

CAUTION!

> Click for Info



> Get a Free Quote



> Payoff Calculator

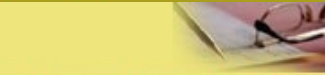


About

> What about.com says about us!



> How consolidation affects credit



> How your payment is calculated



Caution! There are sharks in the water!

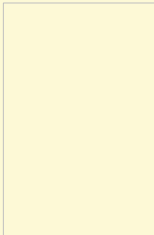
The tremendous demand for debt consolidation services today has created a national opportunity for unscrupulous telemarketers. They are exploiting consumer debt problems to their advantage and damaging many people's credit in the process. It is extremely important that you understand the different types of debt consolidation services available today.

Common Warning Signs, Avoid Firms That...

- Require payment by money order or cashiers check.
- Require account numbers before providing you with a quote.
- Offer many services like debt negotiation, IRS Help, credit repair and seem to be jack of all trades firms. Debt Consolidation is a **specialized, labor intensive process when done properly**. Firms that have branched out into all of these related services are most likely having trouble internally.
- Refuse to send you a client agreement regular mail and require fax only.
- Have you hold or call back to see if you are "approved". There are no approval requirements for debt consolidation other than determining whether the creditors that you have will be ones that will offer better terms, and whether you can afford the required payment.
- Use "servicing associates" these firms advertise on the internet and elsewhere and are just marketing or lead generation firms, **they sell your name** to other companies.
- Advise you to include accounts that **already have low rates** - see chart on payoff calculator.
- Advise you to include Student Loans in your consolidation. Student Loans already have low rates, usually 7.75% to 8.25% and do not offer more favorable rates for debt consolidation plans. If you need help with student loans click here.
- Advise you to include credit union accounts with rates that are already low.
- Advise you to include the IRS. IRS debt **must be handled separately** from the rest of the accounts in the consolidation. Accelerated Debt Consolidation, Inc. can advise you on how to handle your IRS problem through the proper source.
- Quote a set interest rate like "between 0% and 10%" instead of quoting each creditors rate individually.
- Quote payoff times of "4 years" or "53 months" instead of giving you the individual payoff time for each creditor. When you have 7 creditors with 7 different balances and 7 different interest rates an answer like "4 years" or "53 months" is obviously coming from a

Important Considerations...

- How Accounts Are Closed
- Meeting Creditors Required Minimum
- Which Creditors Are Included
- Timing And Follow Up On Proposals
- Proper Preparation Before Consolidation
- A Plan That Avoids Credit Damage



telemarketers sales script not a Debt Management Professional. See the Payoff Calculator.

- Advertise "lower your monthly payment by 30 to 50%". There are no banks that still accept lower payments through credit counseling. Until November of 2003 Bank One/First USA was one that would accept 1% of the balance, they no longer accept 1%. Bank of America stopped accepting the 1% payment on March 25th 2004. These were the last 2 banks that accepted a lower payment.
- Offer "Cash Back Awards".
- Quote an **unusually low monthly payment** especially if you have gotten higher quotes from other companies and have substantial balances totaling \$30,000 or more.
- Debt Arbitration Or Debt Negotiation Services - This Is An Entirely Different Service Than Debt Consolidation. These firms negotiate with creditors to reduce the total amount that you owe. This is **never** a viable alternative for consumers that wish to maintain their credit. What most debt negotiators don't tell you is that when they negotiate a reduced payoff amount, it is reported as a paid charge off or R-9 on your credit report and you will **pay income taxes** on the amount that the creditors let you off the hook on. In other words if a creditor settles a \$10,000 debt for \$5000, the \$5000 is reported as income and you will be taxed on it. In addition, the account/accounts will be R-9 charge offs on your credit report. Debt Negotiation is never for consumers who are current on their accounts and want to maintain their credit. Click here for more info.

Let's take a look at the original non-profit credit counseling services. These companies specialize in handling accounts for consumers that are **severely delinquent** and they require consumers to include all of their accounts in the consolidation. There are several large, legitimate, nationally accredited, non-profit credit counseling firms. These firms will only accept you as a client if you are **already behind on your bills**.

It is also important to be aware that many very large non-profit firms **that are not legitimate** exist. Many of these firms advertise nationally on television and the internet. They use their 501-C3 non-profit status to lead consumers to believe that they are some kind of public service. It is these so called "non-profit" firms that should be avoided. Many consumers and even credit advisors make the mistake of assuming that a non-profit firm is automatically legitimate, **nothing could be further from the truth**. Some of the largest perpetrators of consumer fraud are non-profit 501-C3 companies. The "non-profit" feature of credit counseling firms was originally established because the creditors could write off the "fair share" distributions to these companies as a contribution. This is not to say that all non-profit firms are bad, however whether a firm is non-profit or not is by no means a way of determining if they are legitimate.

Our firm also owns and operates a 501-C3 non-profit corporation called Accelerated Trust, Inc. that we must have in order to submit proposals and payments to those creditors that will only deal with non-profit credit counselors.

The major creditors have pre-determined interest rate reductions and established minimum percentages of the balances that you owe. These are the same for all debt consolidation plans. In other words, one debt consolidation company can't get you a lower rate or payment than another company. Minimum payment requirements and interest reductions **are the same for all debt management plans**.

An example would be, if you owed Chase Manhattan Bank \$10,000. They want 2% of the balance or $\$10,000 \times .02 = \200 . They would reduce your rate to 7% and would in effect be converting a revolving account to an installment account, giving you a chance to pay it off in approximately 4 years. These are the terms that you would get from Chase **no matter which firm handled your debt consolidation**.

Now let's take a look at how **Accelerated Debt Consolidation, Inc.** operates. We help clients that are behind on their accounts and get them current without having to make back payments. We can get the late and over-limit fees stopped. Our main specialty is helping clients that are current on their accounts and need reduced rates while minimizing any damage to their credit. At Accelerated Debt Consolidation, Inc. we can consolidate your high interest, high balance accounts while allowing you to keep some of your credit cards for essentials like business, travel or emergencies. We service clients on a national level and can provide you with excellent references verifying our high quality service and customer satisfaction. Make the wise choice and submit our **Free Quote** form or just call us at toll free at **800-810-5250** between the hours of 9:00 AM and 5:30 PM Eastern Time Monday through Friday and we will be happy to assist you.