

Debt Management Plan Handbook

prepared for Trust Account CCCS

Client ID # 0

Your Account

Welcome!

Congratulations on joining the Debt Management Plan! This is an important step in becoming debt free. In this handbook you'll find all the information you need to ensure that your DMP is successful.

Support

Remember, you are not doing this alone! We are always here to help. If you have any questions email dmp@clarifi.org or give us a call at 215-563-5665. A Debt Management Specialist is available from Monday to Friday from 8:00am to 6:00pm.

Your payment

Your monthly payment is \$99.00
Your payment is due on the 19th of every month

DMP Web

You can access your account online at www.clarifi.org/dmp

You will need the following log-in information:

ID: 0
PIN: Please call to obtain or change your PIN

On this website you can access and update:

- Current balances
- Personal information
- Payment history

About the DMP

A Debt Management Plan (DMP) is a systematic way to pay down your debt through monthly deposits to a credit counseling agency, such as Clarifi. By participating in this program, you may benefit from reduced or waived finance charges and fewer collection calls. It takes between 36-60 months to repay debts through a DMP.

To ensure your plan's success:

- Closely monitor your creditors' statements.
 - o It is up to you to monitor your monthly statements to ensure creditors have reduced interest rates or stopped late fees and Clarifi payments are being properly credited. Clarifi never sees your creditor statements after you start your plan. You must notify us of any errors within 60 days.
- Don't miss deposits or make late deposits.
 - o If you do, you can expect calls from your creditors. Creditors may resume their regular collection activities or reinstate regular interest rates and fees. They may also report the delinquency to the credit reporting agencies.
- Stay in touch.
 - o Contact us immediately if any problems arise. If you don't understand something about your creditors' statements or mailings, don't panic! Call or e-mail us. We have been dealing successfully with concerned creditors and clients since 1966.
- Don't make any payments directly to your creditors.
 - o Unless you have discussed this with your Debt Management Specialist. Send all deposits, including any late or extra payments you might be able to make, directly to Clarifi.
- Don't apply for additional credit.
 - o If you do, you will place your DMP in jeopardy.
- Update personal information.
 - o Contact us immediately with any change in your name, address, telephone number, or e-mail address.

What's in it for us?

Clarifi is a non-profit organization dedicated to helping you. Part of our funding comes from the

monthly fees that are a part of your DMP. We also receive voluntary contributions from your creditors based on a percentage of your payments. However, your accounts are always credited with 100% of the amount you pay through us and we will work with all of your creditors regardless of whether they contribute to our agency.

Payments

Payment Options

Payments can be made by money order, certified check, ACH, or online.

Making a payment

Please mail your money order or certified check to:

Clarifi attn: DMP
1608 Walnut St - 10th Floor
Philadelphia, PA 19103

You can also make your payment online at www.clarifi.org/dmp, and then choose the “Make a Payment” link. Please note: there is an additional fee of \$2.50 for online payments.

ACH

You also have the option to have your monthly DMP payment automatically withdrawn from your bank account each month. This saves you the time of mailing or dropping off your payment, and ensures that you won’t accidentally miss a payment. And if you enroll to make automated payments, it is still possible to make changes to your payment schedule. You can enroll in ACH at any time. Just email us at ach@clarifi.org.

ACH changes

We ask that you provide us at least 5 business days to process any changes. To request a change to your ACH please email ach@clarifi.org or fax a letter to 215-563-7020. There will be a \$5.00 fee assessed for every ACH change processed.

What happens if I miss a payment?

We ask that you try your absolute best not to miss a payment. Missing a payment jeopardizes the agreement you have with your creditors and they may remove the concessions of the DMP. If you miss two consecutive payments, you will be dropped from the program. Your creditors are notified once you are dropped from the program and they may choose to resume collection efforts. If you feel that you may miss a payment, please give us a call right away.

If an ACH payment is returned to us for non sufficient funds or any other reason, a \$25.00 fee is assessed immediately, and your ACH will be suspended.

What happens to the money after I make a payment?

Payments are disbursed to creditors a minimum of two times per week and on the last business day of every month. If your scheduled payments are not made, or are received by creditors after the account payment due dates, Creditors may raise your interest rate, assess a late fee and/or drop you from the Debt Management Plan.

You should determine if your creditors' billing and payment due dates and your Clarifi payment due date allow ample time to avoid any late fees. As the cardholder, it is your responsibility to contact your creditors and request they change your payment due dates to at least 10 days after your payment due date with Clarifi.

Payment amounts listed on your payout sheet are proposed based on balance information you provided and may have to be increased according to the creditor's requirements.

If you remit more or less than the scheduled payment without instruction we:

1. Attempt to pay major creditors the full DMP proposed payments.
2. Out of the remaining funds we will attempt to pay any smaller debts the full dmp proposed payments.
3. We will apply the remaining funds to the creditor who is not receiving a full dmp proposed payment and has the highest APR.

To submit specific payment instructions, please email dmp@clarifi.org or call 215-563-5665 to speak with a Debt Management Specialist. If you wish to payoff a specific creditor or all of your creditors, please contact our office to arrange this. We will contact the creditor(s) to verify your payoff balance(s). You then remit the payoff payment to us for disbursement to your creditor(s). The balance of any account not paid off through Clarifi will continue to show on your monthly progress report.

Other Information

Monthly Progress Reports

Each month you will receive a progress report in the mail or by email.

Please review your Progress Report and your monthly creditor statements in detail to ensure the balances are correct. Clarifi's balances are estimates. You must provide us with current balance information on a quarterly basis. You may update your balances online at www.clarifi.org/dmp.

Creditor Information

Allow 60-90 days for creditors to record that you are on the DMP. In most cases, you will not see changes to your interest, late or over limit fee concessions, if applicable, on your statements before this time.

Creditors may continue to call you for collection until they have accepted you into the DMP program. In most cases, the calls will stop once your creditors receive a proposal letter from us with your first deposit. If a creditor rejects a proposal, a Debt Management Specialist will contact you to discuss changes that need to be made so your proposal will be accepted.

If your account is current at the time of enrollment onto the DMP, creditors may charge late fees because of reduced payment amounts. Late fees will cease after the account is set up on the DMP.

Withdrawal from the DMP

Your DMP is a voluntary plan on your part, our part, and your creditors' part. If you choose to withdraw, please notify Clarifi in writing and we will send you a reply confirming your withdrawal. We will notify your creditors that you have withdrawn from the DMP; however you are responsible for making new payment arrangements.

Remember that the Clarifi staff is always available to answer any questions you may have. We look forward to working with you and helping you successfully complete your Debt Management Plan!