

# THE CREDITOR NEGOTIATION PLAYBOOK

The exact words, phone numbers, and steps  
to reduce your monthly debt payments yourself.  
**No debt review. No listing. No handing over control.**

**One phone call using these scripts  
could save you R500+ every month.**

# Read This First

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## We know where you are right now.

You can't sleep. You're checking your bank balance every day and the number keeps getting smaller. The calls from creditors make your stomach turn. You might be choosing between electricity and groceries. You feel stuck, stressed, and like there's no way out.

Someone offered you debt review, and you said no. Maybe it scared you. Maybe you heard bad things. Maybe you just didn't want to hand over control of your money to a stranger. Whatever the reason — **that took courage.**

But now you're sitting with the same debt and no plan.

## This playbook is your plan.

It won't magically make your debt disappear. But it will show you, step by step, how to pick up the phone, talk to the people you owe money to, and get your monthly payments down to something you can actually live with. Using words that actually work. With the real phone numbers. And your rights in your back pocket.

**You do NOT need to read this whole guide before you start.**

**Pick the one module that matches your biggest problem right now. Open the script on your phone. Make the call. That's it. You can read the rest later.**

## What's Inside

<b>Module 1</b>	<b>Know Your Numbers</b> Write down what you owe so you can see the full picture
<b>Module 2</b>	<b>Your Rights</b> What the law says creditors can and can't do to you
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**Module 5****Pay Less Than You Owe**

How to settle a debt for 30-50% of the balance

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**Module 6****Old Debts That Expired**

How to check if you legally don't have to pay anymore

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**Module 7****Track Everything**

A simple system to log every call and keep proof

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**FAQ****Common Questions**

Will this hurt my credit? What if they say no? Can they take my car?

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## 1. This is NOT financial advice

This playbook is an **educational and informational resource only**. It provides general guidance about debt management strategies available to South African consumers. We are **not** a registered or authorised Financial Services Provider (FSP) under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). We do not provide advice on the purchase, sale, or investment in any financial product as defined by the FAIS Act. Nothing in this playbook should be interpreted as personalised financial advice. If you need advice about financial products (investments, insurance, retirement funds, etc.), please consult a licensed FSP registered with the Financial Sector Conduct Authority (FSCA) at [www.fsca.co.za](http://www.fsca.co.za).

## 2. This is NOT debt counselling

We are **not** a registered debt counsellor under the National Credit Act (No. 34 of 2005). This playbook does not provide debt counselling, debt review services, or formal debt restructuring. It provides general information about your rights as a consumer and practical steps for communicating with your creditors directly. If you are severely over-indebted or need formal debt restructuring with legal protection, please contact a registered debt counsellor. You can find one through the National Credit Regulator (NCR) at [www.ncr.org.za](http://www.ncr.org.za) or call 0860 627 627.

## 3. This is NOT legal advice

This playbook references South African legislation including the National Credit Act (No. 34 of 2005), the Prescription Act (No. 68 of 1969), and related regulations for **informational purposes only**. We are not attorneys and do not provide legal advice. The legal information in this guide is general in nature and may not apply to your specific circumstances. If you are facing legal action (summons, judgment, repossession, garnishee order), or if you are unsure about your legal rights, please consult a qualified attorney or contact Legal Aid South Africa at 0800 110 110 (toll-free).

## 4. Accuracy of information

The information in this playbook is believed to be accurate as at the date of publication (March 2026). However, laws, regulations, bank processes, phone numbers, creditor policies, and institutional procedures may change over time. We do not guarantee that all information will remain current after the publication date. You are responsible for verifying current details (such as phone numbers and processes) before acting on the information provided. We will endeavour to update this material periodically but accept no obligation to do so.

## 5. No guarantee of results

Every person's financial situation is unique. The scripts, strategies, and steps in this playbook are based on common practices and publicly available information about creditor negotiation in South Africa. They have worked for many people, but **results are not guaranteed**. Creditors may refuse to negotiate or may offer different terms than described. The outcome of any negotiation depends on your individual circumstances, the specific creditor, the type and status of your debt, and other factors beyond our control.

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## 9. When to seek professional help

This playbook is designed for people who want to take a self-directed approach to managing their debt. However, there are situations where professional help is strongly recommended:

- You are facing a **court summons, judgment, or repossession** — consult an attorney
- You are **severely over-indebted** and cannot cover basic living expenses — contact a registered debt counsellor
- You are being **harassed or threatened** by a debt collector — report to the Council for Debt Collectors (012) 804 9808
- You believe your **consumer rights have been violated** — contact the Credit Ombud at 0861 662 837
- You are considering **insolvency or sequestration** — consult an attorney who specialises in insolvency law

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*By using this playbook, you confirm that you have read, understood, and accepted the terms above. If you do not agree with any of these terms, please do not use the materials.*

## MODULE 1

# Know Your Numbers

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Before you phone anyone, you need to know what you're dealing with. Most people carry a heavy, vague feeling of "too much debt" without knowing the actual numbers. That vagueness makes everything scarier than it needs to be.

**A problem you can see is a problem you can solve.** So let's get it all on paper.

## Step 1: List every debt you have

For each debt, write down:

1. **Who do you owe?** (e.g. Capitec, Woolworths, Vodacom, Mr Price)
2. **Account number** — you'll need this when you phone them
3. **How much do you owe in total?** (the full outstanding balance)
4. **What is the monthly payment?** (the amount they expect each month)
5. **What interest rate are they charging?** (check your app or statement)
6. **How far behind are you?** (up to date, 1 month, 3 months, etc.)

## Step 2: Find this information

You can find your debt details in these places:

- **Your banking app** — Capitec, FNB, Absa, Nedbank, Standard Bank all show your loan details when you log in
- **Monthly statements** — check your email inbox or post for the latest statement
- **Your credit report** — this shows ALL your debts in one place (see below for how to get it)
- **Call the creditor** — phone them and ask for a "statement of account"

## How to get your FREE credit report

By law, you can get **one free credit report per year** from each credit bureau. This is the fastest way to see all your debts in one place. Here's how:

### 1. Go to one of these websites on your phone:

- Experian: [www.experian.co.za](http://www.experian.co.za)
- TransUnion: [www.transunion.co.za](http://www.transunion.co.za)

- XDS: [www.xds.co.za](http://www.xds.co.za)

2. **Register with your ID number and personal details** — they need to verify you are who you say you are
3. **Request your free credit report** — look for a button that says "Get my report" or "Free credit report"
4. **Check your email** — they will send the report to your email address, usually within a few minutes
5. **Open the report** — it will list every credit account in your name, how much you owe, and whether you're behind on payments

■ **TIP:** If you see accounts you don't recognise, or debts you think you've already paid, write them down. You may have prescribed debt (see Module 6) or errors on your report that can be removed.

## Step 3: Add up your totals

- **Total monthly debt payments** — add up every monthly payment across all debts
- **Total monthly income** — your take-home pay after tax

The gap between these two numbers is your **breathing room**. If it's small or negative, that's exactly why you're here.

## Step 4: Protect your Four Walls first

Before anything else gets paid, make sure these four things are covered:

- |                              |   |
|------------------------------|---|
| 1. <b>FOOD</b>               | You and your family need to eat. This comes first, always.  |
| 2. <b>SHELTER</b>            | Rent or bond — keep the roof over your head.                |
| 3. <b>LIGHTS &amp; WATER</b> | Electricity, water, prepaid — the basics to live.           |
| 4. <b>TRANSPORT</b>          | Getting to work — petrol, taxi, train. No work = no income. |

Everything else — store accounts, credit cards, personal loans, gym, cellphone upgrades — comes **after** these four are safe. This isn't about ignoring those debts. It's about being smart with the money you have.

## MODULE 2

# Your Rights — What The Law Says

Most people in debt feel powerless. Like the creditors have all the power and you have none. **That's not true.** South African law gives you real rights. Knowing them changes how you walk into every conversation.

### RIGHT #1: They **MUST** warn you before taking you to court

Before any creditor can take legal action against you, the law says they must first send you a **Section 129 notice** (a formal letter of demand). This letter must tell you:

- That you are behind on payments
- How much you owe
- That you have the right to negotiate a payment plan
- That you can apply for debt counselling if you want to

You get **10 working days** to respond. This is your chance to negotiate. If they never sent this letter, or sent it to the wrong address, any court action they take may not be valid.

■ **TIP:** Don't panic if you get a Section 129 notice. It's actually good news — it means they haven't gone to court yet, and you still have time to make a deal. See Module 3 for what to say.

### RIGHT #2: Debt collectors have strict rules

If a debt collector is phoning you, they are **NOT allowed** to:

- Phone you on a **Sunday**
- Phone your **boss, family, or friends** about your debt
- Phone you **over and over** in a short time (that's harassment)
- Threaten to have you **arrested** — you CANNOT be arrested for owing money
- Swear at you, threaten you, or **bully** you
- **Pretend** to be from the government, the courts, or the police

If they break these rules, report them to the **Council for Debt Collectors** at (012) 804 9808 or [www.cfdc.org.za](http://www.cfdc.org.za).



### RIGHT #3: Old debts can EXPIRE

This is one of the most powerful rights most people don't know about. Under South African law, most debts **expire after 3 years** if ALL of the following are true:

- You haven't made **any payment** on that debt for 3 or more years
- You haven't **said you owe it** (not on the phone, not in writing, not even "ja I know about that account")
- The creditor hasn't **served you with a summons** (a real court document, not just a letter or SMS)

If all three are true, the debt has **prescribed** (expired). They cannot legally force you to pay. They cannot list it on your credit report. The law (Section 126B of the National Credit Act) specifically says so.

■■ **WARNING:** If someone phones about an old debt: **DO NOT say "yes I owe that."** DO NOT pay even R1. Either of these restarts the 3-year clock. Just say: "I'm not acknowledging this debt. Please send me written proof." See Module 6 for the full process.

**What expires in 3 years:** Credit cards, personal loans, store accounts, cellphone contracts, gym contracts, medical bills, school fees.

**What expires in 30 years:** Home loans, SARS debt, municipal rates, court judgments.

### RIGHT #4: You have the right to negotiate

You can phone any creditor and ask for a different payment arrangement. This is completely legal. There is no listing on your credit record just for negotiating. No third party takes fees. No one controls your bank account. It's just you and your creditor, working out a plan you can both live with.

**That's what the rest of this playbook is for.**

### Where to get help if your rights are broken:

- **Credit Ombud** (free help): 0861 662 837 — [www.creditombud.org.za](http://www.creditombud.org.za)
- **National Credit Regulator**: 0860 627 627 — [www.ncr.org.za](http://www.ncr.org.za)
- **Council for Debt Collectors**: (012) 804 9808 — [www.cfdc.org.za](http://www.cfdc.org.za)

• **National Financial Ombud:** 0860 800 900 — [www.nfosa.co.za](http://www.nfosa.co.za)

## MODULE 3

# How To Call Your Bank

This is the most important part of the playbook. One phone call to the right person, using the right words, can cut your monthly payment by hundreds of rands. Here's exactly what to do.

### Before you dial — get these ready:

Write these down or have them open on your phone before you call:

- Your **account number** for the loan or credit card
- Your **ID number**
- Your **take-home pay** each month (after tax)
- Your **total monthly payments** across all debts (from Module 1)
- The **specific amount you can afford** to pay on THIS debt
- A **short reason** for your difficulty (lost job, reduced hours, cost of living, medical)

### Phone numbers:

Bank	Phone Number	Ask for...
Capitec	0860 10 20 43	"Collections" or "Payment arrangements"
FNB	0800 110 132	"Credit collections" or "Payment arrangements"
Absa	0800 111 155	"Collections" or "Debt restructuring"
Nedbank	0800 110 929	"Collections" or "Payment arrangements"
Standard Bank	0800 020 600	"Collections" or "Rehabilitation"
African Bank	0861 111 011	"Collections" or "Payment arrangements"

### The Script — read this word for word on the call

#### SCRIPT: Step 1 — Get to the right person

"Good day, my name is [YOUR NAME]. I have a [personal loan / credit card / vehicle finance] with account number [YOUR ACCOUNT NUMBER]."

"I'm calling because I'm having difficulty making my full monthly payment and I want to discuss a payment arrangement. Can you please put me through to the right department?"

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**SCRIPT: Step 2 — Explain your situation (keep it short and honest)**

"Thank you for taking my call. I want to be upfront — I'm struggling financially because of [YOUR REASON, e.g. reduced income / retrenchment / cost of living]."

"My take-home pay is R[AMOUNT] per month. My total debt payments are R[AMOUNT] per month. After covering rent, food, electricity, and transport, I can realistically afford to pay R[AMOUNT] on this account."

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**SCRIPT: Step 3 — Make your request**

"Can we please reduce my monthly payment to R[AMOUNT] for the next [3 to 6] months? I'm committed to paying — I just need some breathing room right now."

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**SCRIPT: Step 4 — If they say YES**

"Thank you so much. Before we end the call, can I please get:"

- "A reference number for this arrangement"
- "The new payment amount and the date it starts"
- "Written confirmation to my email at [YOUR EMAIL]"

"I want to make sure we both have a clear record of what was agreed."

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**SCRIPT: Step 5 — If they say NO or push back**

"I understand. What is the minimum amount you'd be able to accept? I'd rather find a solution than default on the account completely."

**If they still refuse:**

"Could I please speak to a supervisor or someone in the restructuring department? I want to explore every option before this goes further into arrears."

**If the supervisor also refuses:**

"I appreciate your time. I'll put my request in writing and send it to your complaints department. Can you give me the email address for formal complaints?"

■■ **WARNING: Always get the arrangement in writing.** A verbal agreement means nothing if the system still tries to debit the old amount. Insist on an email or SMS with the reference number, new amount, start date, and how long it lasts.

## What you can ask for:

- **Lower monthly payment** — pay less each month for a set period (3-6 months)
- **Lower interest rate** — ask if they can temporarily drop the interest
- **Longer repayment term** — spread it over more months (this lowers each payment)
- **Payment holiday** — a 1-3 month break from payments (interest usually still adds up)
- **Remove fees** — ask them to take off late payment charges or penalty fees

**NOTE:** This is usually a **temporary arrangement** — 3 to 6 months. The creditor gives you breathing room for a set period, not forever. But a few months of lower payments can change everything. It gives you time to stabilise, sort out a budget, and make a proper plan.

■ **TIP:** Be honest. Be calm. Be specific. Don't say "I can't pay." Say "I can afford R[amount] per month." Creditors respond much better to someone with a concrete plan than just a problem.

## MODULE 4

# Store Accounts, Loans & Debt Collectors

The bank scripts work for bank products. But many of us also owe money to clothing stores, furniture stores, cellphone companies, and personal loan companies. Here's how to handle each one.

## Clothing & Retail Stores

Woolworths, Edgars, Mr Price, Truworths, Foschini, Jet, Ackermans

### SCRIPT: Script for store accounts

"Good day. I have a [STORE NAME] account, number [ACCOUNT NUMBER]. I'm experiencing financial difficulty and I need to reduce my monthly payment."

"I can afford R[AMOUNT] per month right now instead of the full amount. Can I speak to someone in collections about a payment arrangement?"

## Cellphone Contracts

Vodacom, MTN, Telkom, Cell C

Cellphone contracts mix the phone cost with the airtime/data plan. Your options:

- Ask to **downgrade your plan** to the cheapest option while keeping the phone payment
- Ask about **early cancellation** — sometimes the exit fee is cheaper than months of payments
- If you've already defaulted, negotiate a **payment arrangement** on what you still owe

## Furniture & Appliances (Hire Purchase)

Lewis, Bradlows, Rochester, Russells, OK Furniture, House & Home

■■ **WARNING:** Furniture bought on hire purchase can be **taken back** (repossessed) if you don't pay. The item legally belongs to the store until you've paid in full. Don't ignore these accounts — negotiate early.

### SCRIPT: Script for hire purchase

"I have a hire purchase account with [STORE], number [NUMBER]. I'm behind on payments because of [REASON]. I don't want to lose the items and I don't want to fall further behind."

"Can we work out a reduced payment of R[AMOUNT] per month for the next [3-6] months? I want to keep paying and protect both our interests."

## When a Debt Collector is Calling You

If it's not the original company calling you but a debt collection agency, the debt has been "handed over." You can still negotiate. In fact, debt collectors often have **more room to negotiate** because they bought your debt for less than you owe.

### SCRIPT: Script for debt collectors

"Before we discuss anything, I need to verify a few things:"

- "What is your company name and CFDC registration number?"
- "Who is the original creditor for this debt?"
- "What was the original amount, and what is the current amount including fees?"

(Wait for answers. Write them down.)

"Thank you. I'm in a difficult financial situation and I want to resolve this. I can offer R[AMOUNT] per month. Can we work with that?"

### If they get aggressive or threaten you:

"I know my rights. I'm engaging in good faith. Threats and harassment are against the law and I will report this to the Council for Debt Collectors at (012) 804 9808."

## What to do if everything fails

Sometimes a creditor will refuse every offer. If that happens:

- 1. Don't give up.** Wait 2-4 weeks and try again — you may get a different person with more authority
- 2. Put it in writing.** Send an email to their complaints department explaining your situation and your offer. Written records carry more weight
- 3. Contact the Credit Ombud** (0861 662 837) — they can intervene for free and help mediate between you and the creditor
- 4. Consider debt counselling as a last resort.** If you genuinely cannot negotiate a manageable plan on your own, a registered debt counsellor can do it for you with legal backing. This is not failure — it's using a tool that's available to you

## MODULE 5

# Pay Less Than You Owe

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Here's something most people don't know: you can often **close a debt by paying less than you owe**. This is called a settlement. Creditors and debt collectors will sometimes accept 30-50% of what you owe as "payment in full" — especially on personal loans, credit cards, and store accounts that have been outstanding for a while.

## When does this make sense?

- You have a **lump sum available** — a tax refund, bonus, money from selling something, or a family loan
- The debt has been **outstanding for a long time** and the creditor may accept less to close the file
- A **debt collector** is involved — they bought your debt cheaply and have room to negotiate
- You want the debt **closed and done** rather than paying it off slowly over years

## How much to offer:

Start low. If you owe R10,000:

- Your **opening offer**: R3,000 to R4,000 (30-40%)
- They will **counter** with a higher number
- You **negotiate** to somewhere in the middle
- Common **settlement range**: 40-60% of the balance

Your biggest advantage is having cash ready to pay **right now**. A guaranteed smaller amount today beats an uncertain larger amount over months.

### SCRIPT: Settlement script

"I'm calling about account [NUMBER]. I know I owe R[FULL AMOUNT]. I've been struggling and I can't pay the full balance. But I've put together R[YOUR OFFER] and I'd like to offer this as a full and final settlement. Is that something you'd consider?"

### If they counter with a higher amount:

"The absolute maximum I can do is R[YOUR MAX]. That's genuinely all I have. Can we close this at R[YOUR MAX] as full and final settlement?"



**BEFORE YOU PAY A SINGLE RAND, GET IT IN WRITING.**

The letter must say:

- Your account number
- The settlement amount
- That it is accepted as "full and final settlement"
- That the account will be marked as "Settled" on your credit report

Keep this letter FOREVER. It's your proof.

## After you settle:

1. Pay the agreed amount **immediately** — delays can cancel the deal
2. Keep your **proof of payment** (bank receipt, reference number)
3. Ask for a **paid-up letter** confirming the account is closed
4. Check your **credit report after 30-60 days** to confirm it shows as settled
5. If it still shows as outstanding, **dispute it with the credit bureau** using your settlement letter

## What happens to your credit score?

Honest answer: a "settled" status on your credit report is not as good as "paid in full." Some future lenders may see it and ask questions. But it is **much, much better** than "defaulted," "written off," or "judgment." A settled debt closes the file and lets you start rebuilding. Don't let perfect be the enemy of good.

## MODULE 6

# Old Debts That May Have Expired

This module could save you thousands of rands. Many South Africans are paying debts — or being harassed about debts — that have **legally expired**. If this applies to you, the creditor has **no legal right** to collect.

## The 4-Question Test

For each old debt on your credit report or that a collector is phoning about, answer these four questions:

**Question 1:** Has it been 3 or more years since you last made any payment on this debt?

Even R1 counts as a payment. If yes → go to Question 2. If no → debt has NOT expired.

**Question 2:** Have you avoided saying you owe it in any way for 3+ years?

This includes on the phone, in writing, signing anything. If yes (you never acknowledged it) → go to Question 3.

**Question 3:** Has the creditor NOT served you with a court summons in those 3+ years?

A summons is a formal court document delivered to you — not a letter, not a phone call, not an SMS. If no summons was served → go to Question 4.

**Question 4:** Is this a 3-year debt type?

**3-year debts:** Credit cards, personal loans, store accounts, cellphone contracts, gym contracts, medical bills, school fees.

**30-year debts:** Home loans, SARS, municipal rates, court judgments.

**If you answered YES to ALL four questions — the debt has likely PRESCRIBED (expired). The creditor cannot legally collect it, sell it, or list it on your credit report.**

## What to do about it:

1. Get your **free credit report** (see Module 1 for how)
2. Identify debts that pass the 4-question test

3. **Lodge a dispute** with the credit bureau — tell them the debt has prescribed under the Prescription Act (No. 68 of 1969) and ask for it to be removed
4. They must investigate and respond **within 20 working days**
5. If the creditor can't prove it hasn't prescribed, it gets removed

#### **SCRIPT: If a collector phones about a possibly expired debt**

"I am not acknowledging this debt. I believe this account may have prescribed under the Prescription Act. I need you to send me written proof of:"

- "The original credit agreement"
- "The date of my last payment"
- "Proof that a summons was served on me within the last 3 years"
- "The current balance and how it was calculated"

"Until you can provide this, please stop all collection activity on this account. I am aware that Section 126B of the National Credit Act says you cannot collect prescribed debt."

## Template: Disputing prescribed debt with the credit bureau

#### **TEMPLATE: Email to credit bureau (Experian, TransUnion, or XDS)**

Subject: Dispute – Prescribed Debt – [YOUR ID NUMBER]

To whom it may concern,

I am writing to dispute the following account on my credit report, which I believe has prescribed under the Prescription Act (No. 68 of 1969):

Account: [CREDITOR NAME]

Account Number: [ACCOUNT NUMBER]

Amount Listed: R[AMOUNT]

I have not made any payment on this account for more than 3 years. I have not acknowledged this debt in writing or verbally. No summons has been served on me in relation to this account.

In terms of Section 126B of the National Credit Act, prescribed debt may not be collected or listed.

I request that this account be removed from my credit profile within 20 working days as required by law.

My details:

Full Name: [YOUR FULL NAME]

ID Number: [YOUR ID NUMBER]

Contact: [YOUR PHONE] / [YOUR EMAIL]

Kind regards,

[YOUR NAME]

## MODULE 7

# Track Everything

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Every phone call you make and every deal you negotiate needs to be written down. This is your proof. When a creditor says "we have no record of that arrangement," your notes and reference number are your protection.

## This playbook comes with TWO tracking tools:

- **Option A: The Simple Tracker (next page)** — a one-page checklist you can print out or fill in on paper. Best if you prefer pen and paper or don't use spreadsheets.
- **Option B: The Debt Tracker Spreadsheet (.xlsx file)** — a full Excel/Google Sheets tracker with three tabs: Debt Overview, Call Log, and Prescribed Debt Checker. Best if you're comfortable with spreadsheets and want automatic calculations.

## What to track for every call:

- **Date** of the call
- **Who you phoned** (which creditor)
- **Name of the person** you spoke to and their department
- **What was agreed** (new amount, duration, conditions)
- **Reference number** — always ask for one
- **Did you get it in writing?** (email/SMS confirmation — yes or no)
- **Follow-up date** if needed

**The reference number is your most important piece of information. Write it down. Screenshot the SMS. Save the email. Without it, a verbal agreement is worth nothing.**

Print this page or copy it onto paper. Fill in one row per debt.

**MY INCOME: R \_\_\_\_\_ per month**

**TOTAL original payments: R \_\_\_\_\_ | TOTAL new payments: R \_\_\_\_\_ | TOTAL saved: R \_\_\_\_\_**

[illegible]

# BONUS: Section 129 Response Template

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If you receive a Section 129 letter of demand, use this template to respond within 10 working days. You can send it by email or registered post.

## TEMPLATE: Response to Section 129 Notice

[YOUR NAME]

[YOUR ADDRESS]

[YOUR EMAIL]

[YOUR PHONE]

[DATE]

To: [CREDITOR / ATTORNEY NAME]

[THEIR ADDRESS OR EMAIL]

RE: Section 129 Notice – Account [ACCOUNT NUMBER]

I acknowledge receipt of your Section 129 notice dated [DATE ON THE LETTER].

I am currently experiencing financial difficulty due to [BRIEF REASON: e.g. reduced income / retrenchment / increased cost of living].

I am not in a position to pay the full arrears of R[AMOUNT] at this time. However, I am committed to resolving this matter and I propose the following payment arrangement:

- Monthly payment of R[AMOUNT YOU CAN AFFORD]
- Starting from [DATE]
- For a period of [3-6] months
- After which I will review my situation and aim to increase payments

I am responding within the 10 business day period as required by the National Credit Act and I request that no further legal action be taken while we negotiate this arrangement.

I look forward to your response.

Kind regards,

[YOUR FULL NAME]

[YOUR ID NUMBER]

■ **TIP:** Send this by email AND keep a copy. If sending by post, use registered mail so you have proof it was sent. The fact that you responded in writing within 10 days is powerful evidence of good faith.



# Frequently Asked Questions

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## Q: Will negotiating with my creditors hurt my credit score?

No. Simply calling your creditor to negotiate does not get listed on your credit report. What hurts your score is missing payments, defaulting, or having judgments against you. Negotiating a payment arrangement can actually **prevent** those things from happening.

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## Q: What if the creditor says no to everything?

Try again in 2-4 weeks — you may reach a different person. Put your request in writing to their complaints department. Contact the Credit Ombud (0861 662 837) for free help. And if nothing works, debt counselling is still an option — it's not failure, it's using a tool that's available to you.

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## Q: Can they still take my car or house?

If you are behind on a **vehicle finance** or **home loan**, the creditor can apply to repossess. But they must follow a legal process first (including a Section 129 notice and court proceedings). Negotiating a payment arrangement **before** they start this process is the best way to protect these assets. If legal action has already started, speak to a debt counsellor or attorney urgently.

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## Q: What if I can't afford to pay anything at all?

Start with your Four Walls (food, shelter, utilities, transport). If after covering those you genuinely have R0 left for debts, you may need to explore debt counselling, sequestration, or other legal options. But before you go there — check Module 6. Some of your debts may have prescribed, which would reduce what you owe immediately. And even a small offer (R50/month) is better than ignoring the creditor.

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## Q: Is this the same as debt counselling?

No. Debt counselling (debt review) is a formal legal process where a registered debt counsellor negotiates on your behalf, and you get listed on the credit bureau as "under debt review." What this playbook teaches you is **informal, direct negotiation** — you do it yourself, no listing, no third party, no fees. Both are valid options. This playbook is for people who want to try the DIY route first.

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## Q: What's the difference between "settled" and "paid in full" on my credit report?

"Paid in full" means you paid everything you owed. "Settled" means the creditor agreed to accept less than the full amount. Settled is not as good as paid in full, but it is **much better** than defaulted, written off, or judgment. A settled account is closed — it stops hurting your score and lets you start rebuilding.

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## Q: How long will bad marks stay on my credit report?

Most negative information stays on your credit report for **1-2 years** after the date of the event. Judgments can stay for **5 years**. A debt under debt review stays until you get your clearance certificate. Prescribed debts should be removed within 1 year of prescribing (and immediately if you dispute them).

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**Q: What if I'm already being taken to court?**

If you have received a **summons** (not just a letter of demand), you need legal advice. Contact the Credit Ombud (0861 662 837), Legal Aid South Africa (0800 110 110), or a qualified attorney. You may still be able to negotiate, but the process is different once court proceedings have started.

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# Your 7-Day Action Plan

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You have everything you need. Here's what to do this week:

**Day 1: Know Your Numbers**

Complete Module 1. List every debt. Get your free credit report. Fill in the tracker.

**Day 2: Check Your Rights**

Read Module 2 and Module 6. Check if any debts have prescribed. If yes, send the dispute email to the credit bureau today.

**Day 3: Make Your First Call**

Pick your biggest or most urgent debt. Open the script on your phone. Call them. Log everything in your tracker.

**Day 4: Make More Calls**

Call 2-3 more creditors. Use the scripts. Log everything. You'll get more confident with each call.

**Day 5: Follow Up**

Check that you have written confirmation for every arrangement. Chase any that are missing.

**Day 6: Settlement Check**

If you have any lump sum available, review Module 5 and call creditors where a settlement makes sense.

**Day 7: Count Your Savings**

Add up the difference between your old payments and your new negotiated payments. That's what this playbook saved you — every single month.

**One call. That's all it takes to start.**

**You don't need to do everything at once. Just pick one debt, open the script, and dial the number. The hardest part is picking up the phone. Once you do, the script does the rest.**

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**You said no to debt review. That took courage.  
Now use that same courage to take back control of your money —  
on your terms, in your own time, with your own voice.**