

# Dealing with Your Creditors During (and After!) the COVID Pandemic

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by [Mark Martella](#)

Some of you won't be able to make all of your payments at the first of the month. For others, it may happen the next month or beyond. So what should you do? Here are three important tips for dealing with your creditors.

## **Tip #1: Be Proactive**

What should you be doing right now? The first thing is to **be proactive**. Some creditors out there are offering to defer payments a month but you have to ask. The feedback I am getting from clients is that they have secured a one-month extension and the creditor will readdress their situation next month if another extension is needed. Therefore, you must be proactive. You can do this with your credit card, vehicle, and mortgage payments. However, taking initiative is the key. If you wait until the last minute, you may not get a deferral for that month. One of my clients called their creditor on a Friday requesting to defer a payment that was due on Monday. He checked his account on Monday morning only to find the payment withdrawn and his account overdrawn because he was short on funds. The lesson is - don't delay! Call your creditors now while everyone is in the same boat and they are willing to work with you.

## **Tip #2: Stay informed**

Learn how to handle things. Learn what resources are out there.

- **CARES Act** - Congress passed the CARES Act and I have recorded [multiple videos](#) explaining the consumer provisions that may assist you. So, when you call your creditor and they tell you that nothing is available, raise the CARES Act. Tell them what you read. Tell them what you know. Clients tell me they got pushback at first but when they mentioned the CARES Act and what they learned, they were able to get assistance.
- **Stimulus Payment** - You are probably familiar with the \$1,200 stimulus check. If you have not yet received your check or an automatic deposit, go to the [IRS website](#) and sign up for direct deposit. You also should go to their website if you have never received a refund or the IRS does not have your current information. Again, be informed.

## **Tip #3: Be Aggressive**

If you don't get results from the first person you speak to, ask for a supervisor. You need to do that and that is why you need to be informed. Keep in mind, many creditors are hiring a whole bunch of new people - people who are unfamiliar with things and who aren't in the credit business. You need to be aggressive and you cannot be aggressive until you are informed. If you are not getting results you know you are entitled, go up the ladder to get the answers you are seeking.

To review, be proactive. Stay informed by reading articles like this one and watching videos. And be aggressive when dealing with your creditors and don't be afraid of them. They may try to intimidate you but don't let them.

### **Bonus Tip: Stay Calm**

My bonus tip for you is to stay calm. Just stay calm. Look, nothing is going to happen immediately. You are not going to be thrown out of your house. Creditors are not going to automatically levy on a bank account. They will have to go through the whole judicial procedure. If you stop making your credit card payments today, it will probably be close to a year before you might get sued. In that whole time, you will have the opportunity to figure things out. So, please stay calm. You will get through this. We will get through it together.

If you have any questions, please reach out to me. Contact me at 941-206-3700 or [mmartella@icardmerrill.com](mailto:mmartella@icardmerrill.com).  
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