Debt Counsellor will enter into a repayment plan with your creditors. You will have extra money available every month to use on other necessities.



TIP

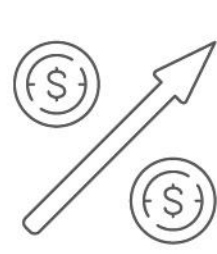
You are entitled to 1 free credit check per year. Log onto: experian.co.za or mytransunion.co.za.

SURELY THERE MUST BE A DOWNSIDE?



DEBT PAID OFF OVER A LONGER PERIOD

A decreased monthly payment is made towards the debt over a longer period than originally agreed upon.



INCREASED INTEREST

Because the debt repayment period is longer, the total interest paid will also be a bit more.



CANNOT INCUR FURTHER DEBT

Unfortunately, while under Debt Review, you are unable to obtain further credit from any financial institution.



TIP

Aim to have a debt-to-income ratio of 35% or less. Your debt should include a bond or car payment.



25 million people have an active credit record. Shockingly, 10 million have impaired credit records.

APPLYING FOR DEBT REVIEW



APPROACH A REPUTABLE DEBT COUNSELLOR

Ensure that your Counsellor is registered with the NCR before making an appointment. TIP: Ask for references from other satisfied customers.



GET ALL THE RELEVANT DOCUMENTS READY

Take your payslip, ID document, list of monthly expenses, credit statements and proof of payment to creditors to your Debt Counsellor.



DETERMINING OVER-INDEBTEDNESS

Your Debt Counsellor will use all the information provided to determine whether you are over-indebted. If you cannot afford to make payments to all your creditors on your income, you will qualify for Debt Review.



PAYMENT & FEES

Your Counsellor will determine how much money is required to cover all your monthly expenses. Any amount left over will be paid towards your debt. TIP: Ask about all fees payable (application, rejection, restructuring, legal, withdrawal and other monthly fees).



PAYMENT PROPOSAL TO CREDITORS

Your Debt Counsellor will obtain an updated settlement statement from each creditor and inform the Credit Bureau of your application. A repayment proposal will be made to the creditors, and, if accepted, they cannot back out of their agreement and take legal action unless you stop paying. If your creditors do not accept your proposal, the court will have to be approached. Your Debt Counsellor will provide you with a final repayment plan.

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