
HELP! Debt Problems

**Are you heading for
Serious Debt Problems?**



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Debt is a serious, serious, problem in the world today! It is like an addictive drug. The want shop and purchase of unnecessary items must be dealt with accordingly. People today are not living within their means. As an x addicted shopper I can testify to this.

Get yourself out of that mentality of “I can pay it off later” and watch those expenditures! It may take a while to learn how to live within your means, but it is do-able.

Are you sliding into a Serious Debt Problems?

- Are you making only minimum payments on you credit cards?
- Are you having difficulty paying your monthly bills regularly and on time?
- Are you using your overdraft most months?
- Are you uncertain how much you owe in total?
- Are you using credit because you don't have the money for everyday expenses?
- Do arguments about money cause problems in your family?
- Are you charging more each month than you pay on credit?
- Are you over your borrowing limit on your credit cards, overdraft, or line of credit?
- Are credit collectors calling you?
- Are you considering consolidating your debts?

There are different options from which you can chose when dealing with your excessive debt and we can help you decide which is best for you.

Do Nothing

Most people don't consciously choose to do nothing about their debt, it's just a matter of knowing where and how to begin. It is important that you act today with a plan in mind. Otherwise, your interest will accumulate over the years leaving you with nothing but huge amounts of debt to pay off at a later date.

Credit Counseling

Consumer credit counseling agencies create personalized debt management programs (DMP's) which, through enrollment, allow you to take advantage of predetermined lower interest rates and minimum monthly payment requirements. Typically, you will pay a consumer credit counseling agency a monthly installment and they pay your bills for you.

Debt Settlement Services

Depending on your circumstances, and if you have tried other debt options before will little or no debt relief, debt settlement might be the best option for you. Our trained professionals will work with your creditors in reducing your outstanding balances, thus providing you will a manageable debt payment each month.

Contact Your Creditors.

Explain why you cannot make your payments and suggest an arrangement that could work for both of you. You may be surprised that many creditors are more than willing to co-operate.

Debt Consolidation

Debt Consolidation is a broadly used term used to describe the gathering together of most or all of your debts and combining them into one monthly payment. Usually this involves taking out a larger single loan, at a hopefully lower interest rate, resulting in a lower monthly payment single payment.

Debt Consolidation Loan

You can approach a bank or financial institution about combining or "consolidating" your debts into one loan. This creditor pays off all your debts and, in return, you make a monthly payment to that creditor. Make sure you shop around - interest rates vary. Avoid further credit purchases; this could make your debt load too great for you to handle.

Informal Proposal

In some cases we can work with you and your creditors to set up a payment plan that will allow you to pay your creditors in an orderly way and thus help preserve your credit rating. This operates similar to a debt consolidation loan except you do not borrow the money to pay off your creditors.

Consolidation Order (Canada)

If you live in Alberta, Saskatchewan, Manitoba, Nova Scotia or Prince Edward Island you may apply for a Consolidation Order. A Consolidation Order sets out the amount and the times when payments are due to the court. The court will distribute your payments to your creditors. This part of the Bankruptcy and Insolvency Act (Part X: Orderly Payments of Debts) lets you pay off your debts over three years and frees you from creditor harassment and wage garnishment.

Voluntary Deposit Scheme (Canada)

For residents of Quebec, the Voluntary Deposit scheme (better known as the "Lacombe Law") is similar to a Consolidation Order. You must make a monthly payment based on your income and number of dependants to the court. This service is usually available at the local courthouse.

Proposals

Under the Bankruptcy and Insolvency Act, a trustee or an administrator files a Proposal or an arrangement between you and your creditors to have you pay off only a portion of your debts, extend the time you have to pay off the debt, or provide some combination of both. To be acceptable, your creditors must be better off under a Proposal than if you go bankrupt.

There are two types of Proposals an individual can file:

- "Consumer Proposals" - A person is eligible if his aggregate debt, excluding debt secured by a principal residence, does not exceed \$75,000. The consumer proposals cannot be for more than five years. If the creditors do not accept the Proposal the debtor is not automatically bankrupt. Counseling is required.
- "Other Proposals" - There is no restriction on the amount a person owes. He can owe less or more than \$75,000 to be eligible. If the creditors do not accept the Proposal the person is automatically bankrupt effective on the date of the Creditors' Meeting or the date the court rejected the Proposal. If the proposal is accepted counseling is not required.

Bankruptcy

If you are completely unable to handle your debt, bankruptcy may be your last resort. You can file for one of two chapters that will best fit your needs; however with the new bankruptcy laws that were just passed, some may find it more difficult to take advantage of this option.

Credit Repair

Many people are unclear about why they need to restore their good credit rating through a credit repair program. The most important thing to understand is that having bad credit costs you. It costs you a lot of money. Credit repair or restoring a good credit rating is essential for those individuals who are negatively impacted by a poor credit history. Our repair services have helped hundreds of people regain control of their credit status, and we welcome the opportunity to help you!

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