

Debtfree

NAMIBIA

IS IT TIME
TO SETTLE
YOUR DEBT?



March 2024

www.debtfreedigi.co.za

A portrait of John W. Gardner, a Black man with short hair and a goatee, wearing a dark suit jacket, a light blue and white striped shirt, and a blue tie. He is smiling slightly and looking directly at the camera. The background is a soft, out-of-focus blue.

EXCELLENCE IS DOING
ORDINARY THINGS
**EXTRAORDINARILY
WELL**

— John W. Gardner

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FROM THE EDITOR

Everyone has debt but few of us like to talk about it. It is almost as if it is a bad thing or something. It is interesting that in English we use two words to refer to the same thing, namely: credit and debt.

One we all want and the other we all don't want. Which is made all the stranger by the fact that we are actually just talking about the same thing.

Debt can destroy lives, can stress you out, it can break families and relationships and can even make you physically ill. So, yes. Debt is often a bad word.

The question is: what can you do about it?

These days we are all finding ourselves squeezed from every side and accessing credit has become a lifeline for many who are struggling to make ends meet.

But even as we use that lifeline it can start to feel more and more like a noose that begins to squeeze us more and more.

This month we join others in talking about debt awareness and the options you have for dealing with your debt. If debt is the

bad news then the fact that you have many options for dealing with your debt is the good news.

If you don't like having debt then now is the time to start to do something about it. Why wait? Take some action today.

That may simply be tracking what you are spending each month (which can be surprisingly powerful) or talking openly with your family about your debt situation. If things are really bad then get help and please do it sooner rather than later. The longer you wait the harder it gets to sort your situation out.

Try out some of the tips in this issue that may support you as you work on your goal of getting out of debt.

After all, regardless what word we use for it no one wants to be in debt...but everyone wants to be debt free.

Zak King

WITH GREAT POWER COMES...

- great responsibility
- a huge electricity bill

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IS IT TIME TO SETTLE YOUR DEBT?

You may have been under serious financial strain for a while now and you are thinking about paying off your debts.

How do you know if it's the right time?



IS IT TIME TO SETTLE YOUR DEBT?



THE BEST TIME IS NOW!

Many of us fall into the trap of mixing up blind hope with positive thinking.

We may reason that things are going to get better soon. Things are going to turn around. We just have to wait until...that raise or circumstances improve.

But if you think back over the last few years (including the pandemic) do you feel that your finances have gotten better over time or are they starting to spiral out of control.

If you had funds and wanted to learn to be a.... pilot or a doctor, when would be the best time to start studying? Would it be next year...the year after that, in 5 years time or today?

We can all understand that the sooner you start something, the sooner you will be done. That's why there is no time like today to start dealing with your debt. Not next week, not next year.

Do it now and take back control.







YOUR BUDGET

YOUR CONTROL

IS IT TIME TO SETTLE YOUR DEBT?



OUT OF CONTROL FINANCES

When we are deep in debt we can fall into some pretty bad patterns. We start to avoid thinking about our finances because it is scary. And as the next disaster or set back comes along it just makes things worse.

If you have stopped being able to save anything towards unplanned expenses then your budget is out of control.

If you have cancelled insurance, you know you probably should have then your budget is out of control.

If you have kids and all the back to school stuff (which you knew was coming) broke you this year then your finances are out of control.

If you have started to think that taking out a new loan or getting an increase in your credit limits is the solution to your problems then your finances are out of control. You know more debt is not a real solution.

IS IT TIME TO SETTLE YOUR DEBT?



COLLECTIONS CALLS

When you have started to miss payments then the collections calls start. The banks and credit providers want their money back and they will pester you until you pay it.

You begin to get scared of unknown numbers or numbers that you think are from call centres trying to collect on your debt.

Your creditors start sending scary sms and they are simply getting tired of you making promises that you already know you probably won't be able to keep.

Your phone is no longer a fun gadget it becomes a source of stress.







IS IT TIME TO SETTLE YOUR DEBT?



SCARY LETTERS

Eventually, if the calls, emails and sms don't get the response your credit providers want (money) they will decide enough is enough.

This is when they will send you scary letters that are the final straw, the final chance to sort things out before they head to court.

This really is your final chance to get help before they start legal action.

So, they send you a final warning that they are letting the lawyers loose on you and taking you to court to get a judgement if you don't pay your debt.

IS IT TIME TO SETTLE YOUR DEBT?



THE LONGER YOU WAIT...

If you are getting non stop collections calls, scary emails and sms or worse, scary letters.

Don't wait any longer.

But perhaps you have not got those letters yet. Does that mean that things are still fine and maybe, just maybe your finances will turn around?

- Take a look at your finances 2 years ago. How much debt did you have?
- Look at your finances a year ago? How much debt did you have?
- If you carry on as things are now... how much debt will you have next year?

If you debt has been growing year after year then now is the time to act. You see the





pattern. The longer you wait, then by next year your debt will have grown again and things will be even harder to sort out.

You will be deeper in the hole and when the next unplanned disaster comes along you will not be able to cope and you will potentially lose everything you have worked so hard to get.

IS IT TIME TO SETTLE YOUR DEBT?



NOW IS THE TIME TO GET ADVICE

If you are unsure about what to do, then why not go talk to your local Debt Specialist and ask them to look at your income, budget and debt?

The stress you feel is mostly because you don't have enough information to make the best choice. And without the information you might make the wrong decisions about your finances. So, get the information.

A trained professional, who knows finances and the banking system, will have insights into all the different options that you have. The truth is that with all their training and experience they simply know things that you do not. So, ask them.

Take back control of your financial situation today!

If you put off doing something about your situation, time will go by, your debt will continue to grow and things may be much worse than they are right now. There's no time like the present.

DEBT FREE School

DON'T BELIEVE STRANGERS

If you get a call from someone claiming to be from your bank, please be careful. There are many scammers out there.

And often people who work for the bank do not have access to the right information and may even lie to you saying that your debt payments are not coming through.

Beware of dealing with people who you don't know on the phone.



A young man with dark hair, wearing a blue and white striped long-sleeved shirt, is sitting on a light-colored bench. He is looking down and to the right with a thoughtful expression, his right hand resting against his chin. To his left, the back of a woman's head and shoulders is visible; she is wearing a red top. The background is a brightly lit indoor space, possibly a library or a study area, with bookshelves and a window. The overall atmosphere is calm and contemplative.

**TALKING
ABOUT DEBT
WITHOUT
A FIGHT**





TALKING ABOUT DEBT WITHOUT A FIGHT



KEEP CALM AND TALK ABOUT IT

Many couples fight over finances. It is one of the leading causes of divorce and separation.

But debt cannot just be ignored. You really do need to talk about it or things can get out of control very quickly.

So, how do you talk about debt without a big fight?

TALKING ABOUT DEBT WITHOUT A FIGHT



A REGULAR TIME

Talking about debt can be tricky. You may start to say something about your debt situation and then hold back at the last minute.

You may find yourself rehearsing a sentence or two to try and get a conversation going but then chicken out at the last minute over and over again.

So, setting up a regular time or day each month to talk about debt can create the right forum to have these discussions.



13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
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TODAY
 is the
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TALKING ABOUT DEBT WITHOUT A FIGHT



KEEP IT SHORT AND SWEET

Though you may be tempted to dive deep into your entire financial situation and have a 5 hour strategy session this can actually be counter productive (at first).

If debt is a sensitive subject, then keeping discussions brief and informative can be best. It can reduce the amount of time during which tempers can fly and harsh words can creep in.

Keep it factual for now. Just keep everyone informed of how things stand and what payments are needed.





COULD YOU ADD A LITTLE FUN?

Debt and fun do not go together. True. But could you make the evening or day when you talk about debt something to look forward to?

How could you do that?

Some households make the event a special occasion by having a fun family meal or linking it with another fun family activity (like a trip to the park or beach after the discussion).

Even when finances are tight there are ways to link the chat with something fun and low cost.

It might be as simple as a fun meal (Hotdogs or homemade pizza) or movie night.

Try and reward yourselves for having the chat. It can help you look forward to the discussion rather than fear it.



THE BIGGEST RULE

The most important part of such a discussion is not to blame one another or raise your voice.

Keep things calm and avoid blaming each other. You may need to bite your tongue and hold back certain thoughts.

It can be easy to blame and easy to point fingers but try to think of the big picture. Would you rather have all the information about your true financial situation or live in the dark?

Rather than play the blame game remember that you are a team and the debt is the common enemy (not one another).

Rules to Live By

The first rule of holes:
when you're in one,
stop digging.

— MOLLY IVINS
Writer

TALKING ABOUT DEBT WITHOUT A FIGHT



IT'S HARD AT FIRST BUT GETS EASIER

As with many things, setting up a regular time to talk about debt can be difficult. You may find excuses to avoid the conversation, particularly when things are not looking great or if one party in a relationship has more debt than the other.

Still, if you are able to set up a regular time to discuss finances it will get easier over time.

And once the routine is established it can become key to a successful financial future.

Which is something we all want.

DEBT FREE School

CHECK YOUR STATEMENTS

If you are in debt then you should regularly get statements from your credit providers every month. This will tell you who you need to pay and how much.

It is good to check and if you see something that confuses or worries you, then reach out to a professional debt specialist.

They can investigate.





NCFA

*National Consumer Finance
Association of Namibia*

In an important step towards balancing the needs and rights of Namibians with the needs and somewhat overwhelming resources of credit providers, a new consumer education and rights' association has been born.

The association is called NCFA.



A pregnant woman with long brown hair, wearing a white tank top, is shown from the side, gently holding her belly. She is standing on a balcony or ledge, looking out over a cityscape at sunset. The background is a blurred view of a city with hills and buildings under a warm, golden sky. The text is overlaid on the right side of the image.

**WHY
STARTING
A BUSINESS
IS LIKE
STARTING
A FAMILY**



make
it
happen!





DON'T RUSH IN

Starting a business is like a lot like starting a family. A lot of planning has to go into it, it can be challenging but also highly rewarding, if done right.

While you do not want to constantly put off starting a business, there should also be a gestation period that allows time for the idea to grow into a viable, realistic plan.

No one can go from deciding they would like to start a family one day, to immediately giving birth the next day. That would be too hectic with simply too many implications to consider.

Besides the overwhelming amount of information that you would need to absorb being new to the process (babies or business - same thing) there is also the lack of practical experience if you are a first time parent, or a first time business owner.

Things to consider:

- Is there going to be a supportive structure, environment, and financial aid available?
- Are your finances sustainable until the baby is out of diapers and the practical learning curves accomplished?

WHY STARTING A BUSINESS IS LIKE STARTING A FAMILY

PLANS ARE GREAT BUT...

The next problem, with both children and business, is that even the best laid plans change because... well, they have to.

No matter how good your plans are, you simply cannot anticipate and plan for everything. And as your family or business grows, you learn new things that you never thought of before.

Parent math is a real thing!

Eg. If we have somewhere to be by 3pm, at what time should I start asking the toddler to put their shoes on?

The ability to build in additional "contingency time" will save you a lot of apologies for being late! In that same sense, when thinking about a new business practice, it is vital to





try anticipate the possible and probable pitfalls, then build processes that will help you avoid them in the first place. Of course, not everything can be anticipated, but it is a good idea to at least have some variables locked in.

This is why doing your homework or having someone with a little more experience (like a mom or a business mentor) can really help. They will know some of the challenges you will face that you have not even thought of.

These foundational framework questions need to be envisioned as problems to be solved, before the registration papers are to be filed. A business takes as much time, effort, dedication, and focused attention as an actual child. A business takes on a “life of its own” and your ability to adapt and pivot to the unexpected will become a vital asset.

WHY STARTING A BUSINESS IS LIKE STARTING A FAMILY



IT'S TOTALLY WORTH THE CHALLENGE

Running a new business or starting a family will always keep you on your toes, presenting you with fascinating challenges.

As with children, the job is never done, and each business "age" comes with its own set of new and fun problems to solve.

So just remember friends: the toddlers of today are the teenagers of tomorrow. Raise your babies and your businesses well, so that they can contribute something positive to the community.

It's worth the challenge!

DEBT FREE School

Save Something

If you are not saving anything each month then you may have to review your budget.

Saving towards annual expenses or the unexpected is vital.

Feel free to ask a Debt Specialist for some advice.

THE MOTOR VEHICLE ACCIDENT FUND



Did you know that any person injured in a road crash or a dependant of anyone killed in a road crash in Namibia can claim for assistance from the MVA Fund?

Medical Benefits

A person involved in a motor vehicle crash is eligible for up to N\$1,500,000.00 which provides for medical treatment, injury management, rehabilitation and life enhancement.

Injury Grant

The Fund provides an injury grant to the value of up to N\$100 000.00. This is a cash grant that serves as compensation for injury in respect of any injured person.

Funeral Grant

The Fund provides a funeral benefit to the value of N\$7 000.00 in respect of any person who died in a road crash in Namibia.

Loss of Income

Loss of income may be claimed by a survivor of a road crash and is limited to N\$ 100 000.00, with certain limitations and exclusions.

Loss of Support

Loss of support may be claimed by a dependant of a deceased and is limited to N\$ 100 000.00, with certain limitations and exclusions.

For more information you can visit: www.mvafund.com.na



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