

Managing Your Finances

20
10

When The Holidays Leave A Ho-Ho-Hole In Your Wallet

(NAPSA)—For many consumers, credit card bills are the gift that truly keeps on giving—in the form of rapidly accruing interest and possibly late-payment fees.

The first few months of the year are when people generally feel the pinch from their holiday generosity, and this anxiety may be heightened over concerns of job security—or perhaps magnified exponentially if you've recently been laid off. In fact, the nation's unemployment rate is currently around 5.8 percent—and it's taking roughly 14.5 weeks to find new employment.

Not only that, Americans are maxing out on debt at an alarming rate. Consumer credit soared by a seasonally adjusted \$19.8 billion in November 2001, or a 14.6 percent annual rate, as reported in January by the Federal Reserve Board.

According to Conseco Finance Corp., one of America's largest finance companies, the first thing to do, if you find yourself in financial straits, is talk to your creditors.

"Most people aren't aware that creditors have a number of options to relieve their customers' financial stress," says Mark Shepherd, executive vice president and chief operating officer of Conseco Finance. "The fact is, the sooner you tell your creditor you're having a problem, the easier it is for them to help you."

If you're unable to make your monthly payments, the National Foundation for Credit Counseling (NFCC) suggests the following:

Seek help. Trying to solve your financial problems alone can be overwhelming, but help is available. NFCC member agencies have well-trained counselors who will examine ways to solve your current financial problems. They will help you review your financial situation and provide possible solutions. They can help you develop a spending plan that covers both your living expenses and pay-



When holiday bills start piling up, keep your wits about you; help is available.

ments to your creditors. Call 1-800-388-2227 to find the nearest NFCC member office.

Develop a realistic repayment plan. A credit counselor can help you develop this plan and, if you have severe debt, may suggest you enroll in a Debt Management Plan (DMP). A DMP is a systematic way to pay down your outstanding debt. You agree to deposit funds with the agency each month, which is sent to your creditors. By participating in this program, you may benefit from reduced or waived finance charges and fewer collection calls.

Call, don't hide from your creditors. Creditors are realistic, and in most cases they'll work with you, especially when a sudden change of circumstances means you're unable to make your payments. Many creditors, including mortgage lenders, have a variety of ways in which they can help you deal with your new financial circumstances. Remember, your creditors would much rather keep you as a customer than lose you to bankruptcy or foreclosure. Contacting your creditors can also help you protect your credit rating, which is the all-important factor in your ability to secure future loans.

For more tips on managing credit, visit www.debtadvice.org. To learn more about Conseco Finance, visit www.conseco.com.