

LSS Financial Counseling Conquer Your Debt®



Lutheran Social Service of Minnesota
for changing lives

Your Debt Management Plan



You Can Do It!





Get started.

Take charge of your life again.

Look ahead.

From all of us, thank you for choosing
LSS Financial Counseling
to be part of your financial goals!

Questions?
Please Contact Us
800.764.0351 Toll Free
lssdmp@lssmn.org

www.lssdmp.org

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DEBT MANAGEMENT PLAN

\$_____ My DMP Deposit Amount

_____ My DMP Deposit Due Date

_____ My DMP Client Number

When you write, call us, or make deposits please provide your DMP client number. You may also give it to creditors who may call you.

_____ My DMP PIN Number for website access

Access to your DMP account is a click away!

Use your DMP Client Number and your DMP PIN number at:

www.lssdmp.org

Click on "Current Clients" to check status and download statements.

Supportive Resources

www.ConquerYourDebt.org

Our website has a great variety of useful credit and money information available.

Sense and Centsibility

Check out our blog for relevant topics on today's issues.

Notes:

800.764.0351 Client Service Team

DEPOSITS

Four Convenient DMP Deposit Options to Choose From:

- 1 Electronic Payment Service (EPS) is a handy on-going ACH method of an electronic withdrawal from savings or checking account. See our website for enrollment information.
- 2 Online payments can be made directly on our website at www.lssdmp.org.
- 3 Money orders/cashier's check are accepted.
- 4 Personal or Bill Pay checks are accepted. Please use blue/black ink.

Don't wait until the last minute! Allow several days for mail or processing time for your DMP funds to arrive will help ensure on time deposits.

Tips for Success!

- > Print your name, address and DMP Client ID on money orders, cashier's checks, and personal checks: be sure to use the DMP statement sent by our office monthly.
- > Avoid delay of your DMP disbursement:
 - we can't accept cash.
 - we can't accept future dated checks.
 - sorry, we can't accept "payments by phone."

Regular Delivery Address:

LSS Financial Counseling
PO Box 306
Duluth, MN 55801-0306

Overnight Delivery Address:

LSS Financial Counseling
424 West Superior Street
Ste. #600
Duluth, MN 55802

Your debt-free future awaits

YOUR PERSONAL CHECKLIST FOR SUCCESS

Prep for Success...

Before Your DMP Begins

- ☐ If you have set up automatic bill pay or post dated checks to your creditors, be sure to cancel these arrangements, in order to avoid double payments.
- ☐ Remember to cancel automatic payments for service/goods that you have authorized on your credit cards, *and credit insurance if not needed*, so there is no more credit card activity.
- ☐ Call to close zero balance credit card accounts. Put the credit cards away and avoid use of any credit. You are on your way to debt reduction!

Get Ready for a DMP

- ☐ Continue to pay your creditors the best you can before your first DMP deposit is due.
- ☐ If creditors call you, let them know about the DMP.
- ☐ Send our Client Service team a copy of your creditor billing statements for the first six months.
- ☐ Make your DMP deposits to us on time each month.

Less debt equals
more living



WHAT TO EXPECT THE FIRST THREE MONTHS

Ready, Set, Go...

DMP Client Timeline

- > Your Counselor lets you know your deposit amount and due date.
- > Read, sign, and return the DMP agreement packet right away so we can begin contacting your creditors.
- > Expect to receive our Welcome Letter after your signed DMP paperwork is received, containing great tips for your financial success.
- > Expect a monthly statement from us showing DMP account progress. Want less mail? Sign up to receive your monthly Debt Management Plan progress online at **www.LSSdmp.org**. Convenience is just a few clicks away!

DMP Creditor Timeline

- > Proposal letters will be sent to your creditors within three weeks prior to your first disbursement. Most creditors return their proposal responses within a few weeks.
- > Creditors may continue to contact you until they receive our proposal, and in some cases, until they've received up to three consecutive payments.
- > Payment proposal acceptance/rejection notification is sent to you from our office about 70 days after enrolling in the DMP.

Note: most creditors will accept a DMP, but they do retain the legal right to charge-off a debt, pursue a judgment in court, or turn an account over to a collection agency.

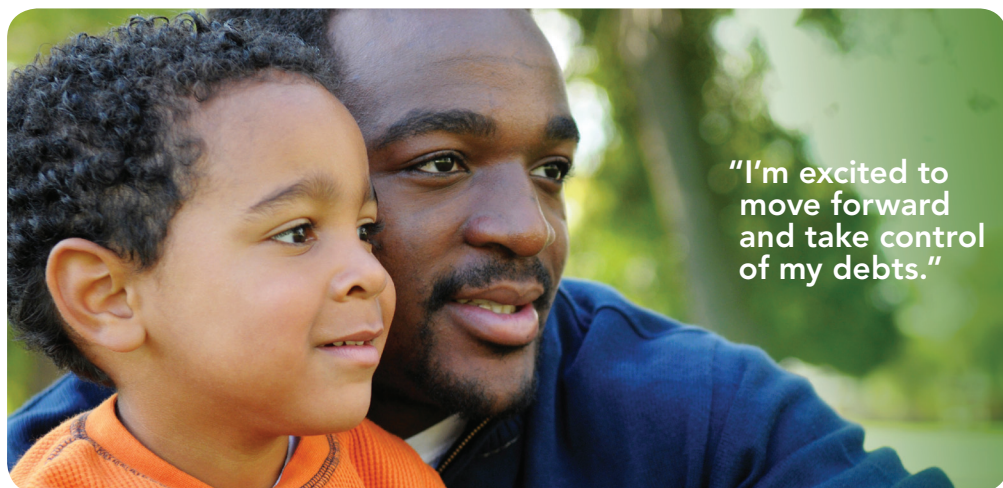
Help us make sure your accounts are receiving the creditor concessions expected, by sending our Client Service team a copy, fax or scan of your creditor statements for the first six months.

WHAT TO EXPECT THREE MONTHS AND BEYOND

Watch Your Billing Statements...

Monitor Your Progress

- > See payments posted each month and balances going down.
- > Check for correct annual percentage rate of interest (APR).
- > Look for incorrect charges to your account such as ongoing late and/or over-limit fees and report them to us so we can take action.
- > Notify our Client Service team of any change in company name, address or your account number.
- > Changes to an account depend on creditor policies, which do vary.



"I'm excited to move forward and take control of my debts."

CREDIT REPORTING AND YOUR DMP

Creditors each have their own policy on reporting participation in a DMP to a credit bureau. Some creditors may enter a note on your credit report regarding the DMP.

Credit Scoring is based on many factors. Participants that consistently make their DMP payments on time and do not incur new debt while on the DMP are likely to have a higher score over time than when they enrolled.

Fair Isaac Company produces the FICO score that many lenders use for credit rating and scoring. Fair Isaac Company is on record that they will NOT deduct points from your score for being on a DMP.

Payment history prior to a DMP will not be erased or changed. Creditor policies may vary. Continue to make timely DMP payments and the credit report shows "paid as agreed" going forward.



Regain control
You can do it!

COMMON QUESTIONS & ANSWERS

What forms of payment are accepted for my DMP?

DMP deposits can be a personal check, cashier's check or money order, automatic electronic withdrawal or online via our website. Convenient and easy!

Can I send DMP funds every two weeks instead of once a month?

Yes! Send funds as often as you'd like as long as the full amount for your DMP deposit arrives by your due date.

Can I make extra payments towards my debt while on a DMP?

Yes! We encourage you to send in extra payments and pay off your debt even faster! Funds are applied to your balances and there are no extra processing fees.

Does the DMP deposit go down once a debt is paid off?

Your DMP deposit remains the same. As one account is paid off, funds from the paid in full account are added to increase your remaining creditors' payments. This rollover has a powerful impact on debt reduction!

Can I stop the DMP before my accounts are paid in full?

You may discontinue DMP participation at any time. Just know that creditors may limit or deny future requests for reinstated DMP participation. Additionally, interest rates, minimum payments and fees may revert to their previous terms. We understand that getting out of debt can be a tough challenge, so please call us before you stop making payments.

How will I know when my accounts are paid in full?

If your DMP statement from us says "Estimated Balance of '0'," it means our records show the account is paid in full. Be sure to check with your creditor to verify the zero balance. If a balance remains be sure to send the payoff directly to the creditor(s).

Get out of debt.

Build financial success.

LSS FINANCIAL COUNSELING

Contact Us

- > Any time questions arise – remember we are a team!
- > If your name, address, phone number, or email address changes.
- > If your account has been transferred or sold to a new company.
- > If you notice unusual or negative information on your monthly creditor statements.

Our Role

Our Debt Management Plan serves the dual role of helping you repay your debts and helping creditors to receive the money owed to them.

How LSS Financial Counseling is Funded

Most of our funding comes from voluntary contributions from creditors who participate in Debt Management Plans (DMP). Since creditors have a financial interest in getting paid, most are willing to make a contribution to help fund our agency. These contributions are usually calculated as a percentage of the payment you make through your DMP – up to fifteen percent (15%) of each payment received. However, your accounts with your creditor will always be credited with one hundred percent (100%) of the amount you pay through us. We will work with all your creditors, regardless of whether they contribute to our agency.

LSS Financial Counseling is a division of Lutheran Social Service of Minnesota which serves all people regardless of race, color, creed, religion, national origin, sex, sexual orientation, disability or age.



Spread the Word!

If you know a family member, friend, or colleague who has financial concerns, please reach out to them with a referral to our service at **888.577.2227**

Find peace of mind.

Work with a trusted leader.



LSS Financial Counseling is a nonprofit, full-service credit counseling agency. When you're ready to take action, we're here to offer the help you need.



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