



# FAQ

**Q:** How will this affect my credit?

**A:** The Fair Credit Billing Act states that while your debt is in dispute, the creditors may NOT report negatively on your credit report. If they do, they are in violation of your Federal rights and the attorneys will take action against them. However, you should anticipate that your credit score will be negatively impacted by this process temporarily. The attorneys will attempt to address those violations in an attempt to have them removed from the consumer's credit report.



**Q:** Do I have to seek Debt Resolution on all of my cards?

**A:** No, you can pick and choose the ones that you want to put into the debt Resolution process. However, you should be aware of the following: Once a card has been placed inside the service the credit card company will cancel that card and close the account. If you have multiple cards from the same company/bank and you decide to seek relief on one, they will most likely cancel the others. If you want to keep a card it is probably best to make sure it is not related to any other card you are placing in the debt invalidation service



**Q:** Can I continue to use a credit card, store card, gas card, or any other unsecured debt once I am in the program.

**A:** No, clients may not continue use of any debt that is included into the program. Client will be terminated from the process immediately if found to have charged or continued to have charged on any credit card, personal loan or other debt entered into the process on or after entering the debt resolution process.

**Q:** What are the tax implications of Debtpro123 Resolution Program?

**A:** Client is advised to consult a tax advisor to determine whether client's individual circumstances may permit client to exclude any such discharge of indebtedness income from client's reportable income due to insolvency. For more information on tax ramifications personally regarding client, client should consult a CPA or Tax Attorney and/or refer to the IRS website [www.ustreas.irs.gov](http://www.ustreas.irs.gov) IRS Publication 908 – "Bankruptcy Tax Guide" and IRS Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness available on the IRS Website.

**Q:** Does it matter that I am in collections?

**A:** No, and Yes. Many times the process to accomplish debt relief on your debt moves quicker if you are already in collections, however if your creditor has not sent accounts to collections, and it is in a transitional period, we have to hold out those accounts (because we don't know if creditor will try to sue vs. sell to a collection agency.)

**Q:** My credit card is held by the bank in which I have my checking account / car loan / mortgage. Is it safe to include that card in this process?

**A:** If there is a credit card that you want to put in this debt relief process and it is held by the same bank with which you have a mortgage or a car loan, it may be best to make sure that the credit card is not cross collateralized with any of these other loans from that banking institution. Please discuss this with your agent. Additionally, if you have a checking account (no mortgage or car loan) with the same bank that holds a credit card you wish to include in the process, it would be best closing that checking account and moving it to another bank; this is done just as a precaution.

**Q:** Can I get in trouble (go to jail), not be able to get my real estate license (or some other license), receive a summons?

**A:** No, you can't get in trouble. This is a civil issue, not a criminal issue, you can't go to jail for stopping your payments to the credit card companies and seeking Debt Resolution

**Q:** I have my own credit cards and my spouse has cards in their name, can they be included in the service for the same fee?

**A:** Yes. The fee structure is based on household debt, not individual debt. So a husband and wife can include both of their cards in the process for the same fee. And in the opposite, a spouse may elect not to include his/her cards in the process.