

Debt Management - A Unique Strategy Developed to Help Debtors Manage Their Finances...

A debt management strategy is typically developed and implemented by an outside company or organization on behalf of the debtor, usually because the debtor is unable to sufficiently manage their debt on their own due to lack of knowledge, or simply because they are overwhelmed by the amount of debt resting on their shoulders.

Debt Consolidation Debt is a four letter word, and for Americans it is one of the biggest factors threatening to hold up the future. It will prevent you from buying a house, a car, and in some cases, it could stop you from getting a job. Debt Consolidation is the simplest and easiest way to manage existing debt through reducing monthly expenses while simultaneously reducing the number of creditors you make payments to.

IVA's An IVA is not the same as a Debt Management Programme. It is much less informal. An IVA is arranged to help you pay off the majority of your debts in a way that is both affordable and practical. You will be closely involved in calculating the monthly repayment, as you will be asked to make known all of your assets, liabilities, and income, together with a detailed assessment of your cost of living. This information is provided to ensure that you will not get into even more debt, as the amount payable to creditors is determined by the amount you can afford to pay after your normal cost of living has been deducted.

Loans A debt consolidation loan basically rolls all of your bills and outstanding debt (such as those from credit card companies, household bills, existing loan repayments etc.) into one monthly payment, which is usually lower than the sum of all the payments on individual debts. Then, as long as you are able to make this one monthly payment, your credit will remain in good standing and you will be working toward the goal to get your bills paid off.

Credit Cards Wise credit card usage is about more than swiping your card for purchases. Move beyond the basics of credit cards to learn about using your credit card responsibly. Switching between interest free credit cards can be a clever way of paying of your debt more cost effectively.

Managed Bank Accounts A managed bank account is unlike any other kind of bank account available. It offers all the benefits of having your monthly finances taken care of by real people, who will guide you through the time of financial trouble and make sure all your bills and commitments are met on time. This service usually comes at a cost though.

Bankruptcy Bankruptcy is a legally declared inability or impairment of ability of an individual or organization to pay their creditors. Creditors may file a bankruptcy petition against a debtor in an effort to recoup a portion of what they are owed. In the majority of cases, however, bankruptcy is initiated by the debtor.

About the Author

If you are caught up in the middle of a financial storm then you need to actively research the aid at your disposal which can help to get you [Debt Free](#) because burying your head in the sand will not make your money problems go away...

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