

## Examples of Financial Assistance

FinancialConnect® provides information and education on a wide variety of topics. Client questions are answered individually, and tailored to the client's particular circumstances. FinancialConnect does not offer "canned" recommendations, suggestions or information. While two clients may have fundamentally the same question, the answers to those questions may be quite different depending on the facts of the individual cases.

### Facing Foreclosure

Client was four months behind on mortgage payments and received an initial foreclosure notice from bank. Our financial specialist discussed the importance of open communication with the lender and explored potential ways that the client could catch up on payments, such as 401(k) loans/withdrawals or personal loans from family and friends. Our specialist also explained the foreclosure process and the pros and cons of other options such as a deed in lieu of foreclosure and selling the property at a loss.

### Credit Card Debt

Client had \$40,000 in credit card debt, at interest rates of 20 percent and above, and wanted information about consolidating the debt. Our financial specialist explained the importance of having a good credit score in order to be considered for debt consolidation, offered information on how to obtain a free credit report and discussed contacting a credit union or local

bank as a first step. Our specialist also provided information on balance transfer offers and the importance of reading the fine print and adhering to terms; repayment goals and budgeting to live within the client's means.

### Tax Issues

Client discovered that he owed the IRS several thousand dollars and was worried about his ability to pay and fearful of IRS collection procedures. Our financial specialist went over the client's rights as a taxpayer, IRS payment plan information and discussed ways the client could raise the money to pay. Our specialist directed the client to forms and resources within the IRS to set up a payment plan. The client had been unaware of the payment plan option and was relieved that worst-case scenarios would not occur as standard procedure.

### Saving for Retirement

Twenty-nine year old client e-mailed "Ask the Expert" for information on the differences between traditional and Roth IRAs. Our financial expert provided information on the tax benefits and consequences of each type, as well as information on the value of compounding and the First-Time Homebuyers exception which allows for tax-free withdrawals for first-time homebuyers.

### Other Requests for Financial Assistance

- Recent widow needed information on how to manage life insurance proceeds she received following death of spouse
- Information on buying a home and determining affordability



- › Information on tax filing status when going through a divorce
- › Sources for financial aid and loans to pay for college
- › Options for handling inheritance of a parent's IRA
- › Information on how to improve credit score in order to qualify for mortgage
- › Help with major purchase decisions
- › Budgeting
- › Estate planning
- › Locating financial assistance
- › Investment options
- › Medicare/Medicaid and Social Security
- › Mortgage information
- › Retirement planning
- › Small business issues
- › Student loan debt
- › Health Insurance

