

Discover How You Can –

**STOP Collection Calls
END Creditor Harassment
END Bill Collector Harassment
AND
Successfully Deal With Bill Collectors**

ALL On Your Own Terms, TODAY!

**27 Powerful Tips And Strategies
To STOP Bill Collector Harassment
And Deal With Your Debt!**

By: Al Schweitzer

27 Powerful Tips And Strategies To STOP Bill Collector Harassment And Deal With Your Debt!

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PREFACE

Hello Friends:

My name is Al Schweitzer. I am the owner of National Debt Inc., and author of the "[27 Powerful Tips And Strategies](#)" E-book written to help consumers deal with their creditors, bill collectors and debts on their own terms. Over the years I have helped hundreds of consumers who were being harassed, threatened and down right taken advantage of by the credit and collection industry through a process called Debt Negotiation.

I wrote the "[27 Powerful Tips And Strategies](#)" E-book to give you some useful inside information that may help put you back in the driver's seat when trying to deal with your debts.

I strongly believe in the statement "Knowledge Is Power". With the proper knowledge about the inner workings of the credit and collection industry, you will be better prepared in dealing with your debts and putting an end to creditor and bill collector harassment. Some of the tips and strategies may apply to you, while others may not. While it is my intention that all are helpful to you or your friends, family member or business associates, I cannot guarantee your results.

With this in mind, I have created a "[Powerful Do-It-Yourself Debt Elimination Program](#)" that you review at <http://www.discounteddebt.com>. This program will provide you with the necessary inside knowledge, strategies and tools to help you become debt free while saving thousands off your debts.

If you have any questions about this program or the following "[27 Powerful Tips And Strategies](#)" E-book, please contact me at 813-891-1005.

Enjoy the tips and put them to good use!

Al Schweitzer

1 of 27 Tips And Strategies In Dealing With Creditors/Collectors And Debt!

“Bill Collector Warning” You Have A RIGHT To Remain Silent!

If you are trying to deal with bill collectors on your own, you may have heard the following statement - ***“This is an ATTEMPT, to collect a debt and any information obtained will be used for that purpose!”***

Translation:

What the bill collector is really saying is - ***“Tell me as much information about you and your situation as possible to help ME collect the debt YOU owe”.***

Protect Yourself

You should not give the bill collector any information about your situation or your finances. Remain silent, as anything you say *can and will be used against you* by a bill collector. You see, they are giving you a warning and all too often consumers think they have to divulge everything to harassing bill collectors.

YOU DON'T!

This statement is what is known as a **“Mini-Miranda of Your Rights”**. This is similar to a police officer reading someone his or her rights. You have a right to remain silent because chances are the information that you give a debt collector **CAN & WILL BE USED AGAINST YOU**. So don't give them any information to help them collect the debt you may owe to them. Don't give them your home number, address, work information, family contacts, etc. This is one sure fire way to reduce and eliminate your receiving calls at home, at work and possibly prevent your family and friends from being contacted by debt collectors.

In working with debt collectors you should only **VERIFY what information they have on file for you**. If they don't have information on file, then don't give it to them. It's as simple as that!

Bill collectors will say and do whatever they feel necessary to help them collect on a debt. They will say things like "they can't work with you until they have updated or current information", or "if you don't provide them with your information they will have to note your file as a refusal to pay", or even that they will "sue you if you don't provide information". These are most likely threats to try to convince and manipulate you into giving up your private and confidential information. **In many cases, this is simply another collection tactic**, one of many that a debt collector will try to use against you.

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“You Have Rights” “Know Your Rights”

Although your creditors and bill collectors may try to convince you otherwise, **you do have rights and you are protected by Federal Laws** known as ***FDCPA - Fair Debt Collection Practice Act*** laws.

These are the rules, regulations and laws that third party collection agencies, debt purchasers, and collection attorneys adhere to. Many credit card companies now abide by the same laws. Some of the rules covered under this law are:

Collectors cannot swear or be demeaning in any way
Collectors cannot harass a consumer
Collectors cannot call before 8:00 A.M. or after 9:00 P.M
Collectors cannot call you at work if they know your employer bans such calls
Collectors cannot mention lawsuits, garnishments, levies etc. without prior consent from their client, and can only do so if their intention is to pursue further action.

These laws help protect you from obscene, profane or abusive phone calls and also provide protection from unscrupulous collection activity. Our "[Powerful Do-It-Yourself Debt Elimination Program](#)" provides additional information on these rules and regulations, available at <http://www.discounteddebt.com>

If you feel that your rights have been violated, you have the right to sue the collector and their employer, up to \$1,000 per violation. Keep in mind however it's your word against theirs, so keep documentation of your correspondence and communication with bill collectors to prove your case. Formal complaints can be filed with the Attorney General in your state or with the Federal Trade Commission. Suing a collection agency can be handled by yourself or with the help of a reputable attorney or law firm.

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“Creditor Options” Discover What Happens to Your Debts

Do you ever wonder what happens to a debt once it leaves the original creditor? There is usually three options that creditors utilize in collecting a debt –

1. **Retaining a Collection Agency**
2. **Retaining a Collection Attorney**
3. **Selling your Account**

Using a Collection Agency - In many cases a collection agency has been retained on a commission based structure to collect on hundreds of delinquent/defaulted debts. In many cases a collection agency will receives 25-50% of what they recover, on a contingency basis. This will vary from agency to agency.

Using a Collection Attorney - A collection attorney is no different than a third party collection agency and is guided by many of the same rules and regulations under the FDCPA. Collection attorneys may pursue legal action against you. Don't be intimidated if your account ends up with an attorney. They may still work with you to negotiate a settlement or a payment arrangement.

Selling your debt to a Debt Purchaser - Many creditors are packaging up thousands of accounts and millions of dollars in debt and selling these debts to the highest bidder. Many times, a debt purchaser may try to collect on the debt themselves, or they may choose to hire a third party collection agency or attorney. When someone purchases a debt, they then become the owner/new creditor and may be required to adhere to the same collection laws under the FDCPA as a third party collection agency would. Debt purchasers buy debt for pennies on the dollar. Knowing this may help you, if you decide to negotiate your own debts. **EXAMPLE:** A debt purchaser may be able to purchase a \$10,000 debt for \$1,000 because they bought a portfolio of over a million dollars of debt. Therefore, they bought your debt for ten cents on the dollar. If they collect the full \$10,000, they will have profited \$9,000.00.

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"YES! You Have Options"

Don't believe bill collectors when they tell you that your **ONLY** option is to "pay your balance in full". That statement is not always the truth and, yes, you have options.

Consumers ALWAYS have options in dealing with their debt, such as:
Continue paying the same monthly payments and interest rates as you are today
Consider Consumer Credit Counseling
Consider filing bankruptcy
Consider not paying your debts
Consider Debt Negotiation

Consumers always have options of resolving their debt, options, such as:
You can **continue making the same monthly payments** and paying the same interest rates as you are today. If this is the direction you want to go, then we suggest purchasing our "**Powerful Do-It-Yourself Debt Negotiation Program**" that will show you how to negotiate your interest rates and monthly payments on your credit cards.

Consumer Credit Counseling is an organization that promises to reduce your monthly payments by reducing your interest rates on your debts. Consumers usually make one monthly payment to this organization, and they in turn prorate these payments and disperse them to your creditors. There are pros and cons to using Credit Counseling, and you should research such companies before securing their services.

There are various types of **bankruptcy** - Chapter 7, Chapter 13 and Chapter 11. Bankruptcy laws vary from state to state, and if this is an option you are looking into you should seek the advice of a reputable bankruptcy attorney in your state. In our personal opinion there are better alternatives to filing bankruptcy as we will show you.

You can **do nothing**. A consumer always has a right to decide not to pay their debts. Of course this isn't always the best option. When you obtained a credit card or line of credit you agreed to an enforceable legal binding contract to repay that debt. Missing or deciding not to pay on their debts may place your debt placed with an outside collection agency, attorney, or debt purchaser. In some cases, a consumer may be "judgment proof" (meaning they have no assets or income that creditors can take). If a consumer's credit reputation is un-important, then they may make a voluntary decision to stop paying on their debts and walk away. In some cases there may not be much the creditors can do.

Negotiate your debts. If you owe money on unsecured, delinquent debts, you may be able to "settle" on these debts with various creditors. Debt Negotiation is the process of negotiating a reduced pay-off with one's creditors or collection agencies. This is done in an attempt to become debt free, while saving as much money off of one's unsecured delinquent debts as possible. Debt negotiation involves knowing what to say, when to say it, how to say it, and who to say it to. **Successful debt negotiations may take years of inside knowledge and experience to maximize results and savings. However, with the right tools and knowledge anyone can negotiate their own debts.** If you want to know how to successfully negotiate and save thousands off your debts, check out our "**Powerful Do-It-Yourself Debt Elimination Program**" at <http://www.discounteddebt.com>

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“The Worse Case Scenario” Discover What Can REALLY Happen

Okay, so here's the deal. If you REALLY want to know what can happen by not paying your bills then read on.

This section is to inform you so you can deal with your debts better and not live in fear of the unknown. The unknown in this case is not knowing **“what creditors CAN and CANNOT do”!**

When a consumer initiates any type of line of credit, they sign a **“Legal Binding Contract”**. In that contract, creditors always maintain the right to pursue legal action against uncooperative consumers.

In a majority of cases, **“Most Creditors Will Try Numerous Collection Efforts”** to try to collect money you owe before pursuing legal. Many times, it just doesn't make sense for a creditor to sue as lawsuits are time consuming and costly. If the is small or a consumer doesn't have any assets, chances are a creditor will not pursue this direction. Creditors generally only sue as a last resort and usually sue consumers that are **“dodging them”** and not trying to work with them on any level.

In the event that you do receive a court summons, then you should immediately deal with your debts through a payment arrangement or by negotiating a settlement. If you are not able to do this, appear in court with full documentation of how you have made numerous **voluntary attempts to resolve your debt** with the creditor or agency in the past. This will increase the chances that a judge will require the creditor to work out an arrangement with you. So, don't be uncooperative, try to **“resolve your debts on a voluntary basis”**. Should your debt issues ever end up in court, hopefully you've made numerous voluntary attempts to resolve your debt as well as kept full documentation of any/all communication with bill collectors.

If you receive a summons and you **DO NOT** appear in court, the judge may order a **DEFAULT JUDGMENT** against you. Once a judgment is placed against you, a creditor may be able to:

Place **a lien** on your property, such as your house

Levy* your checking account (a levy is freezing any funds you have in your checking account up to the amount of the judgment you owe)

Garnish your wages - the amount of garnishment varies from state to state. In many states a consumer cannot be garnished if they are self-employed, work part time, or have received any type of government assistance in the past 6-12 months.

These are merely options that creditors have, and it does not mean they will execute these options. The best solution to prevent the above is to try to work out a payment arrangement or reduced pay-off with your creditors.

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“Don’t Be Afraid of Bill Collectors”

Never, and I repeat, never, be afraid of bill collectors. They are money motivated, and this is why they will say and do anything to try to convince and manipulate you into paying your debt, even if you don’t have the money or can’t afford to.

Bill collectors make money from your fear. The more you fear them, the more money they will try to collect from you. Remember, though, they can’t reach through the phone and pull money out of your wallet and **bill collectors can’t squeeze blood out of a turnip**. They will try, but unless you give in to their **scare tactics, chances are they won’t be successful**.

The only thing a collector can do is use their collection tactics to try to either work with you or scare you into paying your bill.

They aren’t men in black suits that will come and take you away

They aren’t the local mob that will break your arm if you don’t pay

They may be an hourly paid employee sitting behind a desk to try to intimidate or scare you, though. Collectors may make statements such as - **“If you don’t pay your bill, your account will be sent out for collections”**, or **“If this matter is not immediately taken care of our collection efforts may escalate”**.

Keep this in mind -- a majority of bill collectors are making their money by paid commissions. The more money they collect, the more money they make! Of course they are going to say anything and everything possible to try to convince you into paying your debt.

Even if what they are saying is illegal....

Once again, **don’t be afraid of bill collectors**. Their intimidation method is simply leverage they will try to use against you.

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“Maintaining Control of Bill Collector Calls”

Are you **sick and tired of collection calls** at all hours of the day, at home, at work, on your cell phone? Tired of bill collectors trying to control the call and saying things that you feel are **harassing, demeaning or that may be illegal?**

One Statement can help you **keep control of collection calls**. This truly is a powerful statement that will keep collectors in check prevent them from saying or doing anything that may be illegal or in violation of your rights.

THE STATEMENT

“I am putting you on notice that I may record this or any future calls with your organization.”

By making this statement, it does not mean that you have to record the call. You are just simply making this statement to keep bill collectors in line so they do not harassing you, try to scare you or say something that may be illegal or against your rights. Of course the bill collector you make this statement to may ask if you are recording the call. If so, simply restate the above statement. The bill collector will either behave accordingly or immediately hang up.

If you do want to record your call, there are a lot of great recording programs and devices that you can hook up to your phone or computer to record calls. This is probably **the easiest way to keep bill collectors from harassing you**. Recording laws may vary from state to state. In most states, if you advise someone that you are **recording a call or maintain the right to record calls**, you have legally covered yourself to do so.

One of the main reasons bill collectors harass, threaten, and belittle individuals is because they feel they can get away with doing so. Most consumers do not record calls, or have the means to do so. With technology now a day, it is very easy for a consumer to purchase a recording device or software that hooks right up to your telephone or computer. If you feel that bill collectors are saying or doing something they shouldn't be, then you may want to look into recording calls.

You have legal rights under the FDCPA” (Fair Debt Collection Practice Act) to do so. You can also sue a bill collector for violating your rights under this Act. Once again, by warning a collector you are going to record your calls, you should notice an immediate change in attitude towards you. The collector may even hang up at that point. Just because you state **“I am putting you on notice that I may record this or any future calls with your organization”**, helps you in dealing with bill collectors are your own terms. That conversation may even be noted in their system putting other collectors from their company on guard.

*This is only one of the many **“Inside Secrets And Strategies”** that you will find in our **“Powerful Do-It-Yourself Debt Elimination Program”** available at <http://www.discounteddebt.com>

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“STOP Collection Calls” Putting An End To The Calls!

Everyday consumers ask us “How do I “STOP” the collection calls?” This is probably one of the easiest questions we can answer!

Very simply, create a “**Cease And Desist**” notice for all your bills. A Cease And Desist notice is a simple one-page letter sent to your creditors, collection agencies, debt purchasers, or attorneys notifying them that you want any and all telephone communication to cease and desist.

In layman’s terms, you want the calls to END!!

Please be advised that you should not cease and desist ALL communications. You will still want to receive correspondence via mail or facsimile. If you cease and desist all communication, your creditors may feel their only option to recover their monies would be to take legal action against you.

Also, be advised that your “**Cease And Desist**” notice will only apply to the agency you send it to. Your account can be placed with another agency, and they will have the right to contact you until they receive a “**Cease And Desist**” notice from you.

Once you send a bill collector or collection agency a “**Cease And Desist**” notice, they are allowed, under the FDCPA, to contact you one final time to advise you of their intentions. After that, it may be illegal for them to contact you. If they do call you after you have sent them a “**Cease And Desist**” notice and they have made their final call to you, you may be able take legal action against the bill collector and/or their employer.

Remember, you should always send your “**Cease And Desist**” notice via certified/return mail requested. This will help you prove that the bill collector or collection agency received your notice.

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“Document Everything” Keeping Records Can Help Protect You

In trying to deal with your debts, it is a great idea to keep thorough notes and documentation of everything that transpires, from when bill collectors call to what was said, letters you receive etc. **Keep full documentation of everything.**

This is vitally important. Document everything that transpires when trying to deal with your debt.

- Document every call
- Date and time of the call
- Who you spoke with
- The company's name
- What was said
- How did the conversation go? (were they rude, polite, etc., were they threatening or harassing?)

Collectors are required by law (FDCPA) to provide you with the following information upon your request:

- Company's full name
- Collector's name
- Collector's contact information
- Collector License number (if applicable)
- Managers name and contact information

If they do not provide you with this information, document the conversation clearly. This may be considered a violation of your rights under the FDCPA, and may be grounds to take action against the bill collector and their employer.

Document everything, clearly and in full detail. It's easier to do this as soon as you get off the phone with a bill collector as the information will still be fresh in your mind.

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“Voluntary Resolution Statement”

If you have attempted to make payment arrangements with your creditors or bill collectors, you may have heard the following statements:

Your payment offer is unacceptable. We will have to note your file as a “Refusal to Pay”
If you don’t or can’t pay the balance in full, we’ll note your file as a “Refusal to Pay”

I’m sure you are wondering how trying to make an arrangement suddenly was turned and twisted around to a refusal to pay. This is merely another psychological tactic that bill collectors use to manipulate the collection system. Unless you straight out told the collector you refuse to pay the debt, don’t listen to the above statement(s).

In an earlier email we had suggested that you keep extensive notes on any/all conversations you have with bill collectors. If a collector says something similar to the above, it is definitely something you should make a note of.

Any offer that you make to a bill collector -- **whether it’s a couple dollars, a few hundred dollars or flat settlement amount— any offer is a VOLUNTARY ARRANGEMENT.** If the creditor cannot accept your offer at this point, it does not mean you have refused to pay. Clearly state this to any bill collectors you are negotiating with.

Example:

In any telephone communication you have with a bill collector, always advise them of the following:

“I’m trying to voluntarily resolve my debt with your office, and I am proposing an arrangement of \$_____ per month as a payment”

Writing Example:

Place the following statement at the end of your letter.

“This is my attempt to voluntarily resolve my outstanding debt with your office.”

By including this statement in your conversations and correspondence with bill collectors, it should reflect that you have ALWAYS attempted a **Voluntary Resolve of Your Debts.**

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“Verify Information”

Would you give a perfect stranger your home or work telephone number?
Would you give the same person your credit card number or your banking information?
Chances are, your answer is **NO** - at least I hope it is!

Strangely enough, that’s exactly what consumers do when a bill collector calls. They give them any type of information about themselves, their finances, their employment, etc. It’s like giving a **complete stranger** your personal and confidential information. And, you could be giving bill collector information that they may not already have. **You are HELPING the collector; they are not there to help you.** A collector only has one goal, and that is to:

“COLLECT AS MUCH MONEY AS POSSIBLE FROM YOU

They will use any and all information you give them to help their collection efforts. With this in mind you should **ALWAYS-ALWAYS** find out what information they have on file for you.

If they ask for a work number, advise them you will **VERIFY** what information they have. If they ask for a cell phone number, advise them you will **VERIFY** what information they have (chances are they won’t have a cell phone number for you, unless you put it on a recent credit application). If they ask for your employer’s name, advise them you will **VERIFY** what information they have. **VERIFY** all information the bill collector has, you don’t want to make their job any easier. Example - If a bill collector asks if you are at 123 No Where Street, and you are at 123 No Where Street, then you would verify yes. Also remember that you are trying to offer a voluntary resolve of your debt, so if they do not have your address, you may want to give it to them for mailing purposes. Don’t let bill collectors push you for information or tell you that it’s required to get any type of a payment arrangement. **Remember - The less information that bill collectors have or that you provide, the harder it will be for them to collect a debt. This will leave the ball in your court in your debt strategies.**

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“Change Your Outlook On Debt”

At one point or another, anyone and everyone who has ever dealt with debt has had a negative view of **being in debt** or of the fact that **they have debt**. For a majority of consumers, being in debt remains a constant negative in their mind. Debt causes stress, anxiety, pressure, and depression as well as numerous other problems.

Well here's a news flash. The entire country is in debt! Almost everyone has some type of debt or another! There is, however something you can do about it, right now and that's **“Change Your Outlook On Debt”**.

At some point, you may discover a new realization about what is actually **keeping you in debt It just may be how you feel about your debts.**

There is a principle, a concept, a universal law, known as The Law of Attraction, which, put simply, explains that

“You Attract What You Think About”

So, if you are always thinking about debt and being in debt, you will continue to be in debt. You will continue to see having debt as a problem, and you may become stressed and fearful. Whether it's credit card debt, car loan debt, student loan debt, or mortgage debt, you can change how you think about it. If you could switch your focus to **being out of debt**, how good would it feel to be:

- Free from debt
- Free of monthly credit card bills
- Free of high interest rates
- Free from bill collectors' calls

Eventually you will start to see things change. **DO NOT** focus on being in debt, but focus on how it would feel to be out of debt. **ALWAYS BE POSITIVE.**

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“Always Be Positive”

That’s right, one of the easiest and probably one of the hardest things to do when trying to deal with your debt is to be positive.

This is one of the most important things that will help you deal with your debts and become debt free. **Always maintain a positive attitude.** Sometimes this is easier said than done, but know that there is light at the end of the tunnel and you are already taking steps to becoming debt free. Even something as simple as reading these tips will help, so **congratulate yourself now and pat yourself on the back.**

By remaining positive at all times, it will be easier to help you get out of debt. All too often consumers become distraught and stressed by their debt and they sink into somewhat of a worried depression. Then matters seem to escalate, and they feel like the debt will never go away. This is because they didn’t have a positive view of their situation. Yes, you have debt, and yes you may be legally required or obligated to pay your debts. **DON’T** let it get you down. Remember the Law of Attraction - **YOU attract what YOU think about.**

If you are focusing on your debt as a problem, then it will remain a problem.

On the same note, if you focus on being out of debt, and what it would feel like to be out of debt, your journey becomes that much easier. Obviously having a positive attitude will help you achieve this.

If you are depressed and worried about your debt, you’ll have a tendency to lose focus on how you can deal with your debts and get out from under them. Believe that there are solutions and ways for you to become debt free. Rest assured we have helped hundreds of consumers just like you in the journey toward a **debt free future !**

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“Don't Be Ashamed”

All too often individuals feel ashamed for having debt or letting their debt accumulate to a massive amount. It doesn't matter if you are \$5.00 in debt or \$500,000 in debt, **don't be ashamed of your debt or your situation.**

Creditors continue to make money from people's problems. Sometimes it seems that creditors want consumers to have problems and fall behind so they can charge additional fees, penalties and continue to raise the interest rates. Credit companies make most of their money off of such fees, so indirectly you could say **creditors make money OFF of your problems.** Creditors are not on your side, and they are just as much at fault in a consumer's financial problems as the consumers are.

The important thing to remember is this. You may have fallen behind, you may have debt, but you are trying to find solutions to your debt and financial situation. You are taking some great strides in helping yourself get out of debt.

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“Don't Run From Your Debt”

There is no reason to run from your debt, as it will not make your debts go away. The only way to make your debts go away is if you **do something** to make them go away,

You need to approach them head on, and maintain control of your debts and the solutions to becoming debt free. Avoiding your debt may only make matters worse in the long run. Your creditors would rather try to work with you, although it may not seem so at first, than come after you.

Consumers are usually not sued if they deal with their debts head on and try working with their creditors and bill collectors. **It is when a consumer runs from their debt or avoids their debts completely that puts them in jeopardy of being sued.** This is when chances are high that you will have a judgment entered against you, a lien put against your home, your checking account levied, or your wages garnished. Chances are you can run but you cannot hide. Eventually your debts will come back to haunt you if you don't take care of them.

It's time to put on your armor and gather your tools and weapons in dealing with your creditors, bill collectors and your debt. Knowledge is your weapon in dealing with these entities, and if you have invested in our “Powerful Debt Elimination Program” at <http://www.discounteddebt.com> then you will have the necessary knowledge and tools to successfully deal with your debts.

"Don't Be Afraid of Credit Card Statements"

As silly as this may sound, a lot of consumers dread opening up their credit card statements. Maybe it's the fear of seeing the late payment notice, interest rates climbing, or the doubling of monthly payments. Let me share my thought on that. **The worse thing you can get from opening your credit card statement is a paper cut.**

Open these statements up right away! If you can't pay them, then call or write a letter explaining your situation. Many times your creditors will try to work with you. If you can't pay the bill, then you can't pay the bill, but don't let them pile up on your counter and continue to stress you out. You will get another one next month, and it will add to your anxiety surrounding your debt.

*By opening your credit statement you can document the necessary information (addresses, phone numbers, balance), pay the bill or work out a payment arrangement, **NEGOTIATE YOUR DEBT**, or whatever else you decide to do.*

Once you do this, you can throw it away, burn it, and shred it, whatever. Now it's done, and you can move on to the next step in dealing with your debt.

Don't Fear Statements!

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“Block Your Calls”

Many people have asked me, “Why should I block my calls”? The reasoning is simple – blocking your calls will help in protecting your privacy and your rights by not revealing your phone number.

Unless you want your phone to ring off the hook with collection calls, then you should **block your calls from the number you are calling out from**, especially if it is an unlisted or work number. In the age of technology, most people are able to block their calls, get their number unlisted, or block their number out on caller ID.

Everyday collection agencies are finding and developing new ways and new technologies to insure that they capture your telephone number(s). Any time you call a collection agency, whether from a private, unlisted, or blocked number, it is likely the collection agency will be able to capture your number and sometimes the address that is associated with that number.

Most collection agencies use what is called **trap lines**. When a consumer calls into one of their phone lines, that line will **trap your phone number**. Even if your number is blocked or unlisted, they can still trap your phone number. So, you definitely don't want to call them from work.

If you don't want your number to be discovered, here are some options:

1. Have a cell phone designated for making calls to bill collectors only
2. Find a local number for the creditor or collection agency and then block calls from that number
3. Use a calling card when calling a local number.
4. Call from a pay phone (if you still have one in your area)

These are all suggestions to help protect your privacy. Remember, you can always **Cease and Desist** them as mentioned earlier.

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“NEVER Give Out Your Banking Information”

This may seem like an obvious thing to do, but some individuals are easily manipulated or scared into giving their checking or banking information to a bill collector. I'm advising you right now, **this is a dangerous thing to do, and should never be done.**

There are other great alternatives in making payments to your creditors or to a bill collectors. **Would you give a perfect stranger access to your checking account?** If not, then you definitely don't want to give a bill collector access to it either.

IMAGINE THIS SCENARIO:

John Doe owed \$5,000 to ABC Collection Agency. He could not pay but he was able to set up a monthly payment over the phone. To do this, John gave out his checking account information.

John Doe lost his job and couldn't afford to make his agreed to monthly payments. A few months went by, and John Doe was sued. The collection agency placed a judgment against him for the balance due on his account.

Because, the collection agency already had John's banking information, they were also able to levy his checking account.

In a prior tip, we advised that you only **VERIFY** what information the creditor or collection agency had, and give limited additional information. Don't make the same mistake as John Doe. In fact, anytime you make a payment to a creditor or collection agency, you should use one of the following payment methods:

- Cashier's check
- Money Order
- Western Union-Quick Collect
- Money Gram

These types of payments are generally secure and immediately applied. They also help protect your banking information. Remember to always make copies of payments to your creditors or collection agencies.

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“Ask And You Will Receive”

All too often individuals are unsure of what to say or do in dealing with their creditors and bill collectors. This is why many will accept an immediate arrangement or terms the bill collector suggests, without thinking how it will affect them.

Chances are you will be able to get many things that work out in **your favor** by simply asking.

Don't assume that your creditor or collectors won't help you?
How do you know that they won't waive your late fee?
How do you know that they won't remove your negative credit reporting?
How do you know that they won't work with or negotiate with you?

The answer is always “no” until you ask!!

Many times consumers just sit back and let the creditors and collectors impose restrictions, fees, penalties, negative reporting to credit bureaus etc. upon them simply because they didn't ask for anything different!

[Ask-Ask-and Ask again. Ask every month if you have to, just continue to ask! You may be surprised at the outcome.](#)

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“Never take “NO” For An Answer”

Kids never seem to give up when asking for something. Eventually they end up getting it, because they are either persistent or have annoyed someone so much they give in.

Remember a majority of the time you are dealing with a commission based bill collector, whose one goal and objective is to collect as much money from you as possible. They may not be as willing to comply with your request if they cannot make as much by doing so.

Never take no for an answer. Ask to speak with a manager or an attorney. Speak with someone who has the client's best interest in mind. Speak to someone that will listen to your situation and try to work with you. Simply by speaking with someone else, you could get different results.

If they continue to say no at any given time, try waiting until the end of the month to pose your question. Different times of the day and different times of the month will net different results.

You may not be able to work out a payment arrangement with the original creditor, but you **may able to work out an arrangement with a collection agency working for the creditor**. So, where you might hear “no” one-day, you may hear “yes” the next day.

Be persistent and never take no for an answer.

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“Deal With Collection Managers”

We have found that dealing directly with managers or someone in a position of authority, is more willing to listen to your situation and any offers that you make than others. They have a tendency to be more professional and more receptive to resolve a debt. Also, they generally want to minimize any type of potential complaints.

We suggest trying to work with a collector at first, but if things are not going as you planned or the bill collector is being less than willing to work with you, [ask to speak to a manager](#). From that point forward only deal with a manager. If the manager is unwilling to work with you, then you may need to write a letter of complaint noting the bill collector and the manager's names and response. We even suggest sending this same letter to the original creditor to see if they will recall the account and work directly with you.

**Make sure you are dealing with a *real* manager by verifying their name with the receptionist or VP of the company.*

Be persistent and let them know that you want to [voluntarily resolve your debt](#) and that you need some help. In many cases a manager will be more apt to listen to you and try to work with you.

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“Get Everything In Writing”

I'm not trying to make you paranoid with this statement, but there are a lot of bill collectors in the world that will say or do almost anything to collect a buck or two.

Do not assume that a collector's word is gold. Remember, they are there to collect as much money as possible, and there are many deceptive collectors that will say one thing and will come back with another.

Creditors and collection agencies are not on your side.

If a collector agrees to lower interest rates GET IT IN WRITING!

If a collector agrees to lower payments GET IT IN WRITING!

If a collector agrees to a settlement GET IT IN WRITING!

I'm sure you get the point, so please, do yourself a favor, and get everything in writing. Have the bill collector you are working with fax, email, or send you the terms of your agreement via regular mail. Once you receive your arrangement in writing you should [review the agreement](#) to make sure that it clearly outlines the terms and conditions of the arrangement, such as the due date or payment amounts.

Do not make any payment until you have your arrangement in writing and send any / all payments via certified funds and express/priority mail. This will also help you should your account get recalled or placed with another collection agency while your arrangement is in effect. Your written agreement may still be honored or used in future negotiations **if you get it in writing.**

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“Be Patient, Nothing Happens Overnight”

You probably didn't get in debt overnight, **so you certainly won't get out of debt overnight.** With a little patience and persistence, you will achieve great results.

Payments and interest rates will increase as you neglect your debt. More money seems to be going out every month, then what is coming in. Dealing with debt can sometimes be a burden - trying to figure out how much to pay, who to pay, and how you are going to pay. It can be time consuming and stressful particularly if you are trying to deal with bill collectors over the telephone.

With a little knowledge and inside information, it becomes easier. But, you will still have to be patient and face your debt situation head on. When you start seeing results such as reduced interest rates, reduced payments, settled delinquent debts (saving you thousands), etc., you will soon discover that **your patience and persistency truly pays off.**

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"Know the Statute of Limitations For Your State"

Have you ever wondered how long a debt will remain active and on your credit report if you never made another payment on it?

The answer in most cases is seven years from the date of last payment. This is known as the **"Statute of Limitations"** and will vary from state to state. It can be very beneficial to you when attempting to deal with your delinquent debts.

There are actually several statutes of limitations varying from state to state, but the two important ones you should know about are the **Collection Statute of Limitations** and **Fair Credit Reporting Act (FCRA) Statute of Limitations**. The **Collection Statute of Limitations** seems to be more state specific, where as the **Fair Credit Reporting Act (FCRA) Statute of Limitations** seems to be more national.

The **Collection Statute of Limitations** gives a creditor or collection entity **a certain number of years from the date of last payment to try to collect on a debt**. As I mentioned before, every state will vary and you can check with your local state department for information

The **FCRA Statute of Limitations** gives a creditor or collection entity **a certain number of years that they can report your debt to the credit bureaus**. Once again this will generally be from the date of your last monetary payment. This is usually 7-10 years depending on the type of debt, creditor and state.

As mentioned before you can find this information by doing a Google search or checking with your local state or federal department. You may even want to visit the Federal Trade Commissions site at www.ftc.gov.

The statute of limitations as referenced above usually begins from the date of your **last monetary payment**. **In order for a payment to be considered a monetary payment, it must at least be "One Dollar"**. Paying a single dollar on a debt will keep it collectable. It will remain on your credit report for another seven years (state specific). Your creditors can still pursue collections on your account from the date of this payment.

You may be wondering what this means to you. Let's say you had an old debt that all of a sudden came back to haunt you. A bill collector gets you on the phone and advises you that he can work out a great arrangement for you, but he/she would need approximately \$25 dollars towards the debt (maybe even less). You're thinking "Great, I can afford \$25", so you provide the collector with a check over the telephone. After you get off the phone with the collector, you find out that the debt was almost seven years old and was about to be **cleared from your credit record and deemed uncollectible**. Now it's too late, you can't take back the \$25 payment and the debt can be collected on for years to come, as well as being reported to your credit bureaus.

Make sure that you periodically check your credit report. If there are items appearing on your credit that are more then seven years old, then write to the credit bureaus and make them aware that any information pertaining to that debt should be removed because it has been seven years since last payment.

***statutes noted above are for unsecured debts such as credit cards, personal loans, etc.**

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“Know What’s On Your Credit”

It is vitally important that you know what is on your credit report in regard to negatives and positives.

You can obtain a **FREE** copy of your credit report by going to www.annualcreditreport.com.

Knowing what’s on your credit report will help you in your negotiation efforts. It is also a good idea to be and aware of your credit status. Chances are that most of your creditors or the collection entities representing them will have a copy of your credit reports. They may even pull your credit report monthly to keep tabs on you. Many creditors and collection entities will use this information to help them in their collection or negotiation efforts with you. Bill collectors will question you about every account, every payment plan and question why you are making payments on other accounts and not your delinquent debts.

You should be prepared to provide them with some general information or reasons why you are paying some debts and not others. Whatever the answer – perhaps your girlfriend is paying the car payment, or maybe your son is making the credit card payment or a family member is making payments – be prepared to tell them something. **The best way to prepare is by knowing what’s on your credit.**

You can also use the negative information to your advantage. Let’s say you have \$50,000 in delinquent debt. **You should let the bill collector know this.** If you have judgments or liens, **let the bill collector know this.** If you’ve had a vehicle repossessed, **let the collector know this.**

When attempting to negotiate your debts or work out an arrangement, you want to paint the bleakest picture possible to the bill collectors trying to collect money from you. In essence, **DON’T SHOW THEM ANY MONEY!** In fact, when you are attempting to negotiate your debts or work out an arrangement, **never disclose your money source.** Always advise the collector that the money is coming from a third party such as a friend or family member.

If you don’t know what’s on your credit, pull all three copies today by going to www.annualcreditreport.com

Take time to familiarize yourself with each report and the information contained on these reports before starting negotiations with your creditors or bill collectors. It may make all the difference in your negotiations.

“Change Your Phone Number”

In an earlier tip, I had suggested sending a telephone cease and desist letter to your creditors and collection agencies. However, if your phone number is still floating around the credit and collection world and if your account ever gets placed with another collection entity, you may start to receive collection calls all over again.

A cease and desist letter will generally only apply to the collection entity that is handling your account at the time. It does not apply to a new collection agency if the creditor decides to place your debt with a new agency. The creditor may provide the new agency **with all your contact information and telephone numbers, so the calls begin all over again.**

The easiest way to prevent these new calls is to change your number. Now I know a lot of people think it is an inconvenience to get a new number and change their contact information with their friends, family and loved ones. It may be worth it in the long run if you are experiencing a lot of collection calls.

If you do get a new number, try not to use this number on any new credit applications. If you do, your new number may end up on your credit reports, which will, once again, give your creditors and collection entities your new number.

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“Never Disclose Money Source”

In a previous tip, I advised you to NEVER disclose your money source(s) to your creditors or bill collectors. By not disclosing your money source, it helps protect your

Collectors only have one goal and that is to **collect as much money from you as possible as quickly as possible!** If a collector cannot immediately collect money from you, their job is to try and get as much information from you as possible to help them collect the debt. If you mention anything about obtaining the money from a friend, family member, lending institution, etc. your creditors or bill collectors try to obtain that information. They want to verify that what you are saying is true. If the collector has this information, they may call your money source friend verify you are getting money from them. In fact, the bill collector may even try to coerce the individual to do a check over the telephone to take care of your debt.

YES, this happens all the time. Unless you want your friends, family or whomever you are borrowing money from to start receiving collection calls, **don't disclose your money source to your creditors or bill collectors.**

Always state that you are borrowing the money from an outside resource and leave it at that. The **keyword is borrowing.** By making this statement the collector may realize that you are only able to borrow a limited amount of money and they may be more open to negotiate a lower settlement (reduced pay-off) or arrangement.

Imagine that you are talking to a collector on the telephone and he is trying to collect a \$10,000 debt from you. During your discussion you advise the collector that your parents have helped you in the past and they may be willing to help you with this debt. The creditors starts asking you information about your parents, such as where do they live, what is their contact number? how have they helped you, etc. The collector is asking these questions as if he is having a conversation with you and trying to help you with your debts. Then before you know it, your parents are calling you and asking why they are getting collection calls for your debts!

This is a scenario that happens all the time. In many cases a bill collector cannot contact a third party about your debt **due to disclosure laws**, unless you give them permission to do so. You may end up giving the bill collector permission without even knowing it.

The collector may ask a question such as –

“Joe Consumer, if I need to get in touch with your parents to leave a message for you, would that be okay?”

“Joe Consumer, if I need to verify some information, can I contact your parents?”

Once you say yes, the bill collector will document your account, noting, “the debtor says okay to contact parents to verify they are borrowing money!” **A collector can contact a third party, if the consumer (debtor) gives verbal permission to do so and is documented by the collector as such.**

Always remember that bill collectors will turn what you say around to their advantage, **so watch what you say and NEVER disclose your money source or their contact information.**