



December 1, 2008

Federal Trade Commission
Office of the Secretary, Room H-135 (Annex Z)
600 Pennsylvania Avenue, NW
Washington, DC 20580

RE: Debt Settlement Industry - Public Workshop: FTC Matter No. P084808

Ladies and Gentlemen:

The American Financial Services Association (“AFSA”)¹ commends the Federal Trade Commission (“FTC”) for hosting an excellent and informative workshop on the debt settlement industry this past September. AFSA staff attended the workshop and understands that the FTC is looking for specific information from lenders on debt settlement companies. AFSA is submitting this letter as a follow-up to our August 15th letter.

AFSA members have seen an increase in “frivolous” or invalid disputes since the emergence of debt settlement companies. Most of these disputes are requests for debt validation. Below are examples from AFSA member companies of the volume of these disputes:

- Company A said that these types of disputes have increased 95%. This company operates in six states and receives about 50 disputes each month. Ninety-five percent of the disputes received by this company are requests for debt validation.
- Company B, with approximately 250 branch offices, said that the average number of electronic disputes that they receive per month has increased from 525 in 2004 to 1,193 in 2008. In August 2008, this company received 1,213 electronic disputes generated by 627 customers. One hundred fifteen of those customers were disputing the same account multiple times throughout the month. Three hundred forty disputes were generated by customers disputing multiple times. Twenty-eight percent of these disputes were labeled as “frivolous.”
- Company C noted that they are receiving on average about 20 disputes a month for an account base of 18,000 customers. About half of those disputes are on accounts that have been written off to bad debt and would not be in their current customer base. These letters come in either a dispute form from the credit bureau or a generic letter requesting information under the Fair Credit Reporting Act (“FCRA”).

¹ AFSA is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. Its 350 members include consumer and commercial finance companies, auto finance/leasing companies, mortgage lenders, credit card issuers, industrial banks and industry suppliers.

- Company D, a large credit card issuer, received between 500-600 letters from debt settlement companies each month in 2008, a large percentage of which contain a dispute of the debt or request verification the debt is owed. The total volume for 2008 is projected to be 6500 letters. This can be compared with volumes in 2007 of 3850 and in 2006 of 800 letters that appeared to come from debt settlement companies.
- Company E, which has offices in 16 states, receives debt validation letters in almost every state they do business. Initially, the company responded by sending a copy of the customer loan contact and payment history. The company has never received a response. Recently, they have changed their procedures to respond with a form letter asking for the specific nature of the dispute. Again, the company has not received a response. Almost always, the customer stops making payments and their accounts are ultimately charged off.
- Company F, a large financial services company, first started receiving correspondence from debt settlement companies in December 2006 and began tracking the data in January 2007. The typical debt settlement company correspondence is from a for-profit company that almost always claims to be affiliated with a lawyer or law firms. In total, Company F received 349 debt settlement company letters in 2007, and 676 in 2008, representing an increase of 93%.

The law firm affiliated debt settlement companies have created an unusual problem for Company F. Form letters are initially received asserting that the law firm affiliated debt settlement company “represents” the borrower. However, often it cannot be determined whether a lawyer is providing legal representation or debt counseling services to their borrowers. As a result, Company F cannot adequately evaluate how to best respond to the law firm affiliated debt settlement company.

The non-law firm affiliated debt settlement companies represent a dramatically smaller amount of correspondence received by Company F. Of the total amount of debt settlement company letters received in 2007 and 2008, only 3% of those letters were from non-law firm affiliated debt settlement companies. However, their form letters are characterized by similar, if not identical, allegations and demands.

- Company G, with approximately 20 offices, receives about one dispute letter each week requesting complete validation of the account. This is an increase from previous years. In the past few months, the company has started receiving about one letter a week asking the company to consider changing the customer’s late payment ratings to current because they are a good customer. Then, subsequently, the company receives a letter demanding validation of the account. These letters are usually dated about two to three weeks before they are mailed, as evidenced

by the postmark on the envelope versus the date on the letter. Also, the letters are postmarked out of Portland, Oregon, even though the customer is in a city in another part of the state.

The company replies to these letters requesting that the writer comply with the company policy statement concerning credit bureau disputes in accordance with the Fair and Accurate Credit Transactions Act (“FACTA”). Only one customer has ever complied with the policy statement. However, when the company investigated the dispute and found it without merit, the customer continued to routinely send in letters for validation, although that had already been accomplished.

Interestingly, when a representative from the company spoke with a customer who had received a reply letter from the company, the customer did not know what the representative was talking about.

In addition to dispute letters, some AFSA member companies have noted that while debt settlement companies do not specifically say that the customer will not be making payments anymore, after receiving a letter instructing the lender not to contact the customer, the customer will stop sending payments.

Debt settlement companies often block or discourage consumer communication with the lender. However, in many cases the debt settlement company cannot be contacted and no further communication is received from them. Thus, the lenders are left without a means to resolve the outstanding debt. Examples of this type of dispute include Power of Attorney, Limited Power of Attorney and Cease and Desist requests. As with the frivolous disputes, these types of communications have drastically increased. In one company, they increased 95%. Another company noted that they had no such requests before 2006, but have had at least 60 since then. A third company noted that 80-90% of all initial communications from debt settlement companies include a request that the lender discontinue contacting the customer and that the address on the account be changed to that of the debt settlement company.

It is not unusual for cease and desist requests, requests to change billing address and Powers of Attorney to be sent to lenders unsigned by the customer, un-witnessed or un-notarized. Plus, customers also do not appear to be copied on communications with lenders. This leads AFSA to question whether the customer really understands what is occurring with their account.

AFSA believes that it might be helpful for the FTC to have statistics on the number of consumers involved with a debt settlement company. Smaller lenders have noted that hundreds of their consumers are involved with a debt settlement company, while larger ones may have thousands. One AFSA member stated that they had a 645% increase in letters received from debt settlement companies since 2005. Before 2005, the volume was essentially nonexistent. It was difficult for AFSA members to give an accurate count of the number of consumers involved with a debt settlement company because the debt

settlement companies operate differently. Some submit both electronic disputes and dispute letters, while others submit only one or the other. One AFSA member noted that out of 115 consumers sending multiple disputes, only five were verified as debt settlement company customers. Another member noted that they only receive payments from one debt settlement company, the rest of the customers just stop paying when they found out that they are paying someone to settle their accounts, but their accounts are not being settled. A third member stated that although an exact figure is not available, this lender was only aware of one settlement payment that has come from a debt settlement company, while many of that lender's borrowers have indicated that they have made payments directly to a debt settlement company with the understanding that the debt settlement company would pay the lender.

One of AFSA's members has noted that, with the exception of one debt settlement company, once customers get involved with a debt settlement company, generally one of two things will happen: (1) They realize that their credit is being affected and the debt settlement company is not doing anything but taking their money and they will start making payments again; or (2) the lender never hears from the customer again and the account is written off to bad debt.

Another member has noted that after it is notified that the consumer is working with a debt settlement company, it typically receives no communications from the debt settlement company (other than a full balance dispute, credit bureau dispute or request for verification of the debt) until after the debt is charged off as a loss. Once the debt has been charged off, then a settlement offer may be received for a relatively small percentage of the debt. By the time this settlement offer is received, the consumer's credit rating has been substantially impacted due to late marks and the charge off. Any settlement this member would agree to with a debt settlement company, it would also agree to if it was conversing directly with the consumer (saving the consumer the large upfront fee owed to the debt settlement company).

Additionally, one AFSA member said that when they initially receive correspondence from debt settlement companies, they responded to each letter individually, requesting additional information. But when the lender did not receive any responses to their requests, and the debt settlement companies continued mailing unresponsive form letters, the lender decided to stop responding individually. Instead, the lender started responding to the debt settlement companies with a blanket letter that addressed the common deficiencies of all their letters, whether or not yet received. This lender does not consider correspondence from debt settlement companies a "complaint." When this lender began receiving letters from debt settlement companies in late 2006, they considered those matters a nuisance that could be handled with a form letter response. However, subsequently because of the substantial increase in the volume of these letters and requests, and the wide variety of demands made by the debt settlement companies, the lender has found that these letters are adversely affecting the flow of business with their customers and impeding their ability to engage in loss mitigation.

It takes AFSA member companies time to answer each of these dispute letters. AFSA members work hard to keep their reporting accurate and respond to customers' disputes. The routine submission of full balance disputes, debt verification and credit bureau disputes may be abuses of the consumer protections created under the Fair Credit Billing Act, the Fair Debt Collection Practices Act and the Fair Credit Reporting Act. With regard to the credit reporting disputes, when negative reporting is erroneously removed from a credit report, it undermines the validity of our national credit reporting system.

The debt settlement companies that use these inappropriate dispute practices and do not disclose clearly to consumers the tactics that it will use, and the results of its tactics on the consumer's credit report, hurt consumers and businesses. Given the extensive problems AFSA members experience with debt settlement companies, and the risk of harm to consumers due to these practices, AFSA recommends that the FTC consider changes in law or policy that would assist the agency in fulfilling its core mission of protecting consumers.

Please feel free to contact me with any questions at 202-296-5544, ext. 616 or bhimpler@afsamail.org.

Respectfully submitted,

/Bill Himpler
Executive Vice President, Federal Affairs
American Financial Services Association

APPENDIX I

Examples of letters received by AFSA members
From debt settlement companies

04-17-08

~~Frivolous~~

APR 28 2008

Same as

part 2

~~Not investigated~~

Attn.

I am formally requesting that you validate all tradeline notations you have submitted to the three major credit reporting agencies by _____ for me, _____ for account number _____

Due to possible inaccuracies in these CRA reports, I must demand that the validation I hereby request be in the form of a notarized statement by a person with original knowledge of the debt as it was constituted and who can testify that the debt was incurred legally, was not subsequently disputed as a result of returned, faulty, or recalled consumer products, was not utilized as a profit-loss tax deduction during the period it may have been payable, and was not claimed as a loss with any insuring entity during the period it may have been payable. Please be advised that I am not requesting a verification that you have my mailing address; rather, I am requesting validation, i.e., competent evidence that I had some contractual obligation minus consumer protection encumbrance which incurred the original claims associated with this tradeline.

Within 30 days of the tracked and confirmed delivery of this notice, either answer these demands or remove the associated negative tradeline notations from the CRA reports, actions which contraindicate evidence of your intent to abridge one or more civil rights. Continued unsubstantiated reporting of possible inaccuracies to third parties may provide a basis for formal complaints being filed in accordance with FDCPA, FCRA, and other federal statutes.

I look forward to a timely and amicable response to this matter.

Sincerely,

April 3, 2008

Dear Cust. Svc. Department,

I am mailing this in hope that will assist. As a reliable client, I have fostered our agreement appropriately. In any event, during this time span I amassed a couple of late pays forwarded to the credit reporting agencies. Pretty soon I am hoping to seek good rates for a loan, hence I am very frightened that these minor late marks will weaken my position. The Social Security number is

. Will you consider deleting the late pay marks as an accommodation for me? I look forward to more great service as your customer.

Sincerely,

The Palmer Firm, P.C.

P.O. Box 1700
Rancho Cucamonga, CA 91729-1700

October 21, 2008

RE:
Account #:

To Whom It May Concern:

This law firm represents the above referenced consumer. Based on the information provided, our client disputes the claim and requests verification of the alleged debt. Verification should include all documents evidencing the debt including, but not limited to: any document signed by our client with respect to the debt such as contracts, notes leases, or other written agreements, each invoice or transaction record and any other loan documents; ledgers; or, other documents reflecting all consideration, payments, offsets and credits. Further, request is made for all documents that will demonstrate when this debt was first due or that it is not barred by the statute of limitations.

Unless you have initiated litigation against our client by the filing of a lawsuit, demand is made that you immediately cease all attempts to contact our client by letter or by phone, at home or at our client's place of employment. Should you wish to discuss this alleged debt you may do so, once the requested documentation has been delivered, by contacting the undersigned at the above mailing address. We request that all communication regarding this matter be conducted in writing. This letter is not to be construed as a formal appearance in any litigated matter.

Very truly yours,

Robert Palmer
The Palmer Firm, P.C.

A National Network of Consumer
Attorney Law Firms*

MAILING ADDRESS:

The Palmer Firm, P.C.
P.O. Box 1700
Rancho Cucamonga, CA 91729-1700

PHONE NUMBER:

(909) 581-7494

HOURS:

Monday thru Friday 7:00
am to 6:00 pm PST

ROBERT PALMER (TX)
MIRUNA MIHAI (CA)
ROBERT FITZGERALD (TX)
RONALD L. REICH (CA)
JEFFREY A. SUTTON (KS,MO)

ASSOCIATED ATTORNEYS:

COLLEEN LIBBY (AK)
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MATT HENRY (AR)
ARTHUR ALLSWORTH (AZ)
GREGORY M. FITZGERALD (CA)
JONATHAN HAGN (CO)
MARK KRATTER (CT)
MATTHEW M. GARRUCI (DE)
CARL D BEHRY (FL)
SAM BRANTLEY (GA)
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JASON RETTIG (PA)
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M. SEAN COLLINS (TN)
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MICHAEL O. WELLS (VA)
THOMAS NIKSA (VT)
CHRISTINE LATTA (WA)
SHERRY M. TERRELL-WEBB (WI)
USA A. GREEN (WV)
HAMPTON M. YOUNG (WY)

*National network is an association
of attorneys and law firms.

1. POWER OF ATTORNEY. I, the undersigned, do hereby authorize The Palmer Firm, P.C. its employees, agents, representatives and any assignees with full power and authority to act on my behalf with regard to all matters involving any and all of my creditors or claimants, and also specifically listed the recipients below to disclose any and all information relating to my account, including but not limited to releasing personal, confidential financial information. This document shall also serve as authorization to file to The Palmer Firm, P.C. its employees, agents, representatives and/or assignees any document(s) relating to my account.

The foregoing is agreed to by:

Printed Name _____

Printed Name _____

Social Security # _____

Date of Birth _____

Social Security # _____

Date of Birth _____

Signature _____

Date _____

Signature _____

Date _____

10-15-08

Attn.

In accordance with my rights under the Fair Debt Collection Practices Act, I am hereby requesting formal validation of the alleged debt you are reporting to the major credit reporting agencies on my behalf. Note that I am not requesting a simple account summary. Rather, you should forward the following expeditiously:

- 1) Validation that the alleged debt was established, including a signed application for credit;
- 2) Formal certification that the alleged debt was transferred to a third-party if applicable;
- 3) Notarization regarding the alleged debt's P&L application to federal or state tax write-off;
- 4) A complete monthly accounting history from the alleged debt's inception through the present date, including any alleged charges, penalties, service charges, and payments, as well as a certified attestation regarding current status;
- 5) Documentation regarding your company's compliance, including applicable bond, regarding debt collection laws in my state.

I will look forward to receiving the requested documentation so that this matter will not escalate further. Otherwise, you are prevented from reporting this account to the consumer reporting agencies. Any further reporting is in violation of the Fair Debt Collection Practices Act (FDCPA) Sec. 809(b) 15 USC 1692g.

Sincerely,

VS

Re: Acct #

Saturday, June 21, 2008

To Whom It May Concern:

This letter is being sent to you in response to a notice sent to me by one of the credit bureaus. I recently disputed some information on my credit report and the information came back verified and updated. Be advised that this is not a refusal to pay, but a notice sent pursuant to the Fair Debt Collection Practices Act, 15 USC 1692g Sec. 809 (b) that your claim is disputed and ***validation is requested***. Also in reference to creditor verification found in The Fair Credit Reporting Act Section 623a8 and 623b. This is NOT a request for "verification" or proof of my mailing address, but a request for **VALIDATION**. I respectfully request that your offices provide me with competent evidence that I have any legal obligation to pay you.

Please provide me with the following, as mandated by law:

- What the money you say I owe is for;
- Explain and show me how you calculated what you say I owe;
- Provide me with copies of any papers that show I agreed to pay what you say I owe;
- Provide a verification or copy of any judgment if applicable;
- Identify the original creditor;
- Prove the Statute of Limitations has not expired on this account
- Show me that you are licensed to collect in my state
- Provide me with your license numbers and Registered Agent

At this time I will also inform you that if your offices have reported invalidated information to any of the 3 major Credit Bureau's (Equifax, Experian or TransUnion) this action might constitute fraud under both Federal and State Laws. Due to this fact, if any negative mark is found on any of my credit reports by your company or the company that you represent **I will not hesitate in bringing legal action against you for the following:**

- Violation of the Fair Credit Reporting Act
- Violation of the Fair Debt Collection Practices Act
- Defamation of Character

If your offices are able to provide the proper documentation as requested in the following Declaration, I will require at least 30 days to investigate this information and during such time all collection activity must cease and desist. Also during this validation period, if any action is taken which could be considered detrimental to any of my credit reports, I will consult with my legal counsel for suit. This includes any listing any information to a credit reporting repository that could be inaccurate or invalidated or verifying an account as accurate when in fact there is no provided proof that it is.

If your offices fail to respond to this validation request within 30 days from the date of your receipt, all references to this account must be deleted and completely removed from my credit file and a copy of such deletion request shall be sent to me immediately.

I would also like to request, in writing, that no telephone contact be made by your offices to my home or to my place of employment.

If your offices attempt telephone communication with me, including but not limited to computer generated calls and calls or correspondence sent to or with any third parties, it will be considered harassment and I will have no choice but to file suit. All future communications with me **MUST** be done in writing and sent to the address noted in this letter by USPS.

It would be advisable that you assure that your records are in order before I am forced to take legal action. This is an attempt to correct your records, any information obtained shall be used for that purpose.

If all of that was too much, here it is in a nutshell...

You must conduct an investigation of what I am requesting,

You must review all information provided by me, the consumer, relating to my dispute.

You must respond within **30 days** of the date listed above.

You must remove any and all inaccurate information and notify the credit bureaus of the mistake and tell them to list the item correctly.

If you fail to comply, you would be in violation of the FCRA and I will take legal action.

Please be advised that all of this is according to the law, not frivolous threats and hearsay.

Best Regards,

Valued Customer

cc.. *Equifax, Experian, TransUnion, and Innovis*

9-25-08

Dear

I request that _____ validate _____'s any
account history materials transmitted to credit bureaus for me
with regard to account number _____. Since it is likely that
errors may be present within that data, I am asking that
_____ confirm this notarized validation on your letterhead within one
month. I need more than a cursory account history. Instead, I must ask for
a thorough substantiation.

If these requests cannot be met during the time delineated here, any data
uploaded by _____ to the major consumer reporting
agencies must be deemed erroneous and may indicate your desire to abridge
my federal rights. In that case, you should recall such bureau items as soon
as possible.

Thank you for your assisting with this matter.

Sincerely yours,

September 4, 2008

Dea

I request that you verify any consumer information transmitted to the three consumer reporting agencies for me, [redacted], regarding account number [redacted]. Given the probability that errors may be present within material you reported, I must ask that you collect and forward this documentation within 30 days. Also please demonstrate that this account was not subsequently disputed as a result of returned or recalled consumer products during the period it may have been payable. Forward more than a simple account statement. Instead this is a requisition for a detailed verification. Should you be unable to comply with my request soon, any information given from your company to the three consumer reporting agencies should be considered wrongful and may denote intention to violate my civil rights. In that circumstance, vacate such historical material immediately.

Thank you for your help in this regard.

Sincerely,

CEASE COMMUNICATION

From: _____

To: _____

Re: Account No.: _____

CEASE & DESIST
REQUEST

To Whom It Concerns, legally responsible collector:

I have been receiving calls from your firm to collect on my unpaid balances for my credit card. I'm sorry, but I just don't have any money at this time – and I don't make much money or have any real assets of value. So I'm trying to figure out how to pay you back. While I figure out how to come up with some money to pay you, please do not call or harass me until I can figure out how to pay off these debts. I apologize, but I cannot keep getting calls. Also, this is formal notice not to call me at home or at work.

Thanks for your concern. I will contact you when I figure out how to pay you for what I owe, and I am working on a way to resolve these debts.

Sincerely,

Signature: _____

Name: _____

Date: 10-24-08

LIMITED POWER OF ATTORNEY

To Whom It May Concern:

I/We,

The undersigned (jointly and severally if more than one hereinafter collectively "principal"), hereby make, constitute and appoint _____ its agents, assigns, and employs principal's true and lawful attorney to act for principal and in principal's name, place and stead and for principal's use and benefit to **CONTACT PRINCIPAL'S CREDITORS AND CREDITORS' AGENTS, REPRESENTATIVES AND EMPLOYS FOR THE PURPOSE OF NEGOTIATING FINANCIAL SETTLEMENT ARRANGEMENTS ON CREDITORS' CLAIMS OF INDEBTEDNESS BY PRINCIPAL IN FAVOR OF CREDITORS; AND/OR TO CONTACT ALL CREDIT REPORTING AGENCIES IN ORDER TO OBTAIN ALL CREDIT INFORMATION PERTAINING TO PRINCIPAL; AND/OR, SHOULD SUCH ACTION BE DEEMED NECESSARY AND APPROPRIATE, TO ISSUE ORDERS TO CEASE COMMUNICATION PER THE FAIR DEBT COLLECTIONS PRACTICES ACT (FDCPA) ON BEHALF OF CLIENT, AT THE SOLE DISCRETION OF ATTORNEY-IN-FACT.**

Principal hereby grants to said attorney-in-fact full power and authority to do and perform each and every act and thing which may be necessary, or convenient, in connection with any of the foregoing, as fully, to all intents and purposes, as principal might or could do if personally present, hereby ratifying and confirming all that our said attorney in fact shall lawfully do or cause to be done by authority hereof.

Please notate your records with the following change of address and telephone number.

[Debt Settlement Company Address]
[Debt Settlement Company Phone Numbers]

REQUEST TO CHANGE ADDRESS AND
PHONE NUMBER TO THAT OF THE
DEBT SETTLEMENT CO.

Whenever the context so requires, the singular number includes the plural.

Principal(s):

Signature	Printed Name	SSN#	Date
Co-Client Signature	Printed Name	SSN#	Date

NOT VALID

[Debt Settlement Company]

"Courtesy Engagement Notification"
Debtor Representation

October 27, 2008

Re:
ACCOUNT NO:
Reference Number:

To whom it may concern,

This letter is to inform you that [redacted] has been appointed as the *negotiating and debt settlement agent* for the above mentioned client. As a result of circumstances beyond our client's control, which have curtailed their ability to meet their normal payment schedules, our client has been forced to engage [redacted] for the sole purpose of debt management assistance. The client has acknowledged the need for financial assistance and has engaged the services of [redacted] as a measure of dealing with **ALL** of their credit and not just one individual account. The number of credit accounts the client holds has become entirely overwhelming, and the resolutions that each different creditor wants simply does not fit within the realm of the client's finances. [redacted] has recommended a strict economic budget and savings plan to our client, in order to settle all of their outstanding unsecured debt. This has been recommended, taking into consideration our client's budget and the desire of all parties involved, to accomplish this in as timely a manner as possible. Since our client has multiple creditors enrolled in our program, [redacted] as the agent, with "Limited Power of Attorney", will contact your office as money becomes available with a proposal for debt settlement. Please be advised, should our client's financial situation improve at any point within our program, will notify your office for a settlement proposal, ahead of the recommended schedule.

[redacted] will continue to maintain an open line of communication between our offices to ensure the client's willingness to make restitution to the best of their ability. **We simply ask out of professional courtesy, please be patient, as you WILL receive a settlement proposal as soon as money becomes available.** For your records, we have attached a "LIMITED POWER OF ATTORNEY" signed by our client. Please update your records to record the fact of our Power of Attorney in order to expedite communications between our offices. Thank you very much for your cooperation in this matter, and we look forward to contacting you to resolve this account as soon as possible. **Should you have any questions or concerns regarding this account, please redirect your calls to our offices at [redacted] and we will be more than happy to discuss any details of our program or other information that will assist you in your decision making process.**

Sincerely,

[redacted] Settlement Department

** **PLEASE NOTE:** At the account holder's request, if the above stated account has not already previously been closed, we professionally ask your office to please close account [redacted] and notify in writing, the above-mentioned client and all credit reporting agencies to which you report, the account has been closed at the account holder's request. **Thank you in advance for your courtesy and professional cooperation in dealing with this matter.**

LIMITED POWER OF ATTORNEY

I / We _____, as the Principle(s) have the right and as such appoint [Debt Settlement Company] (hereinafter know as "ATTORNEY IN FACT") with full power and authority to perform each and every act which may be necessary or convenient to connect with the following tasks, as fully, and for all intents and purposes as I might or could do if personally present, hereby ratifying and confirming all that my said ATTORNEY IN FACT shall lawfully do or cause to be done in my name or behalf; to wit:

TO PROACTIVELY INTERCEDE AND/OR INTERVENE AND/OR NEGOTIATE, MEDIATE, OR ARBITRATE THE SETTLEMENT OF ANY AND ALL OF MY CREDITOR CLAIMS, SUITS, LIENS, JUDGMENTS, AND/OR DISPUTES.

Be it further known and understood that I/We consider the failure of any creditor, third party agent (collection agent or member of the bar) to recognize this power of attorney to intentionally be acting to interfere with my/our prospective contractual advantage, which may be legally actionable in tort.

NOTICE:

A. In accordance with the section 805(B) of the Fair Debt Collection Act, 15 U.S.C. 1692c, I/we hereby authorize all future communications from any all government agencies, creditors, collection agents, attorneys, credit bureaus, or any other third parties to be directed to the ATTORNEY IN FACT, stated above.

B. In accordance with the 805(C) of The Fair Debt Collection Act, 15 U.S.C. 1692c, the recipient of an original, photocopy or facsimile of this document is specifically instructed by me/us in any manner whatsoever and to direct all future communications to the designated ATTORNEY IN FACT stated above.

C. This limited power of attorney is effective upon signing of the principal(s) and specifically authorizes the recipients authorized agent upon receipt to disclose, talk about, communicate about, convey documents to and to otherwise provide the above stated ATTORNEY IN FACT, anything and any information that they would otherwise provide to and disclose as information concerning any payable, debt, account, lien, suit, or judgment for which I/we are allegedly responsible, disputed or otherwise.

D. The recipient of this LIMITED POWER OF ATTORNEY FORM, whether by original, photocopy or facsimile, is specifically instructed by the undersigned PRINCIPAL(S) to contact the designated ATTORNEY IN FACT at the addresses set forth below; in addition, under the general laws under the Fair Debt Collections Practice Act, and the Fair Credit Reporting Act, as a creditor or third party agent of a creditor, you do not have the ability to refuse to work with my/our designated ATTORNEY IN FACT, for such would constitute a refusal to work with me/us. If you so choose, you do so at your own risk.

ATTORNEY IN FACT: [Debt Settlement Company Name]
[Address, City, State, Zip Code]
[Debt Settlement Company Phone Numbers]

Executed this 14th day of May, 2008.

10/27/2008

11:16 AM

Page: 3

Signature X

Signature Information

NOT VALID

4299519^{NJ}

NO. 2675 P. 1/2

Fax

[Debt Settlement Company Name]
[Address, City, State, Zip Code]
[Debt Settlement Company Phone Numbers]

11/04/2008 10:20AM

To: _____ From: _____

Attn: _____

Fax: _____ Date: NOV 4 08

Phone: _____ Pages: 2

Re: _____ Acct #: 4

Urgent For Review Please Comment Please Reply Please Recycle

Attached please find the Power of Attorney for the above-mentioned client. It is endorsed by the client pursuant to and in compliance with the requirements of the Electronic Signatures in Global and National Commerce Act.

That law covers the validity of electronic signatures and electronic records, as well as new approaches for obtaining required consumer consents and providing required consumer disclosures. The Act also provides that signatures, contracts and other records may not be denied because they exist only in electronic form.

If you have any additional concerns, please call me at _____

Thank you

NOV. 4. 2008 8:19AM

Notice of Confidentiality: The information included and/or attached in this electronic-fax transmission may contain confidential or privileged information and is intended for the addressee. Any unauthorized disclosure, reproduction, distribution or the taking of action in reliance on the contents of the information is prohibited. If you believe that you have received the message in error, please notify the sender by reply transmission and delete the message without copying or disclosing it.

NO. 2675 - P. 2/2

NOV. 4. 2008 8:19AM

[Debt Settlement Company]

LIMITED POWER OF ATTORNEY

I, _____ (Last FIVE of SSN# _____) hereby appoint _____ as my Limited Power of Attorney ("Agent").

Agent shall have full power to act on my behalf but only to the extent permitted by this Limited Power of Attorney. Agent's power shall include these specific powers regarding my existing unsecured consumer debt:

1. Make good faith settlement offers on my behalf;
2. Receive and discuss information regarding my account balances;
3. Receive and discuss information regarding my account history;
4. Mediate and arbitrate my existing unsecured consumer debt;
5. Receive all information, confidential or otherwise, that will allow Agent to arbitrate or mediate my debt or obtain an accord and satisfaction on my behalf; and
6. Receive all information, confidential or otherwise, including but not limited to all credit bureau reports.

I hereby grant to Agent the full right, power and authority to do every act, deed and thing necessary or advisable to be done regarding the above as fully as I could do it personally present and acting.

This Power of Attorney shall commence immediately and shall continue until the debt has been settled in full or I have provided written notice to the Agent or to you canceling this Limited Power of Attorney, whichever is sooner.

I authorize Agent to deliver this Limited Power of Attorney to my creditors, or anyone acting on behalf of my creditors and such transmission by facsimile, US Mail or any other method of delivery shall constitute direct communication of my consent to my creditors to communicate and negotiate with Agent on my behalf.

I am also instructing my creditors that I DO NOT WANT FURTHER TELEPHONE CALLS AT MY HOME, WORK OR ON MY CELLULAR, IT IS INCONVENIENT AND MY EMPLOYER MIGHT PROHIBIT IT AND CELLULAR IS COSTLY. THEREFORE I DO NOT WANT YOU TO CONTACT ME VIA THE TELEPHONE. INSTEAD CONTACT MY AGENT AT _____; THIS IS YOUR NOTICE THAT TELEPHONE CALLS TO ME AT THESE PLACES ARE INCONVENIENT.

Unless and until otherwise advised, I am directing all verbal and written communication (including statements) to _____

REMOVE MY PERSONAL TELEPHONE NUMBERS FROM YOUR SYSTEM AND DIALER AND REPLACE THEM WITH _____

10/13/2008
8:03:15 PM

Signature _____ Date _____ Address _____

negotiators can be contacted directly at 400-556-9090

11/04/2008 10:20AM

REQUESTS CEASE CONTACT AND DIRECT ALL COMMUNICATION INCLUDING STATEMENTS TO DEBT SETTLEMENT CO.

This document is verified

10/15/2008

[Debt Settlement Company Name]
[Company Address]
[City, State, Zip Code]

October 27, 2008

CLAIMS CUSTOMER IS
DISPUTING DEBT AND
REQUESTS VERIFICATION

RE:
Account #:

To Whom It May Concern:

This law firm represents the above referenced consumer. Based on the information provided, our client disputes the claim and requests verification of the alleged debt. Verification should include all documents evidencing the debt including, but not limited to: any document signed by our client with respect to the debt such as contracts, notes leases, or other written agreements, each invoice or transaction record and any other loan documents; ledgers; or, other documents reflecting all consideration, payments, offsets and credits. Further, request is made for all documents that will demonstrate when this debt was first due or that it is not barred by the statute of limitations.

Unless you have initiated litigation against our client by the filing of a lawsuit, demand is made that you immediately cease all attempts to contact our client by letter or by phone, at home or at our client's place of employment. Should you wish to discuss this alleged debt you may do so, once the requested documentation has been delivered, by contacting the undersigned at the above mailing address. We request that all communication regarding this matter be conducted in writing. This letter is not to be construed as a formal appearance in any litigated matter.

Very truly yours,

D4006/1052

POWER OF ATTORNEY

I, the undersigned, do hereby authorize _____ its employees, agents, representatives and/or assignees with full power and authority to act on my behalf with regard to all matters involving any and all of my creditors or claimants, and also specifically instruct the recipient hereof to disclose any and all information relating to my account, including but not limited to releasing personal, confidential financial information. This document shall also serve as authorization to fax to _____ its employees, agents, representatives and/or assignees any document(s) relating to my account.

The foregoing is agreed to by:

Print Name

Print Name

Client Signature Date

Client Signature Date

← customers name
← credit clinic's name

October 3, 2008
Via US Mail No.:

Re:
Account No. [redacted]
Coll/Atty File # [redacted]
To Whom It May Concern:

← Disputes the claim, and requests validation

This letter is in response to your recent letter in the above-referenced account. This is not a refusal to pay, but a notice that your claim is disputed. This is a **request for validation** of a signed and dated contract made pursuant to the Fair Debt Collection Practices Act (hereinafter FDCPA) §809 [15 U.S.C. §1692g]. Please complete and return the attached creditor disclosure statement.

Please limit your communication with me to writing only. If I receive any telephone calls from your company other than in compliance with FDCPA §805c [15 U.S.C. §1692c], I will consider them to constitute harassment, pursuant to FDCPA §806[15 U.S.C. §1692d]. Please be advised that if I receive any telephone calls, I will file a complaint against your company with the attorney general's office and/or other regulatory agencies to pursue applicable injunctions and/or sanctions. I am maintaining a telephone log of each phone call and in some cases, make an audio recording when necessary.

Should you choose to ignore this notice and contact me by telephone, you and/or you employees consent to audio recording of all conversations. Therefore, any information obtained is subject to implication in the legal arena, as necessary, in filing complaints and/or litigation proceedings. However you may limit your communication to written correspondence in accord with the FDCPA §§805c[15 U.S.C. §1692c] and 806[15 U.S.C. §1692d].

Be advised that I am not requesting a "verification" that you have my mailing address and/or "verification of repayment schedule, or purported account history, I am requesting a **"VALIDATION,"** by way of a **signed and dated contract or agreement stating the terms and conditions that I allegedly agreed to** stating that I have an obligation to you or your client, pursuant to the FDCPA §809[15 U.S.C. §1692g].

Additionally, please forward a copy of this letter to the original creditor; therefore they should not report the debt in question to any credit reporting company. Should you have already reported me to a credit reporting company, you must inform them that this debt is disputed.

Your failure to satisfy this request within the requirements of the FDCPA will be construed as your absolute waiver of any and all claims against me, and your tacit agreement to compensate me for costs and attorney fees.

Cordially,

JL

Chesed - Chd
950

AR

October 3, 2008
Via US Mail No.:

Re:
Account No.
Coll/Atty File #:

CREDITOR DISCLOSURE STATEMENT

Name and Address of Collector (assignee):

Name and Address of Debtor:

Account Number(s):

What are the terms of assignment for this account? You may attach a facsimile of any records relating to such terms.

Have any insurance claims been made by any creditor or assignee regarding this account?

Yes/No

Has the purported balance of this account been used in any tax deduction claim?

Yes/No

Please list the particular products or services sold by the collector to the debtor and the dollar amount of each:

Upon failure or refusal of collector to "Validate" this collection action, collector agrees to waive all claims against the debtor named herein and pay debtor for all costs and attorney fees involved in defending this collection action.

Authorized signature for collector

Date

Please return this completed form and attach all assignment or other transfer agreements that would establish your right to collect this debt. Your claim cannot be considered if any portion of this form is not completed and returned with the requested documentation. This is a request for validation made pursuant to the Fair Debt Collection Practices Act. If you fail to respond as required by this law, your claim will not be considered and you may be liable for damages for continued collection efforts.

RECEIVED #5

DEC 06 2007

P.O. BOX 10347

December 3, 2007

To Whomever, Your file end:

I finally received your return correspondence of 11-26-2007 to my numerous requests.

- Since you are **unable or unwilling** to provide any documentation showing where I **ACTUALLY SIGNED** anything making me or showing me TO BE LIABLE TO the abovementioned CREDITOR...
- **Please remove my name from any alleged account(s) you have in my name, destroy all records pertaining to ME and do not contact me further.**
- **...And please send me correspondence showing that you have specifically released me from any / all alleged liability.**

Your immediate attention to this matter is expected and appreciated.

Sincerely,

- Customer

— Debt Settlement Company Address

Purposely not signed or initialed for my personal security

INSTITUTION
ADDRESS

October 13, 2008

To Whom It May Concern:

RE: Last 4 digits of acct#

Obviously, you must not have listened to our taped conversations with your call center or telecreditor collection agents.

...I explicitly asked you for copies of the **ORIGINAL PAPERWORK** showing where I **ACTUALLY SIGNED** anything, making me or showing me **TO BE LIABLE TO SAID CREDITOR!**

I do not have any knowledge of any debt, this creditor, credit card and/or any credit card agreement that I'm allegedly liable under.

I do not have any knowledge of any monies due and owing or any open book accounts regarding your file or me.

- **Therefore**, since you are unable or unwilling to provide any documentation showing where I **ACTUALLY SIGNED** anything making me or showing me to be liable to you or said creditor, I'll ask you again... *either mail to me validation and/or verification of this alleged debt or a copy of a judgment of same.*
- **Otherwise, I strongly suggest that you remove my name from (1) any alleged account(s) you have in my name, (2) destroy all records pertaining to ME and (3) do not contact me further.**

-Please Note-

Do not misconstrue, nor accept, this communication as an accusation of fraud.

Do not misconstrue, nor accept, this communication...as a question about my credit report, your credit reporting, or some credit bureau discrepancy.

Your immediate attention to this matter is expected and appreciated.

Sincerely,

customer name

ADDRESS IS NOT THE CUSTOMER'S ADDRESS
IT IS THE DEBT SETTLEMENT COMPANY'S

Purposely not signed or initialed for my personal security - (Rights under Patriot Act/Homeland Security)

[Debt Settlement Company Name]
[Company Address]
[City, State, Zip Code]
[Debt Settlement Company Phone Numbers]

October 31, 2008

FAX TO

In regards to:
SSN # Ending:
Account #:
Balance:

To Whom It May Concern:

Our Firm represents the client in regards to the above referenced account. We have processed a financial assessment and have determined that our client cannot continue to make their required monthly payment while continuing to manage their household necessities. Our client has expressed their willingness to make a fair and equitable arrangement to settle their account to avoid filing for bankruptcy protection.

REQUEST FOR VERIFICATION

We request that you verify the account in question and the balance owed. In the coming months we will be requesting settlement offers from each of our client's creditors. REQUEST TO DIRECT COMMUNICATION TO DEBT SETTLEMENT CO. ↓

In the meantime, we request that your collection representatives not contact our client but instead contact our Firm. Your failure to abide by this request will result in our Firm pursuing all legal and equitable remedies available under state and federal law.

We thank you in advance for your patience and cooperation. Please do not hesitate to contact our Firm at with any questions that you may have.

Regards,

Received 10/15/08

APPENDIX I

Examples of debt elimination scheme Letters received by AFSA members

AFSA respectfully requests that the FTC consider including in their review the activities of Debt Elimination Schemes, as they use similar dispute practices that are both burdensome to lenders and deceptive to customers. They typically use similar types of dispute letters to those of Debt Settlement Companies, but simply demand the balance be considered zero and tell customers they no longer owe the debt. An example that can be found online is the Lighthouse of Hope, Inc (<http://webuycreditcarddebt.com/webuycreditcarddebt.htm>). Their Web site explains in detail of how they, for a donation, “eliminate the debt,” while not damaging the customer's credit rating.

October 21, 2008

F

RE:

Dear

THERE WAS NO SUCH
ADMISS. ON THAT THERE WAS
NOT A CONTRACTUAL AGREEMENT

We are responding to your letter dated October 8, 2008. Thank you for closing the account and your admission that there is no contractual agreement with two signatures.

We are still requesting that the balance show zero.

Are you holding any promissory notes against my client?

Please provide accounting records of the US funds that were transferred into the above account, and the corresponding account that US funds were debited from.

has been notified that selling an alleged debt to a collection agency may be construed as fraud, since there is no evidence of a contractual agreement with two signatures that you have confirmed in your letter.

Sincerely,

COMPANY MAKING UNFOUNDED
CLAIMS AND DEMANDS

Legal Department

COPY

May 20, 2008

Attnd

RE:

Dear

I am writing on behalf of my client| _____ . The account listed is in dispute and in accordance with the Fair Credit Billing Act, there may not be any pressure on my client by you or any other financial institution to collect any amount or impose any finance charges until the matter is settled. In addition, in accordance with the Fair Credit Billing Act, my client is entitled to all copies or documents related to the obligor's indebtedness. Therefore, I am requesting that you send all such documentation to my attention at the address above.

Furthermore, it is unlawful under the Fair Credit Reporting Act for any erroneous information to be submitted to any credit reporting agencies during the period of this dispute. Therefore, my client's current alleged obligations may not be reported to any agency that may result in prejudice to my client's credit history at the present time or in the future.

My client is also requesting that there is to be no communication by your institution or its agents with the detailed exceptions set forth in the the Fair Debt Collections Practices Act. Section 805 (c) of the Act requires that a creditor cease communication with a consumer with a few exceptions. This section states:

"If a consumer notifies a debt collector in writing that a consumer refuses to pay a debt or that a consumer wishes the debt collector to cease further communication with the consumer the debt collector shall not communicate further with the consumer with respect to the debt, except : (1) to advise the consumer that the debt collector's further efforts are being terminated; (2) to notify the consumer that the debt collector or creditor may invoke specified remedies which are ordinarily invoked by such debt collector or creditor; or (3) where applicable, to notify the consumer that the debt collector or creditor intends to invoke a specified remedy. "

Application of the law prevents your institution and its agents from contacting my client with the exception of one of the three specified reasons above. Thus, there should be no phone calls to my client and no recordings of any communications by my client. This includes any and all attempts to make any further demands for payment upon my client. All further correspondence and/or phone communications should be directed to the address above.

If there is any reporting of erroneous information to any credit reporting agencies, I will not hesitate to file a complaint with the Federal Attorney General's Office and the Federal banking authorities regarding your institution's illegal acts.

If my client has previously agreed to arbitration with your institution, then that agreement has been rescinded, and only the state and county of which my client resides will be the jurisdiction.

If your institution intends to file a complaint against my client, it should be directed to the address previously set forth. However, if there is a complaint filed against my client, the following will occur. First, in accordance with the Fair Credit Billing Act, I will request all documentary evidence of the alleged indebtedness. This does not include statements or charges because those do not provide proof of debt. I will be requesting any promissory notes, contracts or agreements between your institution and my client. If no debt can be proven, then pursuing this complaint would violate federal banking laws. I will also be requesting accounting records demonstrating funds were debited from one account and credited to my client's account. Without such documentation, there is no evidence of any transference of money, therefore, no loan or debt against my client. Therefore, such a lawsuit would be frivolous and will necessitate a complaint filed with the Attorney General's Office on that basis.

Up to this point, my client has enjoyed the banking relationship with your institution. However, at this time, my client no longer wishes to have any accounts with your institution. I have advised my client to destroy all of the credit cards in question. The credits given to my client should be removed and the balance closed at zero. Please close the aforementioned accounts and report such closure to the credit reporting agencies as a closed balance of \$0.00.

Please complete collect disclosure statement enclosed.

Sincerely,

COPY

DEBT COLLECTOR DISCLOSURE STATEMENT

This statement and the answers contained herein may be used by Respondent, if necessary, in any court of competent jurisdiction. Notice: This Debt Collector Disclosure Statement is not a substitute for, nor the equivalent of, the hereinabove-requested verification of the record, i.e. "Confirmation of correctness, truth, or authenticity, by affidavit, oath, or deposition" (Black's Law Dictionary, Sixth Edition, 1990), regarding the alleged debt, and must be completed in accordance with the *Fair Debt Collection Practices Act*, 15 USC §1692g, and applicable portions of *Truth in Lending (Regulation z)*, 12 CFR 226. Debt Collector must make all required disclosures clearly and conspicuously in writing regarding the following:

1. Name of Debt Collector:
2. Address of Debt Collector:
3. Name of alleged Debtor:
4. Address of alleged Debtor:
5. Alleged Account Number:
6. Alleged debt owed: \$
7. Date alleged debt became payable:
8. Regarding this alleged account, what is the name and address of the alleged Original Creditor, if different from Debt Collector?
9. Regarding this alleged account, if Debt Collector is different from alleged Original Creditor, does Debt Collector have a bona fide affidavit of assignment for entering into alleged original contract between alleged Original Creditor and alleged Debtor?
10. Did Debt Collector purchase this alleged account from the alleged Original Creditor? YES NO NOT APPLICABLE
11. If applicable, date of purchase of this alleged account from alleged Original Creditor, and purchase amount: _____ Date \$ _____
12. Did Debt Collector purchase this alleged account from previous debt collector? YES NO NOT APPLICABLE
13. If applicable, date of purchase of this alleged account from previous debt collector, and purchase amount: _____ Date \$ _____
14. Regarding this alleged account, Debt collector is currently the: (a) Owner; (b) Assignee; (c) Other – explain:
15. What are the terms of the transfer of rights regarding this alleged account?
16. If applicable, transfer of rights regarding this alleged account was executed by the following method: (a) Assignment; (b) Negotiation; (c) Novation; (d) Other – explain:
17. If transfer of rights regarding this alleged account was by assignment, was there consideration? YES NO NOT APPLICABLE
18. What is the nature and cause of the consideration cited in #17 above?
19. If the transfer of rights regarding this alleged account was by negotiation, was the alleged account taken for value? YES NO NOT APPLICABLE
20. What is the nature and cause cited in #19 above?
21. If the transfer of rights regarding this alleged account was by novation, was consent given by alleged Debtor? YES NO NOT APPLICABLE
22. What is the nature and cause cited in #21 above?
23. Has Debt Collector provided alleged Debtor with the requested verification of the alleged debt as required by the *Fair Debt Collection Practices Act*? YES NO
24. Date said verification cited above in #23 was provided alleged Debtor:
25. Was said verification cited above in #23 in the form of a sworn or affirmed oath, affidavit, or disposition? YES NO
26. Verification cited above in #23 was provided alleged Debtor in the form of: OATH AFFIDAVIT DEPOSITION
27. Does Debt Collector have knowledge of any claim(s)/defense(s) regarding this alleged account? YES NO
28. What is the nature and cause of any claim(s)/defense(s) regarding this alleged account?
29. Was alleged Debtor sold any products/services by Debt Collector? YES NO

- 30. What is the nature and cause of any products/services cited above in #29?
- 31. Does there exist a verifiable, bona fide, original commercial instrument between Debt Collector and alleged Debtor containing alleged Debtor's bona fide signature? YES NO
- 32. What is the nature and cause of any verifiable commercial instrument cited above in #31
- 33. Does there exist verifiable evidence of an exchange of a benefit or detriment between Debt Collector and alleged Debtor? YES NO
- 34. What is the nature and cause of this evidence of an exchange of a benefit or detriment as cited above in #33?
- 35. Does any evidence exist of verifiable external act(s) giving the objective semblance of agreement between Debt Collector and alleged Debtor? YES NO
- 36. What is the nature and cause of any external act(s) giving the objective semblance of agreement from #35 above?
- 37. Have any charge-offs been made by any creditor or debt collector regarding this alleged account? YES NO
- 38. Have any insurance claims been made by any creditor or debt collector regarding this alleged account? YES NO
- 39. Have any tax write-offs been made by any creditor or debt collector regarding this alleged account? YES NO
- 40. Have any tax deductions been made by any creditor or debt collector regarding this alleged account? YES NO
- 41. Have any judgments been obtained by any creditor or debt collector regarding this alleged account? YES NO
- 42. At the time the alleged original contact was executed, were all parties apprised of the meaning of the terms and conditions of said alleged original contract? YES NO
- 43. At the time the alleged original contact was executed, were all parties advised of the importance of consulting a licensed legal professional before executing the alleged contract? YES NO
- 44. At the time the alleged original contact was executed, were all parties apprised that said alleged contract was a private credit instrument? YES NO

Debt Collector's failure, both intentional and otherwise, in completing/answering points "1" through "44" above and returning this Debt Collector Disclosure Statement, as well as providing Respondent with the requisite *verification* validating the hereinabove-referenced alleged debt, constitutes Debt Collector's tacit agreement that Debt Collector has no verifiable, lawful, bona fide claim regarding the hereinabove-referenced alleged account, and that Debt Collector tacitly agrees that Debt Collector waives all claims against Respondent and indemnifies and holds Respondent harmless against any and all costs and fees heretofore and hereafter incurred and related regarding any and all collection attempts involving the hereinabove-referenced alleged account.

Declaration: The Undersigned hereby declares under penalty of perjury of the laws of this State that the statements made in this Debt Collector Disclosure Statement are true and correct in accordance with the Undersigned's best firsthand knowledge and belief.

Date

Printed name of Signatory

Official Title of Signatory

Authorized Signature for Debt Collector

Debt Collector must timely complete and return his Debt Collector Disclosure Statement, along with all required documents referenced in said Debt Collector Disclosure Statement. Debt Collector's claim will not be considered if any portion of this Debt Collector Disclosure Statement is not completed and timely returned with all required documents, which specifically includes the requisite *verification*, made in accordance with law and codified in the *Fair Debt Collection Practices Act* at 15 USC §1692 et seq., and which state in relevant part: "A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt," which includes "the false representation of the character, or legal status of any debt," and "the treat to take any action that cannot legally be taken," all of which are violations of law. If Debt Collector does not respond as required by law, Debt Collector's claim will not be considered and Debt Collector may be liable for damages for any continued collection efforts, as well as any other injury sustained by Respondent. Please allow thirty (30) days for processing after Respondent's receipt of Debt Collector's response.