



freedom

DEBT RELIEF

1-800-655-6303

Welcome to the Freedom Debt Relief monthly newsletter! As part of our ongoing goal to enhance our services, we will be sending you a monthly newsletter filled with interesting articles and helpful financial tips and advice. We hope you enjoy this issue, and that you find the enclosed information helpful as you continue on the road to financial freedom.

Credit and Car Buying



Since you are currently enrolled in a debt settlement program, buying a car may seem difficult. However, if your only means of transportation is unreliable and creating costly repair bills, you may make the decision to purchase a different vehicle to save you time and money. Here are some tips that could help you purchase a reliable car at an affordable price.

Make a list of expenses. Establishing a budget will help you determine how much of a car payment you can afford.

Know your credit score. It is good to know exactly what your credit score is before you apply for a car loan. You have the right to receive a free copy of your credit report by visiting www.annualcreditreport.com. For more information on how to purchase your credit score, visit www.myfico.com. According to Jeff Ostroff, host of the informative web site, www.carbuyingtips.com, "Lenders have greatly tightened requirements after the financial crisis to ensure a buyer's ability to pay back the loan. It's more important than ever to make sure your credit report is as clean as it can be."

Choose a vehicle. Before you apply for a loan, have some

idea of the type of car that you would like to purchase. Visit sites such as www.Autoweb.com, www.Cars.com, and www.CarsDirect.com to search for vehicles in your area and to research makes and models. You may consider obtaining a vehicle history report at www.carfax.com for any car in which you express an interest. Unlimited reports for 30 days cost \$39.99.

Since you are enrolled in a debt settlement program, select a reasonable-priced, modest vehicle. Remember, you are buying a car for reliable transportation and not as a status symbol. In most cases, you want to select a late-model used car opposed to a new car. You can find many quality pre-owned vehicles for less money. Besides, the previous buyer will take the hit on the first year depreciated value of the car while you can take advantage of it.

Choose a financing option. There may be lenders who will extend credit to you despite your financial trouble. With the rise of the internet, you no longer have to rely solely on the dealer for financing. CarBuyingTips.com strongly recommends the use of online lenders such as www.autocreditfinders.com. This site will put you in contact with lenders who specialize in high risk loans. You may also try applying for a car loan through your credit union.

Be aware of dealer scams. Salesmen realize that individuals with flawed credit reports and tight budgets focus heavily on the amount of the monthly payment. Therefore, they may offer you a car loan in which payments extend for 72 months. Although the payment amount may fit your budget, you will most likely be paying too much for the vehicle. If you decide to sell or trade in the car before you have made all of the payments, you will be "upside down in the car," a phrase used by dealers to mean that you owe more than the car is worth.

Try to obtain a car loan for no longer than 48 months. If the figures are not workable with the car that you choose, select a less expensive vehicle. Oftentimes, some dealers prey on your emotions and make you feel as though you should be grateful that they approved you for any car. They might also tell you that you could not get financed through any other dealer or lending institution. If the dealership

will not budge on the payment or loan terms, consider taking your business elsewhere.

Read all paperwork. Before signing any paperwork, read everything carefully. Oftentimes, dealers add a variety of miscellaneous charges such as VIN# window etching, dealer prep, and a warranty that you never requested. In most cases, these services are not necessary and can be done cheaper on your own.

"The buyers need to be reminded that they are in dire straits, they can barely afford the car, so they should be going there to buy a car only, nothing else," said Ostroff.

Visit Ostroff's site at www.carbuyingtips.com to read in detail about the top ten car dealer scams. Arming yourself with knowledge will help prevent you from falling victim to car salesman trickery.



Helpful Car buying Web Sites

- **Kelley Blue Book** (www.kbb.com): This site provides car buyers and sellers with new and used vehicle information. Visit this site to see how much your car is worth if you are selling it.
- **Consumer Reports** (www.consumerreports.org/cro/cars/index.htm): The auto section of this site gives details and unbiased reviews of new and used vehicles in categories such as safety and value.
- **Bankrate.com** (www.bankrate.com/calculators/index-of-auto-calculators.aspx): Bankrate offers a long list of helpful online calculators that may assist you with car buying. There are calculators such as the "Car Early Pay Off Calculator" and "Negative Equity Auto Loan Calculator".





Inspiring Thoughts

If you don't like something change it; if you can't change it, change the way you think about it. -Mary Engelbreit

Changes in our lives are usually inevitable. Whether it is spring changing to summer or trying to change a bad habit, most of us will experience some form of change at one point.

As we undergo a major change, we may have mixed feelings. For example, if you recently enrolled in a debt negotiation program, you may feel optimistic that you took the first step to achieve financial freedom. Yet, the fact that you must live on a budget and have limited access to credit may scare you.

Living without available credit may be quite an adjustment, especially in a world where credit cards are accepted everywhere from local pizza shops to furniture stores. Many retailers may also pressure you to apply for credit cards when you checkout and you may have to decline more than once.

Some consumers may also use credit cards to pay for unexpected emergencies or to buy necessities before their next paycheck arrives. Without this security, new debt negotiation customers may feel like they will never be able to survive without credit.

Although overcoming your dependency on credit cards may be difficult, try to focus on the positive aspects of your financial decision. Look to the future and imagine how relieved you will feel once you are free from the bounds of debt. As a result of hard work and perseverance, you may one day not receive any more calls from collectors or have to keep track of multiple credit card bills.

Throughout your debt negotiation program, we will provide you with a variety of money-management tools such as this newsletter. Our goal is to equip you with knowledge that will help you remain debt-free. During these changing times, remember that your negotiation company is here for you. Feel free to give us a call if you have ever have a question about your program. We realize that the many changes that you are experiencing can be stressful and we want to help you accomplish your financial goals.



Spare Change

News, financial tips, and other information regarding personal financial freedom

New legislation may reform the credit card industry.

The House of Representatives recently passed legislation to rein in many common lending practices in the credit card industry that have been deemed unfair and deceptive. The Credit Cardholders' Bill of Rights Act of 2009 was passed by an overwhelming margin. The Credit Cardholders' Bill of Rights Act would level the playing field between borrower and lender by putting an end to some of the most arbitrary, abusive, and unfair credit card lending practices that trap consumers-particularly disadvantaged and minority borrowers-in an unending cycle of costly debt. The bill would:

- End arbitrary and unfair interest rate increases on existing balances;
- Prevent credit card companies from gaming consumer payments;
- Prohibit unfair and hidden interest rate charges on balances repaid during the grace period, and
- End unfair late fees for on-time payments.

Time is money.

MoreBusiness.com recently release the Time is Money Calculator (www.morebusiness.com/time-is-money-calculator), a free tool that allows anyone to enter their current salary and the price of a product they want to buy to calculate how many work hours it would take them to purchase it. The calculator factors in your tax bracket depending on your salary, so that you will get a more accurate calculation. This resource is designed to help people put their purchases in perspective so they can budget their time and money better. For example, if you make an annual salary of \$30,000 and you want to buy a pair of designer shoes that cost \$500, it would take you more than 44 hours of work -- more than a full work week -- to purchase those shoes. Is it worth it?

FTC offers credit card tools.

Carrying a credit card balance can be expensive for consumers, especially for those who make only minimum monthly payments. To obtain appropriate information, consumers should call the telephone number for pay-off information that will be on their credit card billing statement. Large banks and the Federal Reserve Board (FRB) will be providing consumers with telephone numbers to call for pay-off information for bank-

issued cards. Banks issue nearly all credit cards, including co-branded cards that have the name of an airline or a retailer. The FTC is providing a telephone number (1-888-600-4804) for consumers with non-bank cards to call for their estimated pay-off information. Information is available in both English and Spanish. For consumers who prefer to use the Internet, the Commission also has posted on its Web site a calculator that provides the same information. To access the FTC's on-line calculator, consumers should click on <http://www.ftc.gov/creditcardcalculator>.

New legislation may reform the credit card industry.

The ACA International Education Foundation introduced a brand new, completely free consumer education Web site called www.AskDoctorDebt.com. The site was created to serve the Foundation's stated mission of improving financial literacy through consumer outreach. One of the reasons for the campaign's success is that "Ask Doctor Debt" carries an overwhelmingly positive, friendly and timely message aimed at helping consumers dealing with credit and debt issues. Serving as a sort of online "Dear Abby," "Ask Doctor Debt" features a dynamic and searchable FAQ Database that allows users to quickly find answers to the most commonly-asked questions related to credit and debt. The Web site also allows consumers to submit their own individual questions to an "Ask Doctor Debt," expert. "Ask Doctor Debt" also features budget calculators, a free personal financial management Web course and other consumer resources.



Financial literacy program for kids combines education and entertainment.

The CENTSABLES web site, (www.centsables.com), enables kids to explore the concepts of money, how value is determined, basic economics and investing, without being too technical to understand. Using activity pages and downloadable forms, children can master banking skills such as check-writing and budgeting, preparing deposit slips and earning money. The site features action-comics based on the animated television series, an informative parent link, plus exercises and games that reinforce learning and keep kids



Spring Clean Your Wallet

Warm weather allows you and your family to complete certain chores and participate in seasonal activities. Throughout your neighborhood, you may see people planting gardens, washing cars, and children playing in backyards. Below are some money-saving tips that may help cool your wallet as the temperature heats up.

Save money on your air conditioner. You may want to prepare your air conditioning unit for hot and humid days. For example, keep all objects away from the air conditioning unit. Make it a habit to routinely remove grass and leaves from vents. These items will block airflow. For more tips, visit the Department of Energy's web site at www.energy.gov.

Consider inexpensive ways to have family fun. Some families plan vacations during the spring and summer seasons and these excursions can be costly. Just because an elaborate vacation is not in your budget does not mean that you can't have fun. Discover the many activities that you can enjoy in your local community. Most libraries offer summer reading programs for children and adults. You can also rent movies at the library for free. Call your local zoos, museums, and amusement parks to see if they offer discounted rates on certain days or during specific times of the day.

Spring clean your vehicle. Extreme temperatures may be difficult for your car to handle. Routine maintenance on your vehicle may help its performance and improve gas mileage. For example, have an oil change performed regularly and keep your tires properly

inflated. Visit the Car Council's educational web site at www.carcare.org for more auto maintenance tips. Also, keep in mind that gas prices tend to skyrocket during the warmer months. Web sites such as www.gaspricewatch.com and www.gasbuddy.com track gas prices in your area and are updated by local volunteers. You can also save on gasoline by carpooling. Visit www.erideshare.com to search for local commuters that are going the same way you are or you may post your own listing.

Sell items that you no longer use. During the spring season, some people shed all of their unwanted and unused items. Ebay (www.ebay.com) is the largest online auction site and a good source to sell items that you no longer use. Visit their web site for more details on how to begin selling. You can also try your local Craigslist site (www.craigslist.org) to place an online classified ad for free to people in your area. Also consider placing ads in your local newspaper, host a garage sale, or check with the recreation department in your local community to see if there are any neighborhood flea market days. You may be able to reserve a table.

Save money on home improvements. Many people perform home improvements in the spring and summer months. Although you may have to hire a professional for some complicated projects, you may be able to tackle some tasks yourself. A wealth of informational resources exist to teach you how to do home improvement jobs such as cleaning your gutters, painting, and installing a ceiling fan. Visit your local bookstore or library to find a comprehensive guide on do-it-yourself home improvements.



The Internet and television are also great sources. DIY Network brings you such cable shows as "DIY to the Rescue" and "DIY Be Your Own Contractor." You can also visit their information-packed web site located at www.diy.net. This site features a wide array of do-it-yourself projects, with topics that range from home improvements to decorating.

Home Depot also offers free Do-It-Yourself Workshops, Weekly Clinics, and Kids Workshops. Visit www.homedepotclinics.com to register at a Home Depot near you.

freedom DEBT RELIEF Client Reminders

Updated Client Web site: Freedom Debt Relief has updated and improved its client site. Visit www.fdrclient.com for new information and a user-friendly layout. For your convenience, you can now submit certain customer service requests online 24 hours day without having to pick up the phone. Creating a username and password is simple. Just follow the instructions on the webpage to get setup today!

Education Materials: Did you know that all FDR clients also have access to our FREE educational and financial literacy tools? You can find them at www.freedomdebtrelief.com/clients.php. To login, enter FDR for the username and FDR for the password.

Contact Info: Have you moved recently or changed your phone number? Please contact customer service to ensure we have all of your updated information.

Tax Debt? If you owe money to the IRS and would like information on how to reduce your tax debts, please contact our sister company, Freedom Tax Relief at 1-800-455-6TAX. Our tax attorneys and tax specialists are eager to immediately start helping you resolve your tax troubles. In addition, existing FDR clients are eligible for a \$100 referral bonus if they refer someone to Freedom Tax Relief.

Customer Service Phone No:
1-800-655-6303

FAX No: 650-393-6800

Hours of Operation:
Mon-Thurs: 6:00 a.m. – 6:00 p.m. PST
Fri: 6:00 a.m. – 5:00 p.m. PST
Sat: 7:00 a.m. – 11:00 a.m. PST

E-mail:
support@freedomdebtrelief.com

Freebie Finder

Absurdly Cool Freebie Finder (www.absurdlycool.com) is a site that automatically lists freebies on the web, while filtering out the scams. Common freebies include offers for household products, fast food restaurants, and educational materials.

Free



SAVE MONEY ON YOUR CELL PHONE BILL

Cell phones have become a common gadget in most of our lives. According to CTIA – The Wireless Association, there are now more than 262 million wireless subscribers in the United States, which includes 83 percent of the total U.S. population and 3.3 billion active cell phones worldwide. Since there is a good chance that you may have a cell phone, below are some tips that may help you save money on your monthly bill.

Assess your minutes. Track your usage each month to make sure you subscribe to a plan that meets your needs. Check to see if you are using more minutes than your plan allows. If so, you may benefit from subscribing to a plan that offers more minutes instead of incurring overage charges. You may also want to sign up for a service such as www.overmyminutes.com. It is a free service that sends you an alert before you are about to go over your monthly minutes. On the other hand, if you are not using nearly as many minutes that you are paying for, you may be able to save money by switching to a less expensive plan.

Scale down your plan. In addition to your minutes, you may also want to consider if you are paying for extras that you do not use or are not really necessary. For example, you may be able to eliminate extras such as games, ringtone downloads, and web surfing capabilities.

Decide whether to keep your landline. According to the FCC, nearly millions of land lines have been discontinued since 2000. Canceling your home phone may allow you to eliminate a bill each month. Before you decide to cancel your landline, ensure that the decision is right for you. From a debt settlement standpoint, basic home phone service allows you to give collectors a phone number in which they can leave a message. Numerous voice mail messages your cell phone may use up some of your minutes. Also, a land line gives you

an opportunity to make local calls for free. Cell phones usually use minutes whether you call locally or long distance.

Use the same plan as your friends and family. Some carriers allow friends and family members to talk for free if they subscribe to the same service. This can help you save money to the people that you talk to the most often. There is usually a discount if you form family plans. So, it is usually wise if everyone in the household has the same cell phone carrier.

Consider a prepaid phone service. If you use your cell phone sparingly, you may consider a prepaid or pay-as-you-go plan, which usually allow customers to buy minutes as they need them and do not involve lengthy contracts. Search for pay as you go plans by visiting www.myrateplan.com.

Be wary of cosigning for a cell phone. Cosigning for a cell phone for someone that may not qualify for one can result in a costly experience. It is wise to think about what can happen before you make that commitment.



The Freedom Debt Relief newsletter is published by The Premier Institute for Financial Freedom. While articles in this newsletter are factual and accurate, they are not intended to replace the advice of professional financial, accounting, and/or legal advisers. As with all decisions regarding your finances, the advice, techniques, ideas and suggestions offered herein should be followed under the supervision of the appropriate competent professional.



1875 South Grant Street
Suite 400
San Mateo, CA 94402
Phone: (800) 655-6303
FAX: (650) 897-8800