



PacificDebtInc

Practice Better Spending To Score Your Financial Goals

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Practice Better Spending To Score Your Financial Goals!

Changing your financial habits can be challenging but also very rewarding. Once you learn to maintain a budget, live within your income and spend less you can tackle debt and stay in the game financially.

Get A Game Plan. According to CreditCards.com, it is important to implement a strategy with manageable financial



steps that aren't too overwhelming to maintain. You could start with a simple budget. GoodFinancialCents.com suggests making a two-column chart with the left column listing your monthly income and the right column detailing your expenses. You may detail all expenditures. Try to remember that it may not be necessary to cut anything out of your budget completely. The idea is to identify expenditures that may need to be enjoyed less frequently so that you are better able to live within your means without taking on debt.

Outsmart Your Opponent (a.k.a. Debt). Taking advantage of the educational tools offered through your negotiation company can help you defeat debt. GoodFinancialCents.com suggests thinking of ways to improve your spending habits. Consider your spending triggers. It might help you to keep a financial journal for several months. Recording when and why you made each of your purchases might help shed light on spending patterns that could be improved.

Work With Your Team. Learn with your debt negotiation company and add to your settlement account as often as possible to pay down debts while you work to foster better financial habits.

Motivate yourself by remembering that when you complete your program, you will be able to save money to help make your financial goals a reality.



Stay Focused And Practice What You Learn. MSN Money.com and Investopedia.com suggest asking yourself if you really need something before you purchase it. One idea, according to HelpSaveMyDollars.com, might to be count out the cash to pay for an item before you buy it.

Consider the cost per usage ratio. Think about how many hours it took you to earn the cash. Weigh those hours against the item you desire and consider if it's really worth your hard-earned income. You might realize your finances will be in a much better shape without the item you thought you 'needed.'

Get Ready To Score. Visual cues can be effective tools in helping you obtain your financial goals. For example, if your goal is to take a trip to Switzerland after you complete your program, you could keep a photo of the Alps someplace where you will see it often. Whatever you aim to accomplish financially, envisioning the results of your hard work may make it easier for you to stick with your spending plan.

Touchdown! Whenever you accomplish a financial goal or improve a financial habit you might treat yourself to something you enjoy that is within your budget. Remember that staying on the right financial track might not be easy, but you should find that it is worth the effort!



Budgeting & Goals: A Winning Combination

List Your Goals. Create a 'Financial Goals Worksheet' and list your goals, such as paying off debt, by how long you think it will take to reach them. If you have more than one goal try to determine which ones are the most important and list your goals in order of priority. You might want to place goals that can be accomplished in a few months under Short-Term Goals, goals that can be accomplished in six months to a year under Medium-Term Goals, and goals that might take more than a year to accomplish under Long-Term Goals.

Consider A Target Date. You might think about an estimated achievement date for each of your goals. This might give you a deadline that you could challenge yourself to meet. Keep in mind that setbacks may

occur. If they do, just readjust your target date and keep moving forward. You can record your target dates alongside of each goal.

Calculate Cost. Think about how much money it will take for you to achieve each of your goals. You could write the estimate in a category you could title Estimated Cost. Bankrate.com suggests dividing the estimated cost of your first goal by the number of weeks until your target date. This could help to show you how much money you need to save weekly in order to meet your goal on the projected date. It might be a good idea to have an Amount To Save Weekly column where you could record this number. Try to keep your estimates realistic so you don't get discouraged.

Monitor Success. It may be necessary to readjust your budget so that it includes the money you need to meet your goals. Feel free to revisit your list to keep track of your progress.



Credit Corner

Federal Law May Help Consumers' Access To Credit Scores and Reports

Credit scores can usually be obtained by consumers for a fee. As of January 2011, individuals who are approved for credit or a loan with an interest rate higher than the best rate offered to other approved consumers applying under the same conditions may be able to obtain their credit score free of charge.

How The Regulations Work

According to CreditCards.com, new federal regulations grant consumers the legal right to find out why they did not receive the best possible terms on loans if they are approved. Those consumers could receive that information through free access to their Fair Isaac Corporation (FICO) scores, the main ingredient lenders use to determine a consumer's creditworthiness and interest rate.

Those who apply for credit and are denied may not have free access to their credit score but could be permitted to examine information on the same credit report that was considered to deny them the loan.

Although credit reports are

the building blocks for your FICO score, it

is important to know that reports are a separate entity. Whether you have been denied credit or not, you may obtain a free copy of your credit report on the internet at annualcreditreport.com, a site maintained by the Federal Trade Commission, or by calling 877-322-8228.

Your Credit Report

Consumers may receive a free credit report each year from each of the three main credit bureaus - Equifax, Experian and TransUnion. It may be a good idea to check your credit report quarterly.

Finance experts suggest requesting your report from Equifax, obtaining a report from Experian four months later and requesting one from TransUnion in the next quarter.

The FTC reports that monitoring your credit report and score could help you avoid identity theft and catch mistakes and discrepancies if they occur. Your report may also give you a good idea of what you need to do to improve your chances of getting of a loan, credit and the best interest rate possible in the future. TransUnion reports that the most effective strategy for a consumer is to focus on the accuracy and completeness of the underlying information in their credit report.

FICO scores can range from 300 to 850. According to Fair Isaac, the median FICO credit score in the United States is about 720.



UCAN
UNITED CONSUMER ADVOCACY NETWORK

Corner

An Overview Of The Collection Process

Understanding the Collection Process

Not making monthly payments to your creditors triggers the debt collection process. While these creditors are usually willing to negotiate with your debt settlement company for a lump sum settlement, they nonetheless may assign a collector to your account, which could lead to harassing phone calls.

For the most part, collectors work on a commission basis, meaning that they mostly get paid if they collect money from you. Thus, all too often, collectors employ any means, including intrusive and harassing phone calls, to pressure you into paying the account.

You do not need to fall prey to their tactics. UCAN is here to assist you in reducing collector harassment by empowering you with knowledge on debt collection issues.

Stages of Debt Collection: As you progress through the debt settlement program, your account(s) usually go through several stages of collection.

First Stage: Initially upon becoming delinquent, collections are commenced by the original creditor. In other words, your lending institution or credit card company might try to help you find ways to bring your account current before hiring a collection agency.

At first, the calls are usually not harassing in nature, as your creditors are attempting to contact you in order to make payment

arrangements and notify you of the delinquency of your account.

Second Stage: After some time has passed from the initial delinquency, usually 180 days or more, the account may be sold or assigned to a collection agency. At this point, collection activity could become more aggressive and you may receive numerous calls from various collection agencies. Although collectors are subject to federal and state debt collection laws, some unscrupulous collectors may violate these laws.

Knowing Your Rights! Here at UCAN, we base most of our work on the Fair Debt Collection Practices Act (FDCPA). This act, passed in 1977, was designed to protect consumers from unfair and abusive collection practices.

Unfortunately, many debt collectors infringe upon the FDCPA every day, but UCAN is here to help you. If you feel that you have been the victim of debt collections harassment, contact us right away.

Knowledgeable consumer advocates are available by calling 1-877-462-8226. You may also e-mail us at info@ucan.net. Our FAX number is 1-877-895-7577. Normal business hours are Monday through Thursday 9 a.m. to 7 p.m. EST and Friday 9 a.m. to 5 p.m.





Student Loan Debt? Help Could Be Available

Federally-backed student loans cannot be relieved through a debt settlement program. However, there are options that might help alleviate your federal education loan obligations if you are working through a difficult period financially.

Seek Help ASAP

It is important to get help as soon as you begin having trouble making your loan payments. The longer you wait the more difficult it may become to obtain options for relief. You may begin by gathering information relating to your loans such as records of communication, copies of paperwork, statements and payments you have made.

You might also consider whether your loans were private or federal (perhaps you have both). Try to contact your lender to determine what type of loan you have and what relief options might be available. You could find the name and contact information for your loan servicer by checking with the federal government or calling 1-800-4-FED-AID.

What Kind Of Help Do You Need?

Consider what kind of relief would help you meet your student loan financial obligations. If you are able to make smaller monthly payments you may be eligible for graduated repayment or income-based repayment. Graduated payment usually allows borrowers the chance to make low monthly payments for a few years before the payments slowly increase. Income-based repayment should cap payments below 15 percent of your income. If you believe you can't afford to make any payments for a while, it may be possible for you to utilize deferment or forbearance options. Both programs allow borrowers to skip payments for up to three years. It is important that you speak to your loan servicer to see what programs are available to you.

Do You Qualify For Loan Forgiveness?

If you qualify for Loan Forgiveness the federal government may decide to cancel all or part of an educational loan. According to [finaid.org](http://www.finaid.org) this option may be available if borrowers perform volunteer work, military service, teach or practice medicine in certain types of communities or meet other requirements specified by the forgiveness program. If you think you may qualify for loan forgiveness through your employer, contact your human resources department or visit [FinAid.org](http://www.finaid.org) at <http://www.finaid.org/loans/publicservice.phtml>. It is very difficult to discharge your student loans completely. However, if you have become permanently disabled or if you were a victim of loan or educational fraud you might be able to try for a complete discharge. You can contact your loan provider for more information.

Know Your Rights

The National Consumer Law Center's Student Loan Borrower Assistance site (StudentLoanBorrowerAssistance.org) is available to help those who have a student loan and want to know more about their options and rights.



Some Money-Saving Tips For 2011 & Beyond!

- ✓ Bring lunches and snacks to work instead of dining out and using vending machines.
- ✓ Take a list when you do your grocery shopping and stick to it!
- ✓ Check out resale shops for items such as clothing, small appliances, and books.
- ✓ Develop a realistic family budget.
- ✓ Contact your utility and insurance companies to see if there are any cheaper plans that would meet your needs.
- ✓ Save your spare change throughout the year and see how much you have accumulated at the end of 2011!



Buy Or Rent: What's Best For You?

Buying secondhand or renting could help get you the most value for your dollar. Here are some options to consider.

DVDs and CDs: Some record stores and thrift shops usually have a selection of used CDs and DVDs which can play like new if they were well taken care of by a previous owner. Also consider your local library as a source of free CDs and DVDs. Online sellers may also be a good source.

Books: Your local library also offers unlimited rental access to books and magazines. You might also want to consider visiting Paperbackswap.com where you can find free books for yourself and trade with others (a minimal shipping fee is required).

Furniture: You could check out flea markets and thrift shops for good quality, used furniture, decorating pieces or artwork. You might be able to pick up something for free on Freecycle.org or inexpensively on Craigslist.org. If you need an item temporarily or will not use it for a long amount of time, YahooFinance suggest that you consider renting what you need.

Toys: Are you tired of finding your child's little-used toys left forgotten under the bed or in the closet? According to WiseBread.com parents in some communities organize regular toy-swapping meets. Or you could ask your neighbors, friends, and family if they would like to trade used toys.

Budgeting Tools: You can find free budgeting tools on the internet such as Mint.com. Also consider if desktop programs such as Excel could help you budget and track spending.

Basic Computer Software: According to U.S. News, OpenOffice.org offers word processing software, spreadsheets, presentations databases and more for free.

SPARE CHANGE

Charles Schwab Asks Teens to Take Savings Pledge, Make Change Count

PackagedFacts.com recently reported that young people 12-17 years of age could spend more than \$200 billion in 2011.

In an effort to help young people save money rather than spend, Charles Schwab Foundation is inviting teens to take part in its Make Change Count Pledge. Young consumers can log onto MakeChangeCount.com to take part in a free pledge to save money, spend wisely and plan for college. Participants are also encouraged to share what they learn.

The Make Change Count Pledge is an extension of Charles Schwab Foundation's MoneyWise financial literacy program. By weighing short-term gratification against long-term financial goals, the program aims to help young people foster a better understanding of wants and needs which can vary according to each individual and family financial situation.

By clicking on the Learn More tab at MakeChangeCount.com, young

consumers can have access to free features such as savings calculators, budgeting plans, financial aid information and interactive games. According to WalletPop.com, the program will run through the



end of March 2011. Results of the pledge are scheduled to be announced in April 2011 to coincide with National Financial Literacy Month.



FTC Sues Web Site Advertising Grants To Pay Debts

The Federal Trade Commission recently reached settlements that permanently shut down websites that allegedly were deceptive in promoting free government grants for paying off debt.

It was alleged that the website operators requested credit or debit account information from consumers in order to process a fee for a service which offered members only grant information and then debited consumers' bank accounts.

According to FTC.gov, the members only section provided inadequate, inaccurate and obsolete information regarding the grants.

In addition, the FTC claimed that the website operators did not clearly disclose to consumers who signed up for the extra service that they would accrue monthly charges of \$72 to \$95 as well as a one-time additional charge of \$19.12.

The settlement order imposed a judgment in the amount of \$9 million, which may be suspended if the defendants pay back taxes owed to the Internal Revenue Service and the state of California.

In addition, the orders state that the defendants must surrender their remaining assets to the FTC.

Pacific Debt Inc. (PDI) is published by The Premier Institute for Financial Freedom. While articles in the PDI 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.



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