

# debt relief

take action before  
debt becomes  
a problem



CAPITEC

# struggling with debt?

*It's important to take action immediately, before the situation gets worse. Review your budget and cut unnecessary expenses. Don't take on more credit, rather contact your credit providers directly to enquire about payment options.*

## step 1: debt rescheduling

Contact us to find out how debt rescheduling can lower your repayments:

- Visit a branch
- Phone 0860 66 77 18  
(Monday – Friday, 8am – 7pm or Saturday, 8am – 1pm)
- Email [CentralisedCollections@capitecbank.co.za](mailto:CentralisedCollections@capitecbank.co.za)

## What is debt rescheduling?

By rescheduling, both you and Capitec agree to change the terms of your existing loan to lower your repayments.

## How will my loan repayments be lowered?

In order to lower your repayments, your loan will be paid back over a longer period. Your interest rate will remain the same.

## How does a longer term affect me?

While this means that your repayments could be lower, your total cost of credit will be more because you'll pay interest over a longer period. You can manage this by increasing your repayment again once your financial position has improved.

## When can I reschedule my loan?

You can proactively reschedule your loan if you're worried that you may not be able to make your loan repayments. You can also reschedule your loan if you've fallen behind on your loan repayments.

## How does the rescheduling process work?

We have different types of rescheduling so you'll be asked questions to help us determine what type will best suit your needs.

## step 2: debt review

If rescheduling doesn't give you relief, you can contact the National Credit Regulator for a list of debt counsellors:

- [www.ncr.org.za](http://www.ncr.org.za)
- Phone 0860 62 76 27

## What is debt review?

If you're over-indebted, a debt counsellor can help you by restructuring your debt payments based on what you can afford. The debt counsellor assesses your living expenses and calculates an affordable payment plan by extending the term over which you repay your debt, and in some cases by reducing the interest rates and fees.

**Important:** The aim of debt review is to help you manage and repay your debt. Debt review doesn't mean that your debt gets written off, so be aware of misleading or false advertising. Also know your rights – if you believe you were incorrectly placed under debt review, lodge a complaint with the National Credit Regulator immediately.

## What does it mean to be over-indebted?

When you don't have enough money left after providing for necessary living expenses to make your debt repayments, even though you've lowered your living expenses as much as possible and made arrangements with your credit providers, such as rescheduling your existing loans.

## When may I apply for debt review?

If you earn an income or have a prospect of receiving income but find yourself over-indebted, you may qualify for debt review. To make an informed decision before you apply, ensure you understand the benefits and consequences of debt review.

## Will it cost me money to go under debt review?

Yes. Debt counsellor fees are guided by the National Credit Regulator. Make sure that all the costs and fees are explained to you before signing any debt review documentation.

## What happens when I apply for debt review?

A debt counsellor will assess your financial situation. If you're found to be over-indebted, they'll calculate a single monthly repayment that you can afford to pay towards your debt each month so that you'll still have enough money to pay your necessary living expenses.

The debt counsellor will then submit a repayment proposal to your credit providers. If they accept, your debt will be restructured by means of a consent- or court order. For the duration of the debt review period your credit bureau report will show that you're undergoing debt review.

## Can I apply for more credit while under debt review?

No. You also won't be able to access your existing credit facilities.

## What happens once I've repaid all the debt?

Your debt counsellor will provide you with a clearance certificate and your credit bureau profile will be updated. This means you'll be in a position to apply for credit again. Note: If your home loan agreement was included under debt review, it doesn't have to be repaid in full in order to exit debt review and get a clearance certificate, but you must have repaid all other debt that was included.

## What if my financial position changes while I'm under debt review?

Speak to your debt counsellor to review your repayment plan. While under debt review, it's important to relook your financial position every year so you can settle your debt in the most cost-effective way.

You can ask for regular statements from your credit providers so you'll always know how much you owe. If you're able to increase your repayments, it will help you settle your debt sooner.

## How long will I remain under debt review?

It's different for everybody as every individual's situation is unique. Your debt repayment plan must show exactly when your last day of payment will be. Make sure you understand how long the process will take.

## What happens if I don't keep up with my repayments?

Debt review is a legally binding process. Keeping up with your new repayments is very important. If you don't, your credit providers can terminate their portion of the debt from debt review, and you could face legal action and possibly lose your assets. It's important to contact your debt counsellor should there be any changes to your financial position.

Speak to your debt counsellor to review your repayment plan if you are experiencing further financial difficulties.

## Can I withdraw from debt review?

You can only withdraw from debt review:

1. Through your debt counsellor, before you've been declared over-indebted
2. After being declared over-indebted, but before the court order confirming this is granted. You can then apply to the court for an order declaring that you're not over-indebted. The legal costs involved can be considerable since you must appoint an advocate or lawyer to bring the matter before the court. If you have any questions, contact your debt counsellor.

## More info

Visit [capitecbank.co.za](https://capitecbank.co.za) or call our 24hr Client Care Centre on 0860 10 20 43.

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Conditions apply. Fees include VAT.

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