

Before making an appointment for a counselling session:

There are some questions you should sort out even before going to the Debt Advice Service:

Income:

- Are your wages paid out to you in full?
- If a certain part of your wages already goes directly to your creditors, i.e. if there is an attachment of earnings order against you: are you sure the amount deducted is calculated quite correctly? (You may want to use the Online Calculator: <http://www.schuldnerberatung-wien.at/site/popups/Existenzminimum.html> to find out.)
- Check your entitlements: are you entitled to any transfer payments (e.g. benefits, nursing allowance) you are not receiving at the moment?
 - o Benefits (<http://www.help.gv.at/Content.Node/45/Seite.450000.html>)
 - o Welfare Benefits (<http://www.wien.gv.at/ma15/sozial/>)
 - o Benefits for families with children in Vienna (www.wien.gv.at/menschen/magelf/foerderungen/finanziellefoerderungen.html#wiener)
 - o Sozialinfo Wien (<http://www.wien.gv.at/index/sozialinstitutionen.htm>)

Important questions:

Do you have any arrears (i.e. debts) on

- rent (<http://www.wien.gv.at/ma15/sozial/delogierung.htm>) ?
- electricity / gas?
- heating?

(The question applies to your current dwelling only; arrears from any previous dwellings are not relevant in this context.)

If you have fallen into arrears on these payments, it is essential that you use all financial resources available to keep your dwelling.

Please also check

- whether you have to pay maintenance (e.g. child support)
If yes, please note that **current** maintenance obligations have absolute priority. Maintenance **arrears** can be included in a subsequent debt regulation programme.
- whether there are any unpaid police fines or administrative penalties
It is best to pay police fines and administrative penalties before working out a debt settlement plan with the Debt Advice Service (- official fines and penalties cannot be included in a private bankruptcy plan anyway.) If the fine is very high, you should at least start paying it in instalments.
This only applies to official fines or penalties as such, i.e. where failure to pay can lead to imprisonment. Other arrears due in this context are not priority debts.
For example: you have committed a parking offence, and have been charged the official penalty plus the towing costs. In this case paying the penalty has absolute priority over towing costs and other charges, since failure to pay the penalty can lead to imprisonment.

The above debts and obligations have absolute priority. If you find that you cannot keep up these payments, you should stop making other payments instead (e.g. instalments paid to banks or mail order companies).

In this case you may also need to cancel bank standing orders (e.g. for loan repayments) or direct debit authorisations (e.g. for the payment of your mobile phone bill). (NB: a standing order is cancelled at the bank; to cancel a direct debit authorisation, you need to inform both your bank **and** the creditor.)

Do not run into new debts!

This also means that you must not overdraw your bank account even further, and that you should stop buying things on credit, e.g. by credit sale agreements with mail order companies or furniture shops.

Bank account

If you have a current account with a bank, you need to check up on the following:

If your account is in credit:

If your bank account is not yet overdrawn, you should try to keep it that way by all means. To keep your account in credit you may need to cancel some standing orders or direct debit authorisations (e.g. for loan repayment by instalment, or direct debit authorisations for mobile phone operators or telecom service providers).

Under no circumstances should you cancel standing orders for rental payments, electricity or heating charges, and maintenance payments.

If your account is slightly overdrawn:

Try to reduce your overdraft and get your account back in credit. You may need to cancel some standing orders or direct debit authorisations.

Under no circumstances should you cancel standing orders for rental payments, electricity or heating charges, and maintenance payments.

If your account is considerably overdrawn:

Once your bank stops paying the vital standing orders, such as rental payments, electricity or heating charges and maintenance payments, or seizes resources that are in fact not attachable, such as child support, alimony, or wages following attachment, you should consider changing banks.

Please note that you must NOT overdraw your new account under any circumstances. If you do, you could easily be suspected of trying to cause damage to the bank on purpose and with fraudulent intent.

How do I get a new bank account?

If you have been sued by one or more creditors in the past, your name will most probably be stored in the directory of the Austrian credit rating agency *Österreichischer Kreditschutzverband*, which protects creditor rights. In this case you will find it difficult to open a new bank account.

Therefore you should proceed as follows:

- Select a bank you trust
- Ask to see the branch manager
- Explain to the branch manager that you have had financial problems before
- Tell the branch manager that you need a positive balance account ("*Konto auf Haben-Basis*")

Once you have managed to open a new account, it is important that you **do not overdraw it under any circumstances** (- not even if the bank offers you this option).

If the bank of your choice refuses to let you open a new account, you can still try to get an account with your employer's main bank ("*Hausbank*").

Be sure to keep notes of when you contacted a given bank, and always take down the name of the person you talked to.