

Cape Debt Clinic COVID-19 Lockdown Notice to Clients

At Cape Debt Clinic, we are concerned for your wellbeing and trust that you are doing all that you can to comply with the restrictions placed on our country due to COVID-19.

We understand the financial impact on our whole country, but in particular, on you. If you are concerned about your monthly payments, please contact me directly so that we can discuss your personal situation. Everybody is unique and we would like to support you during these uncertain times. As a debt counsellor, it is my duty to adhere to some very strict regulations as laid down in the National Credit Act. Your Creditors expect compliance with every single client under the care of Cape Debt Clinic.

In an effort to guide you on possible non-payments or reduced payments, we have drawn up the following guidelines, so that you understand our responsibility and yours.

1. **Firstly you need to inform us of your situation: for example, reduced income or no income at all;**
2. **Next, we need some indication as to when your income will return to normal;**
3. **Along with that, we need proof of reduced income – for example, a letter from your employer which states that your income is reduced;**

As your debt counsellor, my responsibility to you and the creditors is as follows:

1. **Ascertain your situation and expected return to normal income;**
2. **Prepare a Form 17.3 (change in circumstances);**
3. **Prepare a new Proposal (recalculate the outstanding debt and proposal as to how it will be repaid, after payments recommence);**
4. **If the income is reduced and partial payments will take place, the above also applies;**
5. **If you are uncertain of the date at which payments will return to normal, we must also advise the creditor as to when we will revise the situation. You and I need to communicate regularly for updates on your financial progress;**

6. **If your case is already at court, all applications will be postponed and we will draw up a supplementary affidavit with the Attorney which must be served on the creditors, in order to protect you from terminations.**

You are important to me. I look forward to the day when life returns to normal. I will do all in my power to support you throughout your debt review, not only during this crisis facing the whole country, but also after.

Please bear in mind that we must avoid termination of debt review, so please, inform me of any changes in your circumstances, so that we can address it timeously.

We do not want the creditors to terminate your debt review and then afterwards have to plead with them on your behalf.

I trust that you will understand the importance of paying off your debt and when life returns to normal, your debt review must still be in a healthy state, so that you do not have to face collections and legal action.

Just as a reminder, if your debt review is terminated, I am no longer able to assist you. So the catastrophe that we are now dealing with may worsen financially if you do not pay your debt review or comply with the above regulations.

Please contact me should you have any questions or uncertainties. My cell number is 073 903 6942 and I am working from home, so am available throughout the Lockdown period.

With kind regards and best wishes

Karin