

Your guide to debt management

This guide will help you understand debt management: what it is and who it can help. There are many solutions that help people deal with debt so it's best to get the advice of an expert before deciding on which route to take.



How does it work?

It lowers your monthly debt repayments

A debt management plan is an informal agreement with your lenders that reduces the monthly payments to your unsecured debts.

Be aware it may take longer to repay your debts this way and you may pay more in interest in the long run.

It could freeze interest and charges

Wherever possible we negotiate a freeze in interest and charges so your debts stop growing and you can pay back what you owe sooner.

Call us on **0161 669 8925** or visit our website www.gregorypennington.co.uk

You pay one lower, affordable monthly amount

Once agreed, you only make one lower monthly payment to us and we distribute the new amount to your lenders.

Bear in mind that making lower payments will affect your credit rating.

It gives you a clear route out of debt

You'll know exactly how much you're paying each month and when you're likely to be debt free.

What are the benefits?

It makes your monthly commitments more affordable

The new repayment amount is based on what you can afford to pay after your other priority bills, such as your mortgage/rent, utilities, food and travel are taken care of, making your day to day living costs more manageable.

It deals with your lenders on your behalf

All negotiations to reduce your payments and all lender communications are taken care of by us. You shouldn't get any more demands, threatening letters or phone calls and, if you do, simply direct them to us.

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It gives you your own Personal Finance Team

Your Personal Finance Team deals with all aspects of your finances. They're your dedicated point of contact for any questions or queries regarding your plan, or any other financial issues that arise.



there when it matters

Is it right for me?

Debt Management could help you if:

- You're having difficulties meeting your unsecured debt payments.
- You can afford to clear your debts by paying less for a longer period.
- You've got a poor credit rating as you won't be borrowing more.
- Interest and charges are stopping you from reducing your debt.

Talk to us about our other solutions if:

- All your debts are 'secured' against your home.
- Your situation means you can't commit to any regular payments.
- The monthly repayment you can afford is so small that it would take too long to repay the debt.
- Your lenders decide (based on your income and expenditure details) that you should be able to afford the original repayment amount.

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How do we set up your plan?

We discuss your finances with you

By understanding your income and expenditure we can work out what you can pay towards your unsecured debts without risking the money you need for your other essential living costs.

We ask your lenders to accept the reduced amount

We'll negotiate on your behalf to agree the reduced amounts. Once agreed, you need only make one lower monthly payment to us and we distribute the new payments to your lenders.

We manage your plan and give you expert help

Throughout your plan we deal with all communications from your lenders and ensure your payments are sent. You'll have a Personal Finance Team managing your progress and helping you with any questions or queries.

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Your debt management questions

Q. Will debt management affect my credit rating?

Yes. A debt management plan is asking for a change to your original agreement so your lenders can issue a default notice which will affect your credit score.

However, if you allow your debts to continue accumulating you could risk more serious consequences. Your lender may issue a final demand, apply for a County Court Judgment or even threaten repossession.

Q. Why should lenders accept my debt management plan?

Your lenders don't have to agree to smaller payments but if they can see it's the only way you'll repay the debt they should be sympathetic. What's more, on a debt management plan they'll have the reassurance of regular payments managed by debt professionals.

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How do I apply?

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www.gregorypennington.co.uk

When you speak to our expert advisers they'll ask some questions about your finances before making a recommendation. Although it's best to have some information on your finances ready it won't matter if you don't have it all as we have guidelines for most expenses. Don't worry, the entire conversation is in confidence and you aren't obliged to go ahead with our recommendation.



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Help when you need it

If you are unsure about anything in this guide just call

0161 669 8925

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