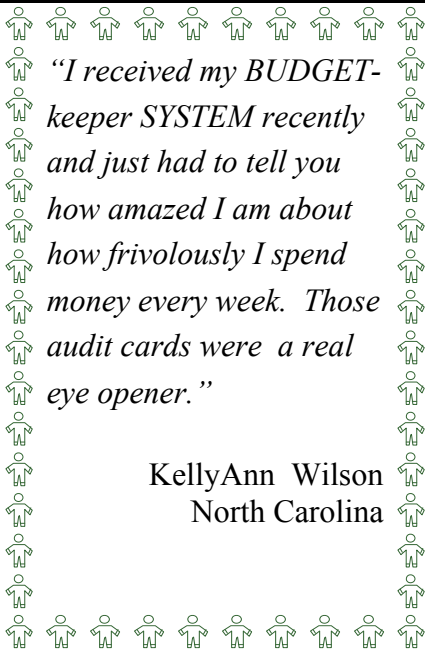


# Dollars & Sense Newsletter

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BUDGETkeeper SYSTEM • 501 Prospect St #109C • Lakewood, NJ 08701 • [www.budgetkeepersystem.com](http://www.budgetkeepersystem.com)

## MEMBERS' CORNER



*"I received my BUDGET-keeper SYSTEM recently and just had to tell you how amazed I am about how frivolously I spend money every week. Those audit cards were a real eye opener."*

KellyAnn Wilson  
North Carolina

### TO OUR READERS:

The objective of our "Dollars & Sense Newsletter" is to give you straight talk on personal finances, along with money saving ideas with humor and trivia to help lighten up the every day stress of our personal finances.

## *Those Credit Card Offers Just Keep Coming*

By Thomas Martucci

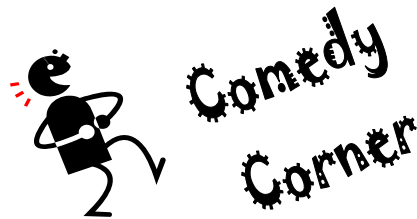
Do you ever wonder why credit card offers keep on coming in the mail? Is it because they think you are a good risk; trying to do you a favor? NO! They want to make money and money they make every time we use those credit cards. How else could they afford all that postage, printing and TV ads?

ABC's Good Morning America Show revealed that the average American has in excess of \$9,000 outstanding credit card debt every month. At 13% interest (or more) that is approximately over \$1100 in interest that the credit card companies are making on each of us.

It is time for us to take control of this situation. Interest rates are rising; new laws have been passed so the credit card companies will raise the minimum payments we need to make. Below are 8 steps to take control of the situation.

1. Commit yourself to not using credit cards with the exception of an emergency. It is surprising how many of us feel helpless without a credit card in our wallet or purse. We are not asking you to cut up your credit card because you never know when an emergency will occur and you may need to use it.
2. Call Your current credit card company and negotiate a better interest rate to get an idea on what the market rate of interest is for credit cards today. Get the interest rate as low as you can tell them you are going to change credit cards and most of the time they will reduce your interest rate.

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A man meets a genie. The genie tells him he can have whatever he wants, provided that his mother-in-law gets double.

The man thinks for a moment and then says, "OK, give me a million dollars and beat me half to death."

## Know Your Rights!

The Consumer Reports April 2006 issue of Money Advisors provided some key online resources that help to explain your rights.

### The laws on your side

Taking out a loan? Leasing a car? Or maybe you just want to cancel that magazine contract you bought. Below are some online sources that explain some of your other financial rights:

- ▶ **Borrowing money** The Credit Practices Rule: [www.ftc.gov/bcp/online/pubs/credit/crdtrul.htm](http://www.ftc.gov/bcp/online/pubs/credit/crdtrul.htm)
- ▶ **Understanding product warranties** A Businessperson's Guide to Federal Warranty Law: [www.ftc.gov/bcp/online/pubs/buspubs/warranty.htm](http://www.ftc.gov/bcp/online/pubs/buspubs/warranty.htm)
- ▶ **Canceling a purchase** The Cooling-Off Rule: [www.ftc.gov/bcp/online/pubs/buying/cooling.htm](http://www.ftc.gov/bcp/online/pubs/buying/cooling.htm)
- ▶ **Buying a used car** A Dealer's Guide to the Used Car Rule: [www.ftc.gov/bcp/online/pubs/buspubs/usedcarc.htm](http://www.ftc.gov/bcp/online/pubs/buspubs/usedcarc.htm)

- ▶ **Leasing a car** [www.federalreserve.gov/regulations/cg/regmccg.htm](http://www.federalreserve.gov/regulations/cg/regmccg.htm)
- ▶ **Disputing a credit rating** [www.ftc.gov/bcp/online/pubs/credit/lfcrasummary.pdf](http://www.ftc.gov/bcp/online/pubs/credit/lfcrasummary.pdf)
- ▶ **Canceling a home-equity-based loan** [www.ftc.gov/bcp/online/pubs/alerts/3dayalrt.htm](http://www.ftc.gov/bcp/online/pubs/alerts/3dayalrt.htm)
- ▶ **Canceling private-mortgage insurance** [www.ftc.gov/bcp/online/pubs/alert/pmialrt.htm](http://www.ftc.gov/bcp/online/pubs/alert/pmialrt.htm)
- ▶ **Mortgage discrimination** The Equal Credit Opportunity Act: [www.ftc.gov/bcp/online/pubs/homes/mortgdis.htm](http://www.ftc.gov/bcp/online/pubs/homes/mortgdis.htm)
- ▶ **Dealing with a debt collector** Fair Debt Collection: [www.ftc.gov/bcp/online/pubs/credit/fdc.htm](http://www.ftc.gov/bcp/online/pubs/credit/fdc.htm)



✓ **A Personal Budgeting System that will:**

**Save  
You  
Stress  
Time  
Energy  
Money**

Those Credit Card Offers Just Keep Coming.....continued from pg 1

3. Pay it off. Take a good look at your credit card statement and determine how much you can pay each month on the principal to start eliminating your balance. Let's just say you are the average American and have a \$9,000 balance. Depending on your credit card company your minimum monthly payment can be between \$180 to \$360.
4. Commit to pay a minimum of \$360.00 a month plus the interest. Do not make any additional charges on your card and it will take you approximately 25 months to achieve a zero balance.
5. You and your significant other (if applicable) need to talk, understand and commit to resolving your credit card problem.
6. You need to get your personal finances under control and the only way of doing that is with desire and dedication to prepare and do a family budget.
7. Re-mortgaging and home equity loans should not be an option until you and your significant other have successfully developed and maintained a budget. Otherwise you will fall into the trap of re-financing your home to pay off the credit card debt and then feeling debt free you will use the credit cards again starting the cycle all over.

Take small steps, but be sure to take the right steps to beat the credit card companies. You need to know where you are spending your money, you need to establish and work a budget and more importantly with a workable personal budget system you will be saved stress, time, energy and money.