



THE novadebt CONNECTION

A Garden State Consumer Credit Counseling Organization

June 2005

What Our Clients Are Saying...

"I can't say enough about how wonderful my experience has been. When I started this program, I had 13 credit cards which were maxed out and being paid late. I had run into some financial problems putting myself through college. Now I am down to only 4 cards and am almost finished! The people at your company have always been wonderful and never made me feel bad for my situation. I was so embarrassed when I first called, but was put at ease immediately. This is a wonderful program, and probably the best thing I ever did! Thank you, Thank you, Thank you!" AB, Ohio



Community Impact

Source: Becky Winters, Education Consultant for Novadebt

Our Outreach group is focused on children this month. The kids whom we have met through the Reach Out and Read program are great!! It is a good feeling to sit with them and watch their faces, as we share a book that they have picked out. A lot of stories are shared upon our return to the office and consequently our volunteers are growing. Additionally, Novadebt is holding a book drive during the month of June to collect new and used books for the children. If you are in the Freehold, New Jersey area and want to help, please stop by!

Our group also made hand-made

cards, as a part of the Keiki Cards effort. Keiki Cards is a nonprofit organization whose mission is to send out handmade greeting cards to children who have life threatening illnesses. Friends, family, school-teachers, social workers, etc. have referred these children, who range in age from infant to eighteen. When they receive a personal card, they know that someone is thinking of them. You can also help; just visit their website at www.keikicards.org.



Employee Spotlight ... John "Minels" Minnella



We at Novadebt, recently lost a very special member of our family. This edition's employee spotlight is a dedication and tribute to our very close friend,

John "Minels" Minnella.

John was 52 years old and worked at Novadebt as our Maintenance Technician for the past 7 years, sharing the past 3 years with his daughter, Tanya, who works in our Client Care Department.

John was a perfectionist...the kind of person that you would meet once and never forget. The impression he left is one that will always bring a smile to your face and warmth to your heart.

He was always willing to lend a hand and would not quit until things were done right—there was no such thing as an incomplete or "half way" job when he was

involved. He has touched every area of our office and organization, whether it was moving boxes to storage, building cubicles, cooking at our company picnics, or helping coordinate our end of the year "Employee Appreciation" parties...no matter what, the job was completed with perfection.

There were two sides to John; the "friend" side, and the "all business" side: In an office with the vast majority being women, John made everyone feel safe and taken care of. If it was late and you had to walk out to your car, you knew you were safe... with John around, it was like having a father, husband, etc. around to watch over you. He was full of knowledge and always shared his ideas and suggestions with us...he was never shy about telling you he could do something better or cheaper, and rarely fell short of his claims. He would give us a daily update with the amount of "wake ups" left before a weekend, tell funny jokes, or dance through the office singing a new song everyday. When John was in "all business" mode, he took pride in everything he did from hanging a picture, to building an office. We

would sometimes catch him staring at the carpet lines after he vacuumed or the shine on a table that he just polished. If we mentioned that we were cold, the next day, we would have a heater waiting by our desk.

John was such a family man, with so much love and adoration towards his wife, Nancy and children, Tanya and John. When he would speak of his family, there was always a gleam in his eye and a bounce in his step. The day Tanya began working for Novadebt, John looked like he was going to burst with pride. He would always bring in amazing dishes prepared by Nancy and offer to share with everyone (but we all knew he was showing off that his wife was an excellent cook). He always shared stories about his son, John, and his teen-age adventures.

This was John Minnella, a truly genuine person, an essential piece to the heart and soul of Novadebt. He can never be replaced and will be missed by everyone. In some way, he touched everyone's heart and we were so lucky and blessed to have known him. Novadebt will never quite be the same without him.

If you have any comments, questions, or suggestions for future news bulletins, please email bulletin@novadebt.com.



What Does Re-Aging Mean?

Source: Dan Slocum, Training Manager for Novadebt



Clients often hear us talk about “re-aging” and I wanted to explain what this means, since it can be a major benefit when you use a debt management program. When a creditor agrees to re-age your account, the account will be brought current by the creditor without you making up any past due and/or over the credit limit amounts. You still owe the same amount of money, but the account is no longer delinquent. In essence, you get a fresh start on the account. Re-aging helps you in 2 ways:

- It will stop the assessment of late or over the credit limit fees. This allows more of your payment to go towards the principal balance and reduces the time it will take to pay off the account.
- The creditor will report the account as current to the credit reporting agencies. This is a crucial step on the road to financial recovery.

The decision to re-age an account is strictly up to the creditor. There are no laws or regulations that require a creditor to re-age. The main benefit to a creditor that re-ages an account is that the account does not have to be reported to lending regulators as delinquent. Most creditors have policies that will allow them to re-age but a few will not—remember that it’s their choice. Once an account has been re-aged, it is critical to make your payments on time since most creditors have policies that limit the number of times an account can be re-aged. Additionally, in 2000, federal lending regulators wrote new guidelines for creditors to follow when re-aging an account. For example, to be re-aged, an account should be at least 9 months old and the borrower should have made at least 3 consecutive and timely payments. These regulations apply if a creditor wants to re-age an account. Remember that the federal lending

regulators do not require a creditor to re-age, but if a creditor does, it must follow the federal regulations. The 2000 federal guidelines also set restrictions on the number of times an account can be re-aged. As a result, some creditors have policies that require an account to be seriously past due before they re-age. They don’t want the borrower to “waste” the limited re-age opportunities under these regulations, unless the account is late enough to warrant re-aging. If an account has a relatively small past due balance, the creditor may require that the borrower make up the past due amount on their own rather than re-age the account. If your account has been re-aged, please try to maintain your timely payments in order to protect that re-aging benefit. If you will have difficulty in making your payment, please call us at 1-800-772-4557.

Taking Charge of Your Finances

Source: www.lifeworks.com

Money is a source of anxiety for most people at one time or another. Many of us worry about making ends meet from month to month, about credit card debt, or about saving enough for the future. And when things get bad, instead of taking positive steps to take charge of our finances, we can become paralyzed with worry and sometimes act in ways that make the situation even worse. All of this is perfectly normal; it’s nothing to be ashamed of. The good news is that you can do something about it.

Just as you take charge of your health by deciding to exercise and eat healthy food, the first step in managing your money is to recognize that you have some control over the situation. And just as you succeed in an exercise program by coming up with a realistic plan and sticking to it, so your success in managing finances depends on finding a clear path to follow and staying on track.

It’s easy to blame forces outside yourself for money problems — that your job doesn’t pay enough, for example, that taxes are too high, or that family members aren’t spending money carefully — and hard to admit that much of the responsibility for change lies within yourself. Those outside forces are very real, and they sometimes leave very little room for maneuver in your budget. But there is always some room, and there are always some steps you can take to improve your financial health.

It’s difficult, but sometimes necessary, for example, to adjust your personal budget in response to changes in your life. A job change, a relocation, a marriage or divorce, the arrival of a new baby, the death of a parent, or even an adjustment to a mortgage interest rate, can tip the balance of income and expenses in ways that require you to think about how much you earn and spend. Accepting that you are in control of your money, even though the world is shifting under your feet, is a breakthrough in attitude that will allow you to make positive changes.

There are two basic steps to gaining control of your personal finances:

1. Understand where you are now — *How does your money come in and go out? Are you spending more than you earn? Are you saving enough for the future?*
2. Understand where you want to be — *How would you like your money to work for you? What are your financial goals?*

By breaking the challenge of money management into a series of action steps, you can begin to effectively tackle a problem that, viewed as a whole, may seem unmanageable and overwhelming.

