



Credit Card Relief™

2009 HOLIDAY ISSUE

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As We Move Closer To 2010, Here Are 5 “Resolutions” That Will Make Your New Year Financially Healthier



Without thinking, most of us have developed little bad financial habits that cost us hundreds – even thousands – of dollars each year. So...for 2010, resolve to:

1. STOP TOSSING OUT JUNK MAIL FROM CREDIT CARD COMPANIES

We have all done this – just automatically dump mail from credit card companies in the trash can, even the ones from companies where we have our credit cards. If it isn't the monthly bill...into the waste basket with it! In the past this may have been both expedient and harmless.

However, with the consumer's Credit Card Bill of Rights going into full effect in February 2010, credit card companies are all scrambling to put in place new fees and make changes to customer agreements (such as higher interest rates; changing your fixed rate to a "variable" rate – meaning they can hike it up whenever they want to for any reason; etc.); all prior to that February date so these changes/new fees will be "grandfathered" in. But they have to notify you of these fees and changes beforehand so that you have the option to try to get your creditor to not have them apply to you, or as a last resort to take your business elsewhere – if you can afford to do so.

So that seemingly benign notice from your credit card company that was NOT your normal monthly bill and that you would usually just throw away – you now need to keep it....and read it very carefully!



2. ALWAYS WRITE DOWN THE AMOUNT OF YOUR “DEBIT” CARD PURCHASES IN YOUR CHECK REGISTER EVERY TIME YOU USE YOUR CARD!

Debit cards are being used more and more in place of checks – just swipe and go. But it's that very "ease of use" that is its greatest problem. Using debit cards now accounts for over 43% of all overdraft fees – while paper checks are less than 28%. Why? Because people forget to enter the amount of the purchase in their check register so they can keep track of the balance in their account. This problem is so widespread that most people now accept it as being "business as usual" to have a few overdraft charges each month. And banks count on this! It is millions of dollars of revenue for the banks due simply to our carelessness and inattention.

So many things these days are out of our control to do anything about – but this is one area where we can all take charge of something for our own benefit: take the extra 30 seconds to enter every debit transaction into your check book at the time of the transaction; and then take the next 15 seconds to do the simple subtraction in the register to keep your book balanced. These 45 seconds a few times a week may have just saved you hundreds of dollars by the end of the year.



3. PAY ATTENTION EACH MONTH TO YOUR BANK CHARGES

We don't even think much about our banks trying to ding us with extra charges for things we have always done for free. But just like credit card companies, banks are scrambling to make extra money wherever they can – and usually at the expense of their customers. And unlike credit card companies, banks may or may not notify you of these new fees before they go into effect, so you need to periodically make sure that you are not

being charged for things that used to be free – or that fees you were paying have not been increased – by asking your bank directly. Call them, or go on line, and check out those services you use and see what, if any, fees are attached. Do this at least quarterly, if not monthly. You always have the option to take your business to another bank – and sometimes just making that threat will result in your bank “waiving” the new fee or increase.



4. STOP SPENDING TIME ON THE WRONG THINGS

This is a simple one, because your time IS money. Don't impulsively decide to spend your entire lunch hour and an extra \$2.00 in gas to save \$1.98 by going to a single store to take advantage of 2 coupons. Instead, spend your time coordinating these “savings runs” to optimize their benefit. And don't spend an hour and a half of your time protesting a 75¢ error on your phone bill. That **doesn't** mean you should just throw small amounts of money away. But it **does** mean don't spend time stepping over dollars to pick up dimes. Instead, spend that hour and a half, for instance, by better understanding your company's 401(k) plan and how best to invest in it. Or use that time to create a family budget that includes prioritizing your savings and spending. Or do a complete home energy “audit” before winter sets in. All these efforts are a “bigger bang for your time buck”!

Spend time as if it were money right out of your pocket – because it is!



5. CREATE SPENDING GOALS AND STICK TO THEM

Einstein said one definition of insanity is doing the same thing over and over again but expecting different results each time. But that is exactly the approach many people take to their finances each month: they earn and then spend more than they earned, they earn and then spend more than they earned. They always think at the end of the month they will somehow have more money than they did the previous month. This is because they don't have a larger goal that they always keep in mind. Their vision does not go beyond the end of the month.

So set a goal: getting out of credit card debt, world travel, higher education, owning your own home, a new car, comfortable retirement. Establish the goal and the cost to achieve it.....and then keep your eye on the target – track your progress monthly. And always ask yourself before every “questionable” purchase: will this get in the way of my reaching my goal as quickly as I want to?



FROM OUR FAMILY TO YOURS:

HAPPY HOLIDAYS!

Call us at: 1-866-241-3328 ~~ Email us at: ccare@ccrnw.com ~or~ Fax us at 1-317-610-4058

Professional Services Department

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Thank you for your trust and confidence in Credit Card Relief™. We look forward to the day when your name is added to our growing list of Credit Card Relief™ graduates.

If you have any questions or problems, do not hesitate to contact the Professional Services Department at 1-866-241-3328.