

## **10 tips to get out of debt!**

After the holidays, it's hard to catch your breath, even after several weeks! Everybody wants to give you a credit card: a real advertising conspiracy, aimed at making you consume now so that you can't pay later. Very quickly, a spiral of debt is created. How do you get out of it?

It is as easy to pay your debts as it is to take on them. We propose a 10-step healthy management program:

**1 Start by the owner.** Make a list of everything you owe: loans, credit cards, bills... The first step is to know exactly how much you owe and to whom.

**2 Take the time to make a personal budget for a period of at least six months.** Think about the unexpected, and include in your budget the terms of payment for each of your debts.

**3 Contact each of your creditors** to inform them of your repayment plan. Never break off communication with a creditor.

**4 Use monthly payment averaging programs** to reduce large fluctuations in your budget.

**5 From this budget, make a meticulous accounting of your expenses and income.** Knowing what's going on in your finances is essential. For this accounting, use personal accounting software. You can get one for as little as \$30.

**6 Reconcile your bank statement every month,** to make sure you haven't forgotten anything, and that the bank does too!

**7 Avoid credit.** Pay in cash as often as possible which will allow you to establish a real contact with your financial reality.

**8 Regularly discuss your financial situation,** budget and accounting reports with your spouse. Talking about it helps to avoid tension.

**9 Adopt a simple and efficient filing system to pay your bills.** Put them in the same folder and add it all up so you know what you owe now.

**10 Before each expense, get into the habit of asking yourself a few basic questions:** Do I really need it? If so, do I need it right away, or could I postpone the expense until later? Would my spouse approve of this expense?



Once the debts are paid, it becomes easy to tidy up your things and go back to your savings. To make your job even easier, you may want to look for ways to increase your personal income!