

Module 8 Video: Debt Solutions – Video Transcript

[Intro music]

Enzo is worried about how much debt he has.

Being in debt can make someone feel... anxious, stressed, hopeless.

However, there are steps Enzo can take to reduce his debt.

Step 1. Stop the debt from growing

Enzo puts his card away.

And stops using credit until his debt is under control.

Step 2. Gather all the debt and account information

[Enzo writing on a piece of paper]

[Paper shows texts “Total debt amount, Minimum monthly payments, Interest rates, Terms for repayment]

Step 3. Rework the budget

Enzo tries to free up money to put towards debt repayment.

Step 4. Negotiate and consolidate

Enzo speaks with his creditors to try and negotiate a lower interest rate.

He also applies for a consolidation loan.

A loan which...

Consolidates debt

Into a single monthly payment

With a lower interest rate

Step 5. Make a debt repayment plan

Debt Repayment Plan

Pay minimum amounts each month

Focus on paying down debts with the highest interest

Step 6. Stick to the plan

Enzo keeps a calendar with all his payment due dates.

And sets up automatic payments to help keep himself on track.

Sometimes personal steps aren't enough, and extra help is needed.

Enzo can choose to seek professional support at any time.

[Speech bubble shows "Credit counselling, Consumer proposal, Bankruptcy"]

These solutions will involve making a specialized plan with a Credit Counsellor or a Licensed Insolvency Trustee

If Enzo sticks to the plan, he can be debt-free.

Now Enzo feels in control of his debt!

His efforts have paid off.

With his debt under control, he can free up money for other goals!

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