

For Immediate Release
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Suffering from a holiday hangover Tips for getting and staying out of debt this New Year

Edmonton, AB –January can be a depressing time of year. Couple the dreary weather with the dreaded credit card bills, and many Canadians have sufficient reasons for wanting to escape.

“But don't despair” declares Kelley Keehn, Financial Expert and author of *The Woman's Guide to Money*. If you're suffering from a holiday hangover in a financial sense, Keehn asks you to contemplate these simple rules for repentance.

Pay more than the minimum.

Once the shock of receiving your credit card bill subsides, consider paying off the entire balance if you can. Unfortunately, this is not an option for most consumers. But don't pay the minimum amount just because that's what the credit card company suggests. If you have other investments or savings, consider using these funds to pay off all or part of your balance. It's prudent to realize that your savings are not paying the guaranteed rate of 20% to 28% interest annually that the credit card company is charging you.

Also consider that room is still on your card for future needs, now that you've depleted your savings.

Change your credit card.

Most banks have several types of credit cards available. Often, the gold or platinum cards have higher interest rates, and although the point rewards associated with these cards can be a great advantage, if it's sinking you in debt, that type of card isn't worth it at the end of the day. Many banks offer low-interest credit cards, and if you find yourself keeping a balance each month that isn't paid off, you might want to switch to this type of card.

Tips for turning things around.

First a foremost, declare, “Today I will incur no new debt”. The lure of no-payment programs for years or enticing loans often carry high hidden costs. Second, don't create a budget – they rarely work, as most individuals don't know what they spend. Instead, document every dollar you spend monthly. Then, categorize purchases and look for patterns of waste or areas that could be trimmed. For example, if you were to take \$20 out of an ATM machine every few days, that could add up to \$18 a month in service charges that could be saved, enjoyed or used for debt repayment by taking all cash needed for the month at one time. Once you've identified financial “fat” that can be trimmed, use those extra dollars for paying down debt.

Kelley Keehn is a financial expert, columnist and author of four books including *The Woman's Guide to Money*. Keehn's newest book, *The Prosperity Factor for Kids* will be released nationally by Insomniac Press and available in bookstores early April 2007. Her spring tour will include Edmonton and Calgary mid April and Toronto in May. Keehn's website, www.KelleyKeehn.com, lists a plethora of facts and free articles about women, kids and money.

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