



# THE CONSUMER ADVOCATE

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## Thank you!

CitiCard, for your generous and unwavering support that helps significantly fund our operations and educational efforts throughout the year.

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## Shopping Online: How to Play it Safe

Over the past few years, the number of people shopping online has increased significantly. According to Gene Hueng, chief economist for Federal Express, internet shopping "has been growing around 25% year over year, and we haven't seen any signs of fading". Shopping online allows us to save money, time and stress while comparing prices with the click of a mouse. Between the chaos of traveling from store to store and the challenge of fitting shopping into our busy schedules, it is easy to see why people are taking advantage of online shopping. Sound too good to be true? As with anything, it is important to be informed. Being cautious and aware can put you on the right path to a safe online shopping experience.

Before selecting an online store, be sure to verify the site's background information. Confirm the store's physical address and phone number. You may want to call the company phone number and speak to a representative. While reviewing the website, also take a look at the company's privacy policy. This should let you know whether the site shares your personal information with third parties.

Another way to ensure a safe online experience is to look around for an independent regulatory seal of approval, such as the Better Business

Bureau Online or TRUSTe. The seal of these companies will appear on a website if it follows certain stringent guidelines. You can even click on the seals to see if they are legitimate. If so, they should bring you to their company's website. As always, trust your instincts. If you are suspicious of the site, don't use it. The wonderful thing about the internet is that you can probably find the same item on many other sites.

Once the store has passed your background check, review the return policy, taxes, cost of shipping, and delivery dates. Some online merchants offer free shipping if you meet certain criteria and you are usually not taxed for items purchased outside your state. You may want to ask yourself: Can I get a gift receipt for this item? Can it be returned for a full refund? Am I still saving more online after taxes and shipping are added? This is a good time to comparison shop. Websites such as pricegrabber.com, nextag.com and mysimon.com can help you to compare the price of a specific item among various online merchants.

After you have found an item and are ready to buy, read the description of the product closely. Be cautious of words such as "close-out", "vintage" and "refurbished". These words may be a sign that the item is not in the best condition. Also, keep in mind that any brand-name items at unrealistic prices might not be the real thing.

When buying online it can be a good idea to purchase with a credit card, provided you have put the money aside to pay the bill. If you use a credit card, the transaction will be protected by the Fair Credit Billing Act. This allows you to temporarily withhold the payment of a less than



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satisfactory item, while the credit card company disputes the purchase. This is important if a site won't accept the return of an inadequate item. If you do not receive the item or discover the website is fraudulent, you can also call the credit card company and ask them to withhold the payment. Before entering your credit card number and other information, there are a few ways you can verify your information is secure. Here are some tips:

- ◆ Computers in public areas such as libraries and universities may be convenient, but think twice when using them to enter personal information. Advanced hackers may be able to obtain the information entered by the people who use them.
- ◆ When the site asks for your credit card information, check the address at the top of the screen. The website should start with "https" or "shttp" to indicate it is secure. Also, a small padlock should appear somewhere in the browser window.
- ◆ Updated virus protection software can help make your online experiences as protected as possible. Software such as Norton Antivirus and McAfee can be downloaded directly from the internet.

- ◆ Companies don't ask for your social security number, bank account numbers, or your mother's maiden name, especially through an email. The only information you should give is the information that is necessary to complete the purchase on the webpage.

Once you have found your item on a secure site, you are ready to buy! After your purchase, most sites will send you an email confirmation and provide you with a receipt. Print out all of the information, including the product description to keep for your records. You are now on your way to becoming an aware, successful and secure online shopper!

\* For an even better bargain, here are some fun coupon websites for shopping on and off the internet:

- ◆ [www.Smartsources.com](http://www.Smartsources.com)
- ◆ [www.Couponcabin.com](http://www.Couponcabin.com)
- ◆ [www.Restaurant.com](http://www.Restaurant.com)
- ◆ [www.Dealcatcher.com](http://www.Dealcatcher.com)
- ◆ [www.Coupons.com](http://www.Coupons.com)
- ◆ [www.Coolsavings.com](http://www.Coolsavings.com)



## What is the FHASecure Refinancing Program?



It is estimated that between 2007 and 2009, 2.3 million adjustable rate mortgages will reset to a higher interest rate, which requires a higher monthly payment. Nearly a quarter of those homeowners will be at risk of foreclosure. Were you making timely mortgage payments until your adjustable rate mortgage reset? Have you been unable to make the increased payment? If so, you may be eligible for FHASecure under the Federal Housing Administration. FHASecure was established to help avoid foreclosures due to ARM resets. Reducing the number of mortgage defaults can improve the quality of life in many communities and help bring stability to the housing market.

Homeowners with adjustable rate mortgages that take advantage of the FHASecure program will refinance to

fixed-rate mortgages. This program is effective immediately and applications will be accepted until December 31, 2008. FHA does not loan money; it insures mortgage lenders. This helps lenders to avoid expensive foreclosure costs and helps homeowners get more affordable monthly payments by refinancing. FHA operates from self-generated income, at no cost to taxpayers.

To see if you might be eligible for this program, review these eligibility requirements:

- ◆ A history of on-time mortgage payments (for at least 6 months before teaser rates expired and loans reset)
- ◆ Interest rates that reset between June 2005 and December 2009
- ◆ 3% cash or equity in the home (this can be a problem for people whose homes have lost value; that is, they owe more than the house is worth)
- ◆ A sustained history of employment
- ◆ Sufficient income to make the mortgage payment

Every situation is unique and it may be best to contact your local HUD counseling agency to see if FHASecure can benefit you. To find a HUD counselor in your area call: 1-800-569-4287

## Don't Get Left Out In the Cold! Beware of Hidden Holiday Expenses

Each year, the holidays tend to sneak up on us and so do unsuspected holiday expenses when we are not conscious of them. As we know, small purchases do add up and this includes purchases around the holidays. During this busy time of year, we are often preoccupied entertaining, cooking, wrapping gifts, decorating and mailing out card after card and before we know it, we have exceeded our budget. You might find yourself wondering how this happened and where the extra money melted away.

Here are some tips to reduce those hidden expenses:

- ✧ Trips to the grocery store and back-and-forth from family and friend's homes can tack on hundreds of extra dollars in gas prices around the holiday season. Plan ahead, whether you have a small amount of additional traveling or you are traveling out of state. Estimate the cost and begin saving months in advance. It can't hurt to over-estimate and put a little more money aside. Any additional money that you don't use can be put towards savings or for next year's holiday. Carpooling can also be a way to cut costs and spend more time to with family and friends!
- ✧ Greeting cards and postage and shipping costs can also pile up and diminish your funds. How many people are on your list? Are you mailing out all of your cards? The cost of stamps may sound small at thirty-nine cents, however if you are sending cards to twenty-five people, that can add up to almost ten dollars in stamps alone. Factor in the cost of greeting cards which can be almost three dollars a card, and you've spend around seventy-five dollars on cards! If you can't seem to trim your card list, try an alternative of sending online cards (from sites such as hallmark.com) which are free and there is no need for postage. You can also have your kids help and make your own cards! After December, greeting cards tend to go on sale for half price. Take advantage and buy cards in bulk for next year!
- ✧ Decorating and wrapping presents can also empty your wallet. Try using homemade wrapping paper. It can be a fun activity for children and can buy you some extra time to get things done. Make it a tradition and this can help cut next year's cost! Be sure to determine how much money can be spent on lights, ornaments, wreaths, menorahs and other decorations and stick to it. Decorations and gift wrap tend to go on sale after the season has passed, plan ahead and only buy what is necessary.

- ✧ Scrumptious homemade cookies and other delectable baked goods help make the holidays everyone's favorite time of year. They can also bring about extra guests and contribute to higher food expenses. It is important to factor in higher costs for grocery shopping because of dinners, baking and entertaining. Clip coupons and buy baking ingredients over time so you are not hit with one large bill. Co-hosting an event or having everyone contribute by bringing a dish, can also cut time and money.
- ✧ If you are still having a hard time sticking to your budget, try using a spending log to keep track of your purchases and help to better prepare for next year. A spending log, or spending diary, is a list you keep of every item you buy, no matter how inexpensive. You will want to do this for 3-5 days minimum (or 2 weeks, ideally). This will help you get a better understanding of where your money is going and help you to not make the same mistakes next year!
- ✧ Paying in cash is another way to keep track of how much money you have to spend. Once you have taken the allotted money from the bank, don't take out anymore! Breaking your budget may tempt you to misuse your credit cards and leave you struggling to pay them off long after the season is over.

Even though preparing for the holidays can be very time consuming, they tend to come and go in the blink of an eye. Plan ahead to make this time of year more enjoyable and less financially stressful. The more you save now, the happier you will be once the holiday whirlwind has passed! □



### Celebrity \$ense

"Don't tell me where your priorities are. Show me where you spend your money and I'll tell you what they are."

- James W. Frick  
(Author)

## DEBT COUNSELING CORP.

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## *Spotlight on the Community*

Debt Counseling Corp. was actively involved in the community throughout the summer months, having conducted workshops for children of all ages at both Camp Edey and Camp Sobaco as part of the "Pennies Program" for the Girl Scouts of Suffolk County. We were then invited by two camps of the Girl Scouts of Nassau County to conduct similar workshops as part of their summer program. DCC was also invited to conduct a two-hour financial education workshop for the Suffolk County Department of Labor One-Stop Employment Center as part of their Displaced Homemakers Program. Currently, we are conducting financial awareness seminars for freshmen in their College 101 courses at Long Island University's CW Post Campus.

## What's New at DCC

Are you disappointed that you have been unable to attend DCC's in-house financial seminars? Thanks to a generous grant from Bank of America, we have recorded six of our most popular seminars on CD for all DCC Consumers and Clients. The CD seminar topics include:

- ◆ Identity Theft
- ◆ Understanding Credit Reports
- ◆ Saving for College
- ◆ Savings for Retirement
- ◆ Getting Married? Talk Money First
- ◆ How to Raise Financially Responsible Teens

If you reside in the Long Island, New York area, you are also invited to our monthly in-house seminars to take advantage of our Educational Incentive Program. If you attend a monthly seminar and are enrolled in our DMP, your monthly maintenance fee will be directed to a creditor of your choice in the following month, to help pay down your debt faster. Mark your calendar for our upcoming seminars.

October 23, 2007 at 6:30pm - Don't Break the Bank this Holiday Season!

November 27, 2007 at 12:30pm - Senior Citizens Be Wise: Don't Lose Your Hard Earned Money to Scam Artists

December 18, 2007 at 6:30pm - Single or Suddenly Single: How To Take Control of Your Financial Situation

Seating is limited, so reserve your seat today! Contact Corey at 1.888.354.6332, ext. 316.



The mission of Debt Counseling Corp. is to educate the general public about debt management options such as budgeting, refinancing, and a debt management program; to provide consumers consistent, superior, individualized service; to provide each consumer with the tools they need to develop and modify a budget which will allow them to maintain a dignified lifestyle.

Debt Counseling Corp. is also committed to assisting the creditors with collecting consumer debt by helping avoid bankruptcy whenever possible and eliminating their financial burden.