



Lutheran Social Service
for changing lives

For appointments call 888-577-2227
www.lssmn.org/debt

Dealing With Creditors - The "Do's & Don'ts"

- ◆ **DO let creditors know your circumstances**
It really does make a difference.
- ◆ **DO get special arrangements in writing, if possible**
This could protect you later on.
- ◆ **DO keep records of your creditor contacts**
Letters, notices, cancelled checks, carbons of money orders and receipts. Keep a phone log including the date and time of call, name of caller and what was said.
- ◆ **DO open your mail**
Creditors may be telling you something new and important about the status of your account.
- ◆ **DO ask creditors if they are willing to waive or reduce interest or fees**
You don't know until you ask!
- ◆ **DO be aware of the repercussions when settling a debt for less than is owed**
The balance may be listed on your credit record as a "bad debt" and may also be considered as income for tax purposes
- ◆ **DO be aware of your rights in debt collection**
Refer to the Fair Debt Collection Practices Act. Ask for a brochure from the Federal Trade Commission or your financial counselor.
- ◆ **DON'T make promises you can't keep**
If you promise a payment, be sure to send the promised amount on the promised date! Contact your creditor if you are unable to pay as promised.
- ◆ **DON'T ignore a summons or notice of intent to garnish.**
There will be consequences, and you may still be able to negotiate a payment arrangement with the creditor.
- ◆ **DON'T send payments without an appropriate account number**
- ◆ **DON'T send post-dated checks**



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