

YOUR MONEY

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One of America's Oldest, most
trusted Consumer Credit
Counseling Agencies.

Accredited by BVQi as an
ISO 9001:2000 registered
organization.

A founding member of the
AICCCA
Association of Independent
Consumer Credit Counseling
Agencies.

A member of
AADMO
American Association of Debt
Management Organizations

Licensed by the Department of
Financial Institutions and fully
bonded

Member in Good Standing of the
Better Business Bureau



Tips for avoiding Credit Scams....

When your bills become unmanageable, it may seem like a reasonable solution to turn to a business that offers help in solving your debt problems. But be cautious. Before you do business with any company, check it out with your local consumer protection agency or the Better Business Bureau.

1. Be on the alert for advertisements that offer seemingly quick fixes.

While some ads promise debt relief, they rarely mention that this relief will come in the form of bankruptcy. Bankruptcy is one option to deal with financial problems, but it's generally considered the option of last resort. Why? Because it has a long-term negative impact on your creditworthiness. A bankruptcy stays on your credit report for 10 years, and can hinder your ability to get credit, a job, insurance, or even a place to live.

2. Be Wary of any company that doesn't tell you your legal rights and what you can do — for yourself — for free.

3. **Never** give your credit card account number, bank account information, Social Security number, or other personal information out to any company (either over the phone, through email, or on a form on a web site) unless you are familiar with the company and know why the information is necessary.

4. **Be Suspicious** of anyone who calls you on the phone and says they can guarantee you will get a loan if you pay in advance. Legitimate creditors never guarantee in advance that you'll get a loan. Under the federal Telemarketing Sales Rule, a seller or telemarketer who guarantees or represents a high likelihood of your getting a loan or some other extension of credit may not ask for or receive payment until you've received the loan. (However, it is an accepted and common practice for reputable lenders to require payment for a credit report or appraisal. You also may have to pay a processing or application fee.)

5. If you decide to respond to a credit repair offer, beware of companies that:

- want you to pay for credit repair services before any services are provided;
- recommend that you not contact a credit bureau directly;
- suggest that you try to invent a "new" credit report by applying for an Employer Identification Number to use instead of your Social Security number; or advise you to dispute all information in your credit report, or take any action that seems illegal, such as creating a new credit identity. If you follow illegal advice and commit fraud, you may be subject to prosecution. You could be charged and prosecuted for mail or wire fraud if you use the mail or telephone to apply for credit and provide false information. It's a federal crime to make false statements on a loan or credit application, to misrepresent your Social Security number, and to obtain an Employer Identification Number from the Internal Revenue Service under false pretenses.

6. By law, credit repair organizations must give you a copy of the "Consumer Credit File Rights Under State and Federal Law" before you sign a contract. They also must give you a written contract that spells out your rights and obligations. Read these documents before signing the contract.

7. Remember: Only time (seven years for most information, 10 years for bankruptcy information), a conscientious effort, and a plan for repaying your debt will improve your credit report.

Avoiding Credit and Charge Card Fraud



- A thief goes through trash to find discarded receipts or carbons, and then uses your account numbers illegally.
- A dishonest clerk makes an extra imprint from your credit or charge card and uses it to make personal charges.
- You respond to a mailing asking you to call a long distance number for a free trip or bargain-priced travel package.
- You're told you must join a travel club first and you're asked for your account number so you can be billed. The catch! Charges you didn't make are added to your bill, and you never get your trip.

Credit and charge card fraud costs cardholders and issuers hundreds of millions of dollars each year. While theft is the most obvious form of fraud, it can occur in other ways. For example, someone may use your card number without your knowledge. It's not always possible to prevent credit or charge card fraud from happening. But there are a few steps you can take to make it more difficult for a crook to capture your card or card numbers and minimize the possibility.

Guarding Against Fraud

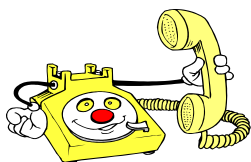
Here are some tips to help protect yourself from credit and charge card fraud.

Do:

- Sign your cards as soon as they arrive.
- Carry your cards separately from your wallet, in a zippered compartment, a business card holder, or another small pouch.
- Keep a record of your account numbers, their expiration dates, and the phone number and address of each company in a secure place.
- Keep an eye on your card during the transaction, and get it back as quickly as possible.
- Void incorrect receipts.
- Destroy carbons.
- Save receipts to compare with billing statements.
- Open bills promptly and reconcile accounts monthly, just as you would your checking account.
- Report any questionable charges promptly and in writing to the card issuer.
- Notify card companies in advance of a change in address.

Don't:

- Lend your card(s) to anyone.
- Leave cards or receipts lying around.
- Sign a blank receipt. When you sign a receipt, draw a line through any blank spaces above the total.
- Write your account number on a postcard or the outside of an envelope.
- Give out your account number over the phone unless you're making the call to a company you know is reputable. If you have questions about a company, check it out with your local consumer protection office or Better Business Bureau.



Reporting Losses and Fraud

If you lose your credit or charge cards or if you realize they've been lost or stolen, immediately call the issuer(s). Many companies have toll-free numbers and 24-hour service to deal with such emergencies. By law, once you report the loss or theft, you have no further responsibility for unauthorized charges. In any event, your maximum liability under federal law is \$50 per card.