



TOP FIVE TIPS

FOR DEALING WITH
DEBT COLLECTORS

1

NEVER REVEAL **BANK DETAILS.**

Despite what a debt collector may say, you are not under any obligation to provide them with your bank details. Always ensure you have the credentials of the debt collector to ensure they are legitimate before proceeding with payment plans. A good way to do this would be to contact the company they say they are collecting on behalf of, to confirm their employment.

2

KNOW YOUR **RIGHTS**.

Debt collectors are only allowed to contact you when necessary. Here are some reasons you can be contacted.



Accounts and payments

- to provide information about your account
- to make a demand for payment



Where a payment arrangement is in place:

- to offer to settle your account or make alternative payment arrangements
- to review existing payment arrangements after an agreed period.

2

KNOW YOUR **RIGHTS**.



Consequences

- to explain the consequences of you not paying, including any legal action the collector or creditor can take.
- to explain any restrictions to your utilities (for example, disconnection of your electricity or gas supply or restriction of your water supply).



Mortgaged goods

- to inspect or recover mortgaged goods (if they have a right to do so).

2

KNOW YOUR RIGHTS.



Get explanations

- to find out why you have not responded to attempts to contact you (if this is the case).
- to find out why you have not kept to an agreed repayment plan (if this is the case)

Debt collectors may not use offensive language, threatening behaviour, or use false or misleading behaviour and information. If the debt collector does any of these things, you may file a formal complaint against them.

3

BE HONEST AND CALM IN YOUR COMMUNICATION

The best way to reach an agreement that works for both parties is to engage in honest and calm communication.

You should:

- be honest about your financial position, including other debts
- return calls or respond to correspondence promptly
X agree to a repayment arrangement if you can afford it (see page 16 for more information)
- tell the debt collector when your contact details (including your address) change.

A great way to manage negotiations is to engage a debt consolidation service, such as DebtFix, to negotiate on your behalf. The debt consolidation agent will have experience in managing agreements, and can get you a better payment plan.

4

ALWAYS **KEEP A RECORD** OF YOUR CONVERSATIONS.

Having agreements in writing and keeping a good record of conversations with debt collectors will mean everyone is on the same page. It also helps you keep track of the repayment plan and what your responsibilities are.

5

REACH OUT AND **GET HELP** IF YOU ARE STRUGGLING

Debt is hard to deal with alone, and can cause a lot of stress. Everyone deserves to have a financially secure future.

If talking to debt collectors and dealing with debt is making you feel overwhelmed, you have many options for help:



Apply for a hardship variation – Tell your credit provider that you are experiencing financial hardship and why. In the meantime, keep paying as much as you can afford. [Moneysmart.gov.au](https://moneysmart.gov.au) has details on how to apply for a hardship variation.

5

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Get free legal help – Community legal centres and Legal Aid agencies offer free legal advice in every state and territory



Talk to DebtFix – we've been helping Aussies overcome their debt for over 10 years. We have the experience, information and empathy to get you back on track and help you stop worrying about money. We don't just care about debt – we care about you, and we're here to make sure you don't go through debt alone.

Why not call us today?

1300 332 834



1300 332 834 | www.debtfix.com.au