



Dealing with Financial Crisis

Dealing with a financial crisis, directly affects your quality of life. Trying to figure out how to handle the load of unpaid bills, loans and credit card balances can have your stress levels going through the roof. That kind of added pressure makes it hard to feel good about anything, and enjoying life seems like something other people get to do.





So, how do you find a debt solution?

We know that sometimes debt isn't your fault. Outside factors, like a job loss, illness or a divorce can lead to a financial crisis. No matter how you got here, the first thing you have to do is to acknowledge what's going on and decide to do something about it.

Almost all of the people we work with, have been struggling with their debt for months, sometimes even years. While they stay in the struggle, they're needlessly paying more and more interest on outstanding loans and credit card balances that they wouldn't have to pay, if they made a decision to find a solution.

When your debt adds up to more than you can pay each month, or you are only ever making the minimum payment with no hope of ever paying it off, it's time to consider your options.



Talk to the Right Person to Help

There are many debt and credit counselors who claim to be able to help you solve your financial issues, but many of them don't actually have the necessary training or legal authority to properly help you. Only a Licensed Insolvency Trustee can give you all the help you need.

A lawyer, bank officer and credit counselor would have to refer you to a Licensed Insolvency Trustee to file a consumer proposal or help you to declare personal bankruptcy, so why not start there to begin with? Save the money they may charge you for a referral, you don't need one.

Licensed Insolvency Trustees are professionally licensed by the federal government and will help you find the best debt solution for your specific situation. Once you decide which route to take, your Licensed Insolvency Trustee will take care of contacting your creditors, including Revenue Canada Agency, and negotiate on your behalf to get you the best resolution.

That means you can finally relax and let someone else take care of all the financial details.



Fully Explore Your Financial Options

As a Licensed Insolvency Trustee we offer free consultations, to help educate you about your options. Sometimes, that is just a conversation to help understand how you can use your current resources to solve the problem, but usually by the time someone gets to the point where they need outside help, the issue is big enough that a budgeting conversation just won't solve the issue. That's when it's time to look at a better debt solution.

A woman with dark, curly hair is sitting cross-legged on a bed. She is wearing a white t-shirt and grey leggings. She is looking down at a laptop in front of her, with her hands on the keyboard. She is holding a blue mug in her left hand. The background is a rustic stone wall. The image has a teal overlay at the bottom.

A Consumer Proposal

A consumer proposal is definitely the best place to start because it's such an appealing debt solution. With it, you get to make one payment, with 0% interest, there are no additional fees, and the average amount that our clients have to pay back is typically only 37% of the original debt amount. So if you owe \$25,000, you may be able to settle for as little as \$10,000.

You can see why people want to take this option if it's possible.

So, what's the qualifying criteria?

1. It must be administered by a Licensed Insolvency Trustee.
2. You must have enough income to pay for your cost of living each month and have enough money left over to put toward your proposal payment.
3. There must be an advantage to your creditors to accept the terms, which means they need to recover more than they would if you filed for bankruptcy, or they will turn down the proposal or try to negotiate a different term.
4. You can surrender a leased or purchased vehicle, without having to pay out the balance of the contract.

It's also important to note that a consumer proposal will cost you more than a bankruptcy, your secured loans cannot be included, but you can include shortfalls, and it normally takes longer than a bankruptcy to complete, but it does get removed from your credit report sooner after completion.



Filing for Personal Bankruptcy

When you don't have enough income to cover your cost of living and even pay back a portion of what you owe, then filing for personal bankruptcy is the best option. It is a legal process and must therefore be handled by a Licensed Insolvency Trustee.

While it seems like an ominous decision, most people who do decide to take this option feel a huge sense of relief from the stress and pressure they've been living under.

What are the bankruptcy facts?

Most people have the misconception that you lose everything when you file for bankruptcy, but that simply isn't true. Here's some facts you need to know:

1. As soon as the papers are signed, they are legally binding and you can't change your mind.
2. You get immediate relief from your creditors.
3. You will have to give up all of your credit cards, which are probably maxed out anyhow.
4. It will affect your credit report for at least 6 years.
5. Your creditors write off the debt that's owed to them, no one pays it for you.
6. Your utilities can be restored if they've been disconnected. (You do have to apply to the company and pay disconnection and reconnection fees.)
7. You can surrender a leased or purchased vehicle, without having to pay out the balance of the contract.

With these kind of benefits, not to mention the stress relief, it's easy to see why filing for personal bankruptcy might be your best option when you're dealing with a financial crisis.

A Licensed Insolvency Trustee can help you can help you decide which option is right for you, based on the factors of your specific situation. They will never put any pressure on you to file a Proposal or file for Bankruptcy, they will only guide you.

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**Why not take us up on a
FREE consultation today and
explore the debt solution
that's right for you? Call or
email us now to set up your
appointment.**

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