

## Statement of Counseling Services

Thank you for your interest in Clarifi, a non-profit service established in 1966 dedicated to helping individuals with money management, housing and credit concerns. Please take a few minutes to read the following statements that will help you understand the counseling session.

### Client Expectations

- ◆ A confidential money management interview by a professional counselor.
- ◆ For all counseling, the understanding that Clarifi is a non-profit agency and our funding comes from various sources. Those sources include state housing finance agencies, the U.S. Department of Housing and Urban Development (HUD), grants and foundations. Most of our counseling sessions are provided at no charge to you. If we do charge a counseling fee, we will disclose it to you in advance of the session.
- ◆ For Debt Management Plans (DMP), our funding comes from voluntary contributions from creditors participating in the DMP. These contributions are usually calculated as a percentage of payments you make through the DMP, up to 11% of each payment received. However, your accounts with your creditors are 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. DMPs are voluntary programs that serve a dual role of helping you repay your debts and helping your creditors receive money that you owe them. Clarifi serves as a neutral third party acting as an intermediary with specific creditors to help liquidate financial obligations.
- ◆ At the end of the counseling session, you will receive a budget with recommended expense reductions together with a written assessment and action plan outlining suggested steps to help you achieve financial stability and/or resolve your particular financial situation.
- ◆ All types of counseling are voluntary. You are not obligated to receive, purchase or utilize any other services offered by Clarifi.

### Types of Counseling

#### ***Bankruptcy***

Clarifi is certified to provide counseling to individuals who are considering bankruptcy to eliminate or restructure debt. The counselor reviews your financial situation, provides any alternatives, and discusses the consequences of bankruptcy. Clarifi counselors may answer questions about bankruptcy, but not give legal advice. If legal advice is necessary, the client must seek appropriate assistance.

### ***Budget Counseling***

All clients, regardless of appointment type, will receive a complete budget analysis that evaluates income, expenses and debt obligations. We provide you with suggestions and recommendations for adjustments based on your overall financial picture presented at the time of the session.

### ***Credit Report Counseling***

The counselor reviews your credit report, including scores, with you from the three major credit bureaus: Trans-Union, Equifax and Experian. The counselor also discusses options for improving your credit history, maintaining a good credit history, and how you may go about correcting any errors on your report.

### ***Debt Repayment/Debt Management***

In debt management counseling, we examine your current unsecured debts, budget and other financial information and provide you with options for paying your debts. If your budget indicates that you are capable of paying off debts on your own, the counselor suggests ways to handle your expenses. You can decide to enroll in a debt management plan if the DMP payment fits within your budget, and you need assistance paying down debts. In a DMP, Clarifi works with creditors to develop payment plans, reduce interest charges, eliminate fees, and stop collections calls.

**Your participation in a Debt Management Program will not change or “cure” anything which is already on your credit report. If your credit report reflects that you have paid creditors as agreed in the past, a DMP could have a negative impact on a credit decision by a potential creditor, landlord, or employer in the future. Creditors may report that you are on a DMP and are not paying as originally agreed, even though they have accepted the DMP reduced payments.**

### ***Foreclosure Prevention***

The counselor reviews loss mitigation options to help you become current on your mortgage, avoid foreclosure, or help you to gracefully relinquish the home. The counselor helps you work with the mortgage servicer to obtain a loan modification, forbearance, repayment plan or other workout solution, including short sale or deed in lieu of foreclosure. Under certain specific circumstances, the counselor will assist you in applying for available federal and/or state assistance loan programs to help you cure the default.

### ***Preparing for Homeownership***

To prepare you for homeownership, the counselor begins with a review of your goals and objectives. You will go through a budget and credit analysis to determine whether you have the resources and ability to borrow for a home, and the counselor helps you understand the advantages and disadvantages of homeownership. The counselor reviews the costs for down payment and closing, debt-to-income ratios, avoiding predatory lending, and may cover



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other issues such as home inspection. The counselor provides information about different types of mortgages, including mortgage assistance programs if applicable. The counseling is exclusively for educational purposes, and the agency does not provide funds to assist with closing or settlement fees or offer loan products.

**Reverse Mortgage**

A reverse mortgage is a type of mortgage loan that helps a homeowner, age 62 or older, convert a portion of the equity in the home to available cash. Reverse mortgages have no monthly payments. The counselor provides you with the details of the program and any other options that may be available. The counselor helps you analyze your current financial picture and provides referrals to other agencies and assistance programs.

**Client Bill of Rights**

We pledge that our clients have the right, without fear of retaliation:

1. To prompt counseling services for managing their money based on their financial situation.
2. To treatment with dignity and respect in confidential professional counseling sessions.
3. To a comprehensive assessment of their financial situations.
4. To express dissatisfaction through a complaint resolution process.
5. To discontinue their relationships with our agency at any time.

**Complaint Resolution Process**

We are committed to providing you with high quality professional services. If you are not satisfied with the services provided, please contact:

Stuart Miller - V.P. of Counseling & Client Services  
Phone: 267-765-2702 Email: [smiller@cccsdv.org](mailto:smiller@cccsdv.org)

**Non-discrimination Policy**

Clarifi serves all members of the community without regard to socioeconomic status, age, gender, sexual orientation, disability, national origin, ethnic, racial or religious affiliations. Clarifi does not deny access to services based on employment status, amount of debt, type of debt, or credit rating. Clarifi does not directly serve minors in any of its financial education or counseling services.

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Client Signature

\_\_\_\_\_  
Print Name

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Date

\_\_\_\_\_  
Co-Client Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date