

MONEY SENSE

Genesis
FINANCIAL MANAGEMENT INC.

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NEW BEGINNINGS, DEBT FREE

Coping with Market Volatility

If you follow the financial news these days, you know the stock market has been on a roller-coaster ride. What's an average investor to do when things seem so out-of-control? Consider these three basic concepts during times of volatile market conditions.

Maintain Perspective

As you may have noticed in the last several weeks, the broad stock market can be volatile in the short run. But did you know that the market can go up and down in value, especially over shorter periods of time, and is a normal part of investing?

Sure....it's tempting during these volatile times to just trade or switch investment options in hope of a better return. However, trying to "time the market" is not a proven investment strategy.

Consider Your Strategy

Even though the market in general isn't performing well right now, **carefully consider** any changes to your investment portfolio in the near future. Remember that an investment strategy can include:

- Practicing asset allocation (how money is distributed across various types of investment options)
- Selecting diverse investment options
- Investing early and saving often
- Considering your overall investment strategy

Investing on a **consistent basis** over the long-term, despite volatile market conditions, is **one method** of a retirement savings strategy that may meet your needs. It's also important to note that additional market volatility is possible. Remember that in investing, market risk and volatility are constants. Determining how much risk you can tolerate is a key consideration.

Stay Informed

For tools and resources that can help you learn about saving and investing such as: online retirement calendars, learning how to allocate among various types of investment options, and articles on financial and retirement planning topics, please visit www.principal.com.

Article excerpted from Principal Financial at www.principal.com

Dollar Saver\$:

Auto Insurance

- You can save hundreds of dollars a year by purchasing auto insurance from a licensed, low price insurer. Call your state insurance department for a publication showing typical prices charged by different companies. Then call at least four of the lowest priced, licensed insurers to learn what they would charge you for the same coverage.
- Talk to your agent or insurer about raising your deductibles on collision and comprehensive coverage to at least \$500 or, if you have an old car, dropping this coverage altogether. This can save you hundreds of dollars on insurance premiums.
- Make certain that your new policy is in effect before dropping your old one.

Provided by the Consumer Literacy Consortium

www.66ways.org

Payment Address

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Genesis understand that times are tough. If you are having difficulties making your payments to your creditors or if you are unable to make your monthly payment on time, please contact us immediately to reschedule your monthly payment to avoid any insufficient funds charges.



Refer a Friend Today

Do you remember that first moment when you opened your bills after joining Genesis Financial Management (GFM)? It was that thrilling tug at your cheek that erupted into a full smile ... you were on the path to freedom. Your interest rates dropped, the phone calls stopped and you were finally enjoying life again!

Now we're giving YOU the chance to make someone you love's life just as thrilling! With the new options available at Genesis Financial Management, those who didn't think we could help ... now we can. Share the feeling of relief... of freedom that comes with knowing you are on the road to a brighter future! Refer a friend today. Have them call 866.601.0081!

"Referring a friend because you are satisfied with the service we provide is the highest compliment we could ever receive!"

Genesis Financial Management

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Keeping You In the Loop!

Here at Genesis Financial Management (GFM) we are committed to providing our clients with the products and services they need to not just *survive* – but begin to *thrive* in this difficult economy. To that end, we have begun offering debt settlement in addition to our trusted debt management program for clients who are struggling to meet their obligations.

How does debt settlement differ from debt management?

Debt management does not reduce the principal balance owed. Instead, by dramatically reducing or even eliminating interest rates and other fees, more of every payment goes to paying the principal down, accelerating the debt elimination efforts. On the other hand, debt settlement does exactly that – it settles your debt for

less than the principal balance. Generally speaking, most clients can expect to settle their debt for about half of what they owe.

While settling your debt for cents on the dollar may sound wonderful, it does come with a price. It *will* have a negative impact on your credit score. However, unlike a bankruptcy, there are no notations that are required to stay on your profile for 7-10 years and you can begin rebuilding your credit immediately upon completion of the program. Debt management, however, does not hurt your credit score at all, typically making it the best option for those who can afford to participate.

When deciding what option is right for you or a loved one, other considerations should include the difference in monthly fees and the length of the program. While every

situation is different, most clients who compare options will find that debt settlement offers a significantly lower monthly payment and shorter duration than debt management.

In addition, debt settlement is often the best way for small business owners and self-employed workers who have incurred significant business debt to a void bankruptcy. These situations typically involve high debt loads for which the individual is personally liable, coupled with a reduction in income that can make debt management a less manageable option.

If you have questions about whether debt settlement might be right for you, give us a call today. Improving your financial future is our mission!

Last Bit of Tax Info for Late Filers Who Owe

If you didn't file or request an extension on time, what do you do? Well, if you owe taxes and didn't file your tax return or didn't request an extension by the April 15 deadline, you may face interest on any unpaid federal taxes you owe and a failure-to-file penalty. The IRS will deny a request for an extension that is filed after midnight on April 15. However, you should still file your tax return, even if it's late.

The failure-to-file penalty is 5% per month, or part of a month, of the balance due, up to a maximum of 25%. If the tax return is more than 60 days late, the minimum penalty is \$135 or the balance due, whichever is less.

Interest and penalties add to the total amount you owe. The sooner you file, even if you can't pay all or some of the taxes due, the less you will owe.

More information about penalty and interest charges is contained in Chapter 1, Filing information of IRS Publication 17, Your Federal Income Tax.

For more information about filing taxes, or on the interest and penalties for filing late, please visit www.irs.gov or call (800) 829-1040 and speak to a live representative regarding your IRS account.

Visit our New and Improved Website: www.YourGFM.com