3 money tricks *not* to fall for

Finance expert Nicole Lapin tells all about crafty promotions and faux freebies disguised as money-savers so *you* can spot and avoid them.

Nicole Lapin is a former CNBC and CNN anchor and the author of *Rich Bitch: A Simple 12-Step Plan for Getting Your Financial Life Together... Finally.*



Catch Nicole's new TV show, *Hatched*, on The CW October 3.

THERE ARE SO MANY "DEALS" being thrown at consumers every day: free money, free services, free shipping, and so on. Even if you're pretty savvy, it can be tough to discern the things dressed up as deals from the genuine ones, especially when the company seems legit, like a bank or financial service. (Who would want to dupe you while you're getting your boring old credit report? Well, as it turns out, *lots* of people—I learned that the hard way.) Beware these slippery financial schemes.

1 "Free" credit reports

As a young financial reporter, I knew how crucial a credit report would be for my fiscal health, but I hesitated to get one. There were too many options—on commercials, pop-up ads, and confusing websites—and I didn't know whom to trust. I finally decided on a certain site with a catchy jingle that promised to be "free." Boy, was that far from the truth! As part of the process, I gave them my credit card information. Unbeknownst to me, I was signed up for a membership to the tune of $19.99 per month. It took me months of calls to cancel, and by then I had $80 in fees. Here's what I wish I'd known: There is only one website that offers truly free reports, no strings attached. It's annualcreditreport.com, which is sponsored by all three official credit reporting agencies. What's more, the law requires that annual credit reports be free, which means anyone out there charging you for it is full of hooey. Note, however, that credit reports don't include a numeric credit score, which you *do* have to pay for (typically $5 to $20). Here's a little trick: If you apply for a loan, ask the lender for a copy of the report and FICO score they pull so you won't have to pay for it again later.

2 Banks that pay new clients money

This has become a fairly common practice for banks to lure in new customers: They'll promise to give you $50, $100, or even $200 for opening a checking or savings account. Sounds like easy money, right? Wrong. After signing up, you can wait six months to a year for the money, and they often make you jump through hoops to get it, such as keeping a minimum balance. Drop below it, even for just a few weeks? You can kiss that lump-sum signing bonus good-bye. Also, know that the more bank accounts you open, the more times your credit report may be "hard pulled," which can lower your credit score if done too much. Watch out for this same trick with bank credit card promotions promising you big points or money back. If lenders see that you have a history of opening and closing cards willy-nilly for these offers, you look less financially stable, and your credit score may drop. So in the end, these deals may cost you in future lending power more than that $100 or those 40,000 points are worth.

3 Package deals that trap you

These seemingly convenient packages advertise a single fee for services at a "discounted" rate. The best example is cable, phone, and Internet bundles (though insurance companies can do this too). But if you decide to drop one of the three services later, you may pay more to do so. Let's say you pay $90 for a cable, phone, and Internet combo but no longer use the landline (as is the case with so many of us these days). So you cancel that, but now your new plan is $99.99. Ten dollars *more* for fewer services? *Huh?* Providers think you're less likely to shop around if they can keep you subscribing to a "bundled" package. So when you break that deal, companies like to jack up the prices on your remaining services. And because most of these deals involve contracts with big cancellation fees, they bet you'll just throw up your hands in confusion and go back to the bundle. So next time you're up for renewal, shop around for an à la carte deal from providers that offer short-term or no contracts, like Cable ONE and Suddenlink.

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