



# Client Handbook

Consumer Credit   
Counseling Service 

*you owe it to yourself*



Pride

You owe it to yourself

# Dear New Client:

Welcome to Consumer Credit Counseling Service's Debt Management Plan. Your decision to repay your creditors through our plan demonstrates responsibility and determination. Congratulations on taking the first step to regain control of your financial circumstances. We are confident that you can accomplish your goals.

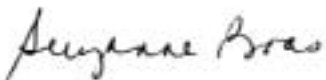
Your repayment plan has been designed to help you make the transition to debt-free living a gradual and smooth process. It allows for one monthly deposit for all creditors, provides relief from creditor calls, reduces personal stress, and may lower interest charges on some debts. Our Debt Management Plans serve the dual role of helping you repay your debts and helping creditors to receive the money owed them.

Many questions about your Debt Management Plan are answered in this handbook. Please read it thoroughly and keep it in a convenient place for future reference. If you have any further questions, please contact our Client Services Department. Our staff will put forth every effort to make your Debt Management Plan a success. And please remember:

- You are the only one who can get yourself out of debt. We can give you advice, provide a plan for repayment and work with your creditors, but you must pay your own way out.
- It will not be quick and easy. Most people slip into debt a little at a time and must work themselves out the same way. You must be willing to make changes and adopt new behaviors.
- You must keep your word with us. It is crucial to send your deposits on time. Your creditors will maintain faith in CCCS and in you as long as you keep your commitment.

We look forward to working with you. Good luck!

Very truly yours,



Suzanne E. Boas  
President

# Q&A about the CCCS Debt Management Plan

## Where do I go from here?

You have taken the most difficult step toward getting out of debt by contacting our office and seeking professional help.

When experiencing financial problems, it is sometimes hard to face facts. At this moment you may be feeling frustration, anger, fear or anxiety. That's normal.

The Debt Management Plan (DMP) established for you by your CCCS counselor provides a link between you and your creditors. Our Client Services representatives are available to help you with any problems or questions you or your creditors may have for the duration of your DMP.

## How long will my DMP take to complete?

Clients enrolling in a Debt Management Plan receive an estimate of the length of time it will take to complete their DMP. This written estimate, or pay-out forecast, identifies all debts that are included in your plan, the total estimated debt owed to each of your creditors, the proposed payment to each creditor, and the anticipated number of months necessary to eliminate the debt, assuming all payments are made on time and in full. As your plan progresses you may request an updated version of this forecast by contacting our Client Services Department.

## What can I do to ensure success in my Debt Management Plan?

**1. Make your deposits on time.** Auto-deposit provides the most timely, convenient and dependable method of payment by deducting your monthly deposit directly from your checking or savings account. You may send cashier's checks or money orders. No personal checks or cash are accepted.

**2. Closely monitor your creditors' statements.** It is up to you to monitor your monthly statements to ensure creditors have reduced interest rates or stopped late fees, if applicable, and CCCS payments are being properly credited. If your specific creditors reduce interest and fees, it can take up to three months before these reductions are noted on your statements. CCCS does not see your monthly statements from creditors. Keep all statements in a folder or binder in case you need them for future reference. Also, keep us informed if any accounts are turned over to collection agencies or if any creditor notifies you of an account number or address change.

**3. Stay in touch.** Contact Client Services immediately if any problems arise. If you don't understand something about your creditors' statements or mailings, don't panic! Call or email us. We've been dealing successfully with concerned creditors and clients since 1964.

**4. Don't make any payments directly to your creditors** unless you have discussed this with our Client Services Department. Send all deposits, including any late or extra payments you might be able to make, directly to CCCS.

**5. Don't apply for additional credit** without first talking with your counselor. If you do, you will place your DMP in jeopardy.

**6. Update personal information.** Contact us immediately with any change in your name, address, telephone number or email address.

**7. Don't miss deposits** or make late deposits to CCCS for any reason. If you do, your creditors may resume their regular collection activities or reinstate regular interest rates and fees.

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# Pride

## What if I need to speak with my counselor?

While counselors are always prepared to answer your questions, they have scheduled appointments throughout the business day. Our Client Services representatives are qualified individuals trained to answer most questions regarding your DMP. In the event our Client Services representatives cannot help you, they will contact an account manager for assistance. If you are in need of additional counseling, an appointment will be scheduled with your counselor.

## Will CCCS contact my creditors in the Debt Management Plan?

CCCS sends a proposal letter to each of your creditors when you enter the plan and after you have submitted all of the documents requested by your counselor. This letter advises each creditor that you have sought debt repayment assistance through CCCS and requests the creditor's support. The proposal letter will identify the following for each creditor:

- Your account number
- Your total indebtedness
- Your net income
- Your living expenses
- The names of creditors in your plan
- The amount owed to each creditor in your plan
- Your proposed repayment amount for each creditor
- The date the creditor may expect a payment
- The reason for your plan

## Why must all of my creditors be included in my DMP?

Creditors work with CCCS because they know they will be treated fairly and equitably. In most cases, all unsecured debts that you owe must be included in the Debt Management Plan.

## What if a creditor does not accept the plan?

In the event that one of your creditors is unwilling to accept the proposed payment, our Creditor Relations Department will contact you to see if you can adjust your budget to meet their requirements.

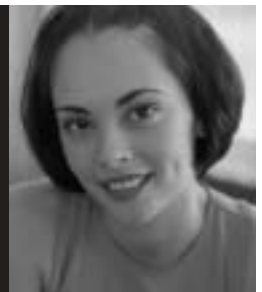
## Will my creditors still contact me?

Once creditors begin to receive regular payments through CCCS, they should stop calling you. If they continue to call after you are enrolled in the DMP, do not refuse to talk to them. Instead, encourage them to contact our Client Services Department.

Some creditor representatives may tell you that they do not accept CCCS payments or that they have never heard of us. Do not be intimidated. We can verify whether a creditor does or does not accept our plan. The majority of creditors elect to work with us. Call Client Services for confirmation. Some creditors will accept payments from us, but will not confirm an accepted proposal.

You may continue to receive routine collection letters from your creditors during your first three months on a DMP. The majority of these letters are computer generated and are no cause for alarm. However, if you receive correspondence concerning legal action or regarding the transfer of your account from one creditor to another, please contact Client Services so we can help you verify that your payments are posted correctly.

“By the time I graduated college I had charged \$15,000 on eleven cards. I graduated from the DMP and am now trying to live debt-free.”





# Peace of

## Will my creditors stop finance charges on my accounts now that I am working with CCCS?

Many creditors agree to stop or reduce finance charges. However, it is important for you to remember that not all creditors stop interest charges. Also, creditors that agree to stop or reduce finance charges or late fees are likely to resume the charges if payments are missed. If your CCCS due date does not coincide with your creditors' due dates you will need to contact creditors and request a change in due date. Some creditors will do so only at the request of the client.

## Will I receive a record of my deposits to CCCS?

Each month you will receive a CCCS statement showing your deposits, disbursements we have issued to your creditors and a summary of each of your accounts. The statement is composed of two sections. If you are not participating in Auto-deposit, the top section is the portion that you mail with your next deposit. It contains the following information:

- Date the statement was issued
- Your CCCS client number
- Due date of your next deposit
- Amount of your next deposit
- Blank to enter the amount deposited

The bottom section of the statement is a record of your account:

- Name of creditors
- Creditor account numbers
- Original balance of each account
- Amount of payment disbursed to each creditor
- Total payment made over the life of the plan
- Current estimated balance of each account
- (\*)Indicates creditors on which our computer system calculates interest charges (see below)

Keep in mind that the balances shown on your CCCS statement are **only estimates** and may vary from the balances on your creditor statements. When you entered

our DMP, you submitted to your counselor the balance due to each creditor. This established the beginning or original balance of your plan. Since some creditors continue to add finance charges while their customers are paying through CCCS, balances for these creditors may be larger than what is shown on your CCCS statement. If CCCS knows the annual percentage rate the creditor is charging, we will apply that rate to your estimated balance and indicate it with an asterisk to the right of the estimated balance. In cases where creditors do not waive fees, CCCS may enter a typical interest rate which may vary somewhat from the actual rate. Remember, creditors may be charging interest and fees even if there is no asterisk to the right of the balance indicated on the statement. If there are major differences between the balance on your creditor statements and what we display, or if you have any questions concerning your CCCS statement, please contact our Client Services Department.

If you are not participating in Auto-deposit, mail the top portion of your statement with your deposit in the return envelope provided. Be sure our address is visible through the window of the return envelope.

## Will I receive statements from my creditors?

Unless a creditor has written off your account, usually you will continue to receive monthly statements. When you receive your monthly statement from CCCS, please compare it to the monthly statements from your creditors. It is essential to monitor your creditor statements monthly to ensure interest and late fee concessions are obtained, balances are within \$50 of those reflected on your CCCS statement, and payments are posted correctly. We suggest you send a copy of each of these monthly

800-251-CCCS

[www.cccsatl.org](http://www.cccsatl.org)





# Mind

statements every six months to our Client Services Department. The balance on your CCCS statement can then be updated to include any finance charges or late fees added by your creditors. In addition, please advise Client Services immediately if any of your creditors' and CCCS statements differ by more than \$50. CCCS attempts to verify balances only as an account is nearing payoff.

## What deposit options are available?

Auto-deposit is by far the easiest, most reliable method of making deposits to CCCS. You are eligible to participate in Auto-deposit if you have a bank or credit union account. This electronic deposit system automatically deducts your monthly CCCS deposit directly from your account. Contact Client Services if you are interested in this deposit option. Other deposit options include:

- Payroll deduction in cooperation with your employer (forms available from Client Services)
- Cashier's check (with client number)
- Certified check (with client number)
- Money order (with client number)

## CCCS Cannot Accept Personal Checks.

We accept only electronic deposits, money orders, cashier's checks or certified checks. Your name and client number must be written clearly on the money order, cashier's check or certified check as identification of your deposit. If you are not using the Auto-deposit system, enclose the top portion of the statement with your deposit and be sure that our address is visible through the CCCS window envelope.

## When is my deposit due?

Auto-deposit is the easiest system to elect for timely deposits to CCCS. You will work with your counselor to choose your due date. Your funds will be disbursed approximately one week after your account has been debited. Funds pulled on the 24th are sent to your creditors during the first week of the following month. However, should you decide to mail your deposit, all deposits must be received in our office by the due date shown on your statement. Always mail your deposit in the envelope provided by CCCS.

## Can I increase my monthly deposit to CCCS?

Definitely! Remember, your objective is to get out of debt as soon as possible. Any time you have the good fortune of having extra money for CCCS to send to your creditors, you should do so. Extra funds will be distributed equitably to your creditors. This should reduce the amount of time estimated for the completion of your Debt Management Plan.

## What happens if I receive a large sum of money and want to pay off my account early?

When circumstances allow for an early payoff, contact your creditors for an estimate of the final payment amount. Then contact Client Services to update balances to ensure funds are disbursed properly. Please make these final payments through CCCS. We have a program to help DMP graduates re-establish their credit. If you normally make your monthly deposits to CCCS using Auto-deposit, and your payoff is larger than your regular deposit amount, we require that you make your final payoff deposit with a money order, cashier's check, or certified check. Contact Client Services for instructions on stopping your Auto-deposit if you are paying off your accounts in full.

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“After a year on the DMP, we attended a home buying fair sponsored by CCCS with the hope that someday we would be able to get back into a house—which we did!”



# Freedom

## What if my deposit is late?

You can eliminate late deposits by enrolling in Auto-deposit. Late deposits will be disbursed during the next possible disbursement. If you miss a deposit, you can expect a call from your creditors wanting to know what happened, as well as additional interest, finance charges or late fees on your creditor statements. A representative from our Client Retention Department may also contact you to offer support and assistance.

## What if I miss a deposit?

If you miss two consecutive deposits or three deposits within a six month period, CCCS will consider your file inactive and may drop you from the DMP. We advise all creditors on your plan when you have been dropped from the plan. In addition, creditors may resume charging finance charges or late fees and may report this delinquency to credit reporting agencies. If you are having a problem making a deposit, please call our Client Services Department immediately. By keeping us informed, we are better able to work with your creditors to ensure the success of your DMP. Every effort must be made to keep your agreement to make your full deposit on time each month.

## What if I lose my job?

If circumstances make it necessary to miss two consecutive deposits, it may be necessary to close your DMP. Please contact us so that we can discuss the possibility of a review appointment to assist you until you have income again.



“My CCCS counselor really showed me how to stretch a dollar. It was a good feeling when I realized that there was a light at the end of the tunnel.”

## Can my creditors take legal action against me while I'm enrolled in the DMP?

Most creditors prefer to receive payments through CCCS rather than go to court. Many stop legal action or hold judgments in suspension if they are receiving regular payments through CCCS. However, some creditors may elect to take legal action. If you receive a summons to court, follow all instructions of the court or your attorney. Contact CCCS immediately so we can assist you in determining if you need a follow-up appointment scheduled with your counselor. You may wish to provide the judge or mediator with a copy of your CCCS paperwork as evidence of your good faith effort to repay your debt. Please remember that CCCS does not provide legal advice and that you are responsible for engaging personal legal services if needed.

## Will creditors help me re-establish credit?

There is an increasing number of creditors who will consider granting credit to CCCS graduates who have successfully completed their Debt Management Plans. Upon satisfactory completion of your plan you may request the names of creditors who may be willing to re-establish your credit.

## Can CCCS fix my credit report or clean it up?

No. If negative comments on your credit report are correct, they can remain in your file for up to seven years from the date of the last activity, except for bankruptcy, which can remain for up to 10 years. Avoid organizations offering “credit repair.”

Upon completion of the DMP, we suggest that you obtain a copy of your credit report to make sure it is accurate. As of this printing, Georgia residents may do so at no charge. For your convenience, CCCS has credit report request forms available at all branch offices, or by calling Customer Service.

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If you believe there are errors in your credit report, notify the credit bureau in writing. The bureau will follow up your request with the creditor. If the creditor agrees with your assessment, your report will be changed.

## Will my credit rating be protected by using CCCS?

CCCS does not report your participation in the Debt Management Plan to credit bureaus. However, each creditor deals with CCCS clients in a different way. Some creditors may report that your account is included on a DMP. Creditors may report your account as current when they receive our proposal, while some wait until they have received three consecutive payments through CCCS.

Other creditors will consider your account delinquent and will continue to report these delinquencies even though you are working with CCCS. They will accept the payment and stop calling you, but they may still report negative information to credit bureaus. It is up to the individual creditor to make changes in the "History of Payment" column on your credit report. CCCS cannot remove information from your credit report but we can assist you in contacting your creditors for a review of your account.

Some of your accounts may be charged to profit and loss by your creditors during the course of your plan. This will depend on the condition of the account when you entered the plan, the size of monthly payment to each creditor, the creditor's general policy and other factors. Your DMP does not replace your contractual legal obligations to your creditors.

## What if I have to borrow money while on my DMP?

The agreement you signed at the beginning of your DMP requests that you not seek any additional credit while you are a CCCS client. Should an emergency arise, please call us before you apply for any additional credit. Although CCCS cannot serve as a credit reference for you, we can provide you with a letter attesting to your payment record with us. Please allow five to seven days for processing this request.

## What if I want to withdraw from the Debt Management Plan?

Your DMP is a voluntary plan on your part, our part and your creditors' part. If you choose to withdraw, please notify CCCS in writing and we will send you a reply confirming your withdrawal. We will notify your creditors that you have withdrawn from the DMP; however, you are responsible for making new payment arrangements.

## How is CCCS funded?

Most of our funding comes from voluntary contributions from creditors who participate in Debt Management Plans. Since creditors have a financial interest in getting paid, most are willing to make a contribution to help fund our agency. These contributions are usually calculated as a percentage of the payments you make through the DMP—up to 15 percent of each payment received. However, your accounts with your creditors will always be credited with 100 percent of the amount you pay through CCCS and we will work with all creditors regardless of whether they contribute to our agency.

There is no charge for budget counseling. If you enroll in a DMP you will be asked to help offset a portion of the cost of servicing your account. The amount is dictated by state regulations and is based on your state of residence.

“Our lives changed immediately after coming to CCCS. The phone calls and letters from creditors stopped. As graduates of the plan, we can offer hope to others: ‘Don’t give up!’”



# Bill of Rights

Thank you for taking time to read this reference guide. Please refer to it throughout your Debt Management Plan. Remember that our Client Services representatives are available to help you. We look forward to working with you. **Good luck!**

## Client Bill of Rights

We at CCCS pledge to uphold the promises in the following Client Bill of Rights, to ensure that you, our clients, receive the services that you deserve.

As our clients, you have the right to:

- Confidential, knowledgeable and courteous service at all times
- Prompt and accurate information about our services
- Non-judgmental counseling by trained counselors
- A written statement of counselor recommendations
- Accurate, timely responses to questions and requests
- Monthly statements of the funds we receive from you and pay to your creditor
- Timely correction of any errors or mistakes made by CCCS or any of its agents
- Discontinue your relationship with CCCS at any time, for any reason

If you feel we have not upheld every promise as stated above, please direct your concerns to:

Suzanne Boas, President  
Consumer Credit Counseling Service  
100 Edgewood Avenue  
Suite 1800  
Atlanta, GA 30303-3026



Freedom

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Consumer Credit   
Counseling Service 

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