

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.

Spending Less Than You Earn: The Secret Formula!



Learning to spend less than what you earn is a surmountable challenge for anyone seeking financial freedom. Here are a few pointers that may help you begin mastering this important component of your debt resolution plan.

Consider Your Spend-To-Income Ratio

You may begin by calculating your total earnings each month. This may be difficult for those with fluctuating incomes or multiple income streams.

However, it is crucial that you consider and keep in mind your approximate total income each month. Once you are aware of your income try to remember you cannot spend more than this number. In addition, consider writing down all of your necessary monthly expenditures. Do your current expenses exceed your spend-to-income ratio?



Be Honest With Yourself

This step may be the most difficult because it usually requires some soul searching and self analysis.

Try considering every regular expense you have and analyze anything that pops up daily or frequently. Do you see any routines in your spending? Do you regularly spend on 'required' services/products that you could do without?

You may not need to do anything drastic to cut back. Think carefully and honestly about your individual life necessities and budget. Try to realize the importance of what truly is needed to benefit your life and financial health. Think of it this way - eliminating just \$10 each week from your regular expenditures could save you over \$500 per year!

To help, TheSimpleDollar.com recommends keeping a notebook in your pocket where you can list all of your monthly expenses. When you consider a purchase pull out your list (a sample list is available for you at right) and ask yourself whether or not the purchase is necessary to your well being.



Another idea might be to carry or save in your phone a small photo of something you really want to save for that is important to you.

Looking at this photo might remind you of what you really want and deter you

from a purchase that does not fit into your life or budget.

The Importance Of Budgeting

Everyone has their own style when it comes to working a budget. The important thing is that you have a budget and you stick with it.

Try revisiting your budget consistently to make sure it is working and you haven't strayed from the basics. If you have already cut back on unnecessary routine expenses and still find you are having trouble spending less than you earn you may need to consider eliminating things like cable, phones and internet until you pay off your debt. Otherwise you might need to consider ways to earn extra income (for ideas see article on page 2).



What You Earn – What You Spend = Financial Success!

Try to look at your debt repayment plan as a process that is preparing you to live on less than what you earn.

For example, you are currently setting aside an amount of money each month that goes directly toward your debt repayment. You should also be living frugally within the parameters of the income you need for the remainder of your necessary expenses. Consider what you plan to do after your program is complete and your debts are paid off. What would happen if you continued your frugal living habits and took the same amount

of money you set aside for debt resolution and deposited it into a savings account? How much would you have at the end of the year? You would be living on less than what you earned!

It takes practice to put financially sound thoughts into place. Then it requires willpower to put those thoughts into action. But stay the course and you can do it!

My Monthly Necessities

1. Cell Phone
2. Bus Pass
3. _____
4. _____
5. _____
6. _____
7. _____

Inexpensive Ways To Find Job Training



A little creativity can go a long way when it comes to finding employment in today's tough economic climate. Here are a few think-outside-the-box ideas for job seekers.

Volunteering

Volunteering is a great way to network, gain valuable new job skills and bolster your resume. You might want to visit www.VolunteerMatch.org where you can research volunteer positions that relate to your chosen field of interest.

SmartMoney.com suggests volunteering at places where you are likely to meet potential contacts in your chosen career field. For example, if you enjoy history you could volunteer as a tour guide at a local museum. As you volunteer, consider all aspects of the business and learn all that you can. If you practice creativity and initiative you might work your way into a position or meet someone who can refer you to your next job offer!



Talk To Your Employer

If you are currently employed or recently laid off, www.Bankrate.com suggests investigating your severance package for provisions on retraining or professional development. Some workers may be able to negotiate education benefits with the help of their labor union.

Check With The Federal Government

Those who are unemployed may be able to find help regarding available jobs as well as free classes on basic academic skills, job preparation and computer training through the Department of Labor's regional One-Stop

Career Centers. Go to www.DOL.gov and click on 'Training' to find out if you are eligible for federally-sponsored training or to look for a One-Stop Career Center near you.

Go Back To School

Displaced workers may be eligible for free or low-cost education through professional associations, civic groups, libraries, community centers or nonprofit organizations. Consider calling professional groups in your field of interest to see if you qualify for any private funds or programs that may be available.

Work From Home

Determine what your strengths and interests are and find ways that you might be able to earn extra money at home. For example, consider babysitting or pet sitting for families in your neighborhood. If you have experience in writing, graphic design, medical billing or data entry, consider using your home computer as an employment tool. Those with the time and energy may be able to earn extra income through home party opportunities with companies like Tupperware, Lia Sophia and Tastefully Simple.



Be aware that some advertisements for work at home employment are scams. Contact the Better Business Bureau and the Small Business Administration if you feel that you need more information about a company you are considering.

Inspiring Thoughts

You are never too old to set another goal or to dream a new dream.

- C. S. Lewis

Going after something you care about deeply can seem like a daunting task following a personal setback.

If you are afraid to begin reaching for new dreams and goals, consider that you have already made the first step toward achieving one of your desires. For example, you are currently enrolled in a debt settlement company because you want to get out of debt and learn better financial habits. Your goal should be obtaining financial freedom. Achieving your goals means that you must admit to your mistakes, learn from them and move forward. Perhaps unknowingly, you made that crucial first step in taking action. Knowing this will hopefully give you some confidence to move forward!

If you continue to feel a little apprehensive however, try not to be too hard on yourself. It is easy to put off thoughts of success when we

are plagued with negative thought processes. It is important to find constructive ways to disregard and reject your feelings of doubt and fear regarding failure. You may have experienced a setback but if you dwell on this you cannot move forward. Nobody is perfect. Learn from your past and consider if there was anything you could've done differently to change the outcome of your situation. Perhaps your circumstances were beyond your control. If so, try to be patient and know that you deserve success and happiness as much as anyone else.

Consider if it would help you to share your thoughts and goals with a positive, encouraging person in your life. Although it may not be wise to take everyone's opinion to heart, talking to



a trusted person outside the situation may provide valuable insight. Consider what others have to say, take what you like and leave the rest. In addition, verbalizing your goals may help you form a plan to achieve them.

Try to keep your goals small at first. Once you experience

a successful step forward you can reward yourself with an inexpensive treat! Try to base your goals on personal performance so that you can maintain control over your achievements. Unexpected circumstances may occur so it is important to be flexible and stay focused.

Taking a few minutes each day to reflect on yourself and your feelings may help you realize what ideas or thought processes have the potential to hold you back from your dreams and aspirations.

Start Saving On Your Heating Costs



The seasons are changing, and now is the perfect time to consider how you will save on your heating and utility costs throughout the winter. Check out some ideas below.

Check For Leaks. You could use a candle to find out where the heat is leaking from your home. Try to watch for the flame to flicker as you run the candle along the walls and the sides of the windows and doors in your home. If you find that you have a draft letting cold air in and warm air out try using weather stripping, caulking or insulation to help fix this problem.

Insulation. According to www.TheFrugalLife.com you should insulate accessible heating ducts in unheated areas including the attic. You may consider hiring a qualified professional to help you seal and repair all ducts. You might want to consider insulating your hot water heater and hot water pipes as well. For information, go to the United States Department of Energy website at www.EnergySavers.gov. Click on 'Your Home' and then the Water Heating tab on the left.

Small Space Heating. Consider using a space heater in the room you are currently using. This might make you feel more comfortable without having to heat the rest of the rooms in the house and wasting energy.

Keep Vents Free Of Obstruction. Check to make sure furniture and other items aren't obstructing the heat coming from the heating vents. You may not be getting the full benefit of the heat if the vents are obstructed. Consider your floor vents if you have them. Make sure you are getting the full benefit of the heat you are paying for. Plastic heat directors are available at low cost and can direct the flow of heat out into the room if you need this solution. If you have heat registers, putting aluminum foil behind them could reflect heat into the room, saving about \$5 per year for each radiator you have.

If you have any unused rooms in your home you may want to shut the vents in them and close the doors. According to the Department of Energy you could save between \$35 and \$60 a year per room by doing this. Try to keep the doors of cabinets, closets or other storage rooms closed unless there is an important reason to keep them heated.



Bundle Up! Wear warmer clothing around the house. You could put on a sweater or sweatshirt, wear socks and soft, fuzzy slippers. Try to stock up on comfortable blankets so you can cuddle up and relax. If you have hardwood or tile flooring you might also consider putting down some throw rugs to eliminate the shock of icy cold surfaces.

Open the blinds and drapes during the day and close them at night. During the day, the sun will come in and help warm up your house. At night you should close your drapes so the heat stays inside. When the sun sets, snug-fitting drapes over the windows can save about \$6 per window a year. These few simple steps might help you keep the temperature inside your house warmer, saving you money.

Need Help? If you are having trouble paying your gas bill you might be eligible for energy assistance. Contact your utility company for more information. You might also want to contact your utility company to see if they allow you to choose natural gas suppliers. Some states have passed deregulation laws which permit residential customers to select natural gas suppliers. If you are allowed, checking prices of other suppliers could lower your gas bill significantly.



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Be prepared to be contacted by one of your negotiators to approve the settlements that have been negotiated for you. Some settlements are very time sensitive and require immediate approval. It is necessary that you respond promptly to our notice by either replying to your negotiator's email "I Approve", visiting us on the web via your client portal at www.fdrclient.com, or calling our Client Services Department at (800) 655-6303, option 3 to approve the settlement verbally.

Please Keep Your Contact Information Updated

In order to work effectively for you, we need to have updated e-mail and phone contact information. This allows us to give you updates on settlement activity and get in touch with you as needed throughout the program. If your contact information has changed and you want to update us, please visit the Client portal at www.fdrclient.com, call client services at (800) 655-6303 or email support@freedomdebtrelief.com to let us know your updated information.

E-mail:

support@freedomdebtrelief.com

Customer Service:

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

Spare Change



Debit Card Swipe Fees On Horizon?

Debit card use has become the top non-cash payment method among American consumers according to www.CreditCards.com. This may change however if a test program proposed by some banks becomes permanent.

CreditCards.com reports that under the Dodd-Frank Wall Street Reform and Consumer Protection Act signed into law last year, banks will only be allowed to charge merchants 21 cents per swipe for each consumer debit card transaction.

The American Bankers Association trade group says that the cap may result in lost revenue. As a result, select banks may begin a test program to charge customers activity fees of up to \$3 a month if they use their debit cards for purchases or bill payments.

A recent poll conducted by the Associated Press/GfK indicated that 61 percent of respondents with debit cards said they would begin using another form of payment if their bank began charging customers a \$3-a-month debit card usage fee.

Debit card users may want to check with their local bank branch to see if they might be impacted by the proposals.

Report: Teens May Be Getting Smarter About Finances

Watching their parents manage financial issues in the current economy may be teaching teenagers a few lessons. According to a survey by Charles Schwab, 64 percent of young respondents answered that they are gaining a deeper appreciation for what they have.

Seventy-seven percent of teen participants indicated that the nation's economic issues have helped them realize the value of saving money. Most of those who described themselves as 'savers' said that money they were saving is earmarked for college.



According to the Schwab study, 73 percent of teens surveyed realize the importance of having an emergency savings in case of a financial setback. It was also revealed that teens may be learning lessons from their parents when it comes to borrowing money. Fifty-one percent admitted to seeing how bad the consequences can get when it comes to borrowing too much money.

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For more information on our Refer-a-Friend program, visit www.freedomdebtrelief.com/ambassadors or call 1-800-997-9544.

*Commissions are paid after referred customers: (1) enroll on FDR's debt settlement program, and (2) make their first program deposit into their dedicated account. Note: If your commissions in any given tax year exceed \$600, then FDR will be required to report your earnings to the IRS for tax purposes (please see a tax professional for guidance on such issues). The payout amounts listed herein are good through December 31, 2011.



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