



## Get Financially Fit in 2013!



Here are a few products that QOCU offers to help get you out of debt and keep your finances on the right track...

### Easy Budget Checking-

*Take budgeting to the next level using this account. No checks or debit cards issued with this account. Only use it for paying bills/debts via online bill pay.*

### Bill Pay-

*Pay past due and current debts using QOCU's online bill pay. Great for one time or reoccurring payments!*

### Debt Consolidation Loans-

*Only recommended when you have one or two smaller debts with high interest charges accruing or wages being garnished.*



If you didn't stick to your New Year's Resolution like you had planned don't give up now because it's never too late to shape up your finances!

At Quaker Oats Credit Union, we strive to educate our members on a wide variety of financial topics, so this year we started a new series on ways you and your family can get financially fit in 2013. Watch for monthly emails that include tips that will help you improve your financial well-being in 2013.

### Tip #2- Why Debt Consolidation Companies are NOT a Good Idea!



A debt consolidation company may seem appealing at first because they offer a plan to help get you out of debt. However there are so many hindering factors that you may not know about when you sign up to work with a debt consolidation company.

### Here's how a Debt Consolidation Company works...

Debt Consolidation Companies promise to reduce your debt by negotiating for smaller debt amounts with your creditors and charge you a service fee to do so. They tell you to stop paying your creditors and to start sending payments to them instead. They keep your money until you have enough in your account, then they go back to the creditor and negotiate your debts by offering them a settlement amount for less than what you owe.

It can take months or even years to get enough money in your account to pay all the creditors you owe. In the meantime your credit can take a big hit since no payments are being made to creditors. You can also still be sued or have your wages garnished by creditors. These companies do not ask your creditors to stop charging interest and late fees so the debt continues to pile up. If you decide you want to get out of the program, the company usually keeps the money you have sent them leaving you even further in debt than when you started.

### You Have Other Options...

It's not easy to get out of debt and you may feel desperate enough to try a Debt Consolidation Company but we hope that you will look at other options. If you get behind on payments, call your creditors and try to work out a payment arrangement with them on your own. You will be surprised at how willing they are to work with you. Quaker Oats Credit Union offers an ["Easy Budget Checking Account"](#) that is especially designed to help you budget to get out and stay out of debt.

If you would like to open an Easy Budget Checking Account today or have questions, please [contact us](#).