

WHAT TO DO IF YOU CAN'T PAY YOUR BILLS

Illness, unemployment or family problems may leave you unable to pay your bills. The best thing to do is keep the lines of communication open:

- Discuss the problem with your family;
- List family income;
- List all that you own;
- List all debts; and
- Make a spending plan.

Talk to your creditors as soon as the problem begins.

- Explain the exact facts (you are on lay off; there has been an illness, etc.)
- Be frank about your future income prospects
- Together make a payment plan
- Get the name and title of the person you talked to and make a note of the date and time
- Put the agreement in writing

Ask yourself:

- What will affect my family's health and security the most?
- Is this debt secured or unsecured?
- What is the interest rate?
- How much more do I owe?
- Is a consolidation loan a good idea?
- What about my credit record?

As one of the BUC\$ Learners told us:

“Not everybody does it like that ... say I had \$2000 ... say I got a telephone bill and it's \$80 ... the telephone company wants you to pay more than half ... so ... I'll pay \$50. So that means on the next one I gotta pay that extra \$30, and if I should happen to have extra I can go back and pay that \$30. So that leaves me \$150 ... out of that, my kid may need shoes ... you may need to pay for a school trip ... pictures ... say you don't get your Food Stamps ... so out of \$100 you've got to buy food ... So why would you want to pay the whole \$80 and leave yourself stranded?”