



34. THE POWER OF POSITIVE CREDIT

This Course Provides:

4 CE Credits Life

4 CE Credits A&S (All Provinces except Alberta)

4 CE Credits General (P&C) (All Provinces except Ontario)

What Will the Advisor Learn by Taking This Course?

Although many General (Home & Auto) Insurance companies have long maintained that there is a strong correlation between credit scores and increased insurance risk, some critics argue that using credit history is unfairly punishing newcomers to Canada, the poor and the disabled.

For instance, insurers can access credit scores when it comes to home insurance in some provinces, but not for car insurance.

Financial advisors are an important part of a family's financial picture and advising their clients and prospects on the "Power of Positive Credit", is just another part of the process.

The dilemma of young adults who in the 1980s and 1990s fell prey to the credit card industry's constant flow of "no-strings-attached" offers and landed themselves in a pile of debt is still evident today.

Thus, was born "Generation Credit." Young people starting families and trying to maintain their lifestyles with an increasing credit problem. Of course, using credit cards is not a bad idea: to maintain a perfect credit score you need years of credit history. However, many of today's families find themselves deep in debt or fighting the credit bureaus without an inkling of how credit repair or credit itself really works.

If not handled correctly, credit can and will affect the buying decision.

Financial advisors from tax specialists to estate planners work with middle class families to ensure a great financial future. Credit repair specialists have been focused on helping families get back on track as quickly as possible. The credit repair specialist of the

future will combine these skills to improve credit now and set families up for financial success in the years to come.

A better credit score can help the client and prospect:

- Be approved for a mortgage
- Receive a lower rate on mortgages and other large loans
- Pay less over the life of a loan
- Free up financial resources for vacations, funding college education, and unforeseen financial needs
- Plan for their retirement if funds are available.
- Purchase any insurance products that they require to add to the financial planning process.

Both Financial advisors and Home & Auto Brokers can be a great help in getting a handle on debt. They're experts at helping their clients get their finances in shape for today and the future. They may provide several services, such as investment management such as mutual and segregated funds, stocks and bonds, income tax preparation and estate planning.

The advisor also can assist the client and prospect with tax laws and any insurance decisions.

A financial advisor can help their clients and prospects plan a budget and set up a debt repayment plan that will accelerate how fast they can pay off your debt.

They can also help their clients and prospects find extra money in their budget to put towards their debts, to save for the future or to take care of the insurance needs that are uncovered in the fact-finding interviews.

This course will present this topic in a question and answer format so that the learning experience will be enhanced.

The Advisor Will Study the Following:

CHAPTER 1 - Understanding Money Management Skills

- Organizing your financial life
- Building budgeting skills

CHAPTER 2 - Understanding Credit

- The basics of credit
- Basics of credit cards
- Formulas used by lenders when extending credit
- Understanding a credit report

- Credit scores and their impact

CHAPTER 3 - Understanding Debt

- Debt categories and their importance
- Conservative strategies for getting out of debt
- Aggressive strategies for getting out of debt

A Glossary of Credit Terminology

- Complete listing of credit terms