

List your debts and make a plan to pay them off

1. Enter exact amounts and interest rates.

You get a better overall view of your current situation and a more reliable repayment plan.

2. Determine which debt you want to repay first.

Some people prefer to start with the highest balance or highest interest rate (our recommendation). Others prefer to repay the smaller amounts first, which can be very motivating. Each time you scratch a debt off the list you get a sense of accomplishment, which motivates you to keep going.

3. As soon as a debt is paid off, put the money that was going toward it toward the next debt on the list.

Resist the temptation to use the money for an evening out, new clothes or the latest techno gadget. When you're in debt, it's important to pay off your debts as fast as possible so you can pay less in interest charges and be able to start saving for future projects.

| Exemples of debts | | | |
|-------------------|---------------------|-----------------|-------------------|
| Who do you owe? | VISA | Who do you owe? | My father |
| Why? | Credit card balance | Why? | Condo downpayment |
| Amount: | \$ 3,200 | Amount: | \$ 25,000 |
| Interest rate: | 19 % | Interest rate: | 0 % |

| Debt No. 1 | Monthly payment: | Total interest paid: |
|------------------|------------------|----------------------|
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 2 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 3 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 4 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 5 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 6 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 7 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 8 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |
| Debt No. 9 | Monthly payment: | Total interest paid: |
| Who do you owe? | 12 months: \$ | 12 months: \$ |
| Why? | 24 months: \$ | 24 months: \$ |
| Amount: \$ | 36 months: \$ | 36 months: \$ |
| Interest rate: % | | |