

*Debt Counsel for Seniors & the Disable*

**DCSD**

THANK YOU FOR YOUR  
INTEREST IN DEBT COUNSEL  
FOR SENIORS AND THE  
DISABLED (DCSD)

You may have wondered why we  
founded DCSD in 1998. I was a  
Chapter 7 Bankruptcy Trustee in  
1998 and people like you appeared  
before me with their attorney after  
he filed the petition in bankruptcy.



I wondered why they needed to file for bankruptcy when they were collection-proof. What they needed was a lawyer to protect their debtors' rights under federal and state laws and stop the harassment and abuse of debt collectors who could not collect the debt because the client was collection-proof. A bankruptcy was not necessary, but rather a substitution for bankruptcy which protected debtors' rights.

Since 1998, we have seen the debt collection industry change. It is not an industry of original creditors collecting debts, but debt buyers who have paid \$.05 on the dollar for the original debt. Debt buying is a \$215 billion industry, and the companies buying these debts will harass and abuse the debtors in order to collect the debts even though the debtor is collection-proof. Many of their actions are in violation of the Fair Debt Collection Practices Act, which prohibits illegal activities of the debt collectors. I am familiar with this Act because I was the Midwest Assistant Regional Director of the Federal Trade Commission, which was the U.S. government agency charged with responsibility for enforcing the Act.

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Visit Our Website at [www.debtcounsel.net](http://www.debtcounsel.net)

Since 1998, we have been privileged to serve over 12,000 clients nationwide. None of these people have lost their income to debt buyers and their assets have been protected from the debt buyer. We are registered and accredited by the BBB with an A+ rating. What is the difference between DCSD alternative to bankruptcy and a bankruptcy? If you are collection-proof, there is no reason for you to file bankruptcy at a cost of \$1,800 to \$2,500 if the debt becomes uncollectible under your state's statute of limitations, like it would be if you filed bankruptcy. Also, if you file bankruptcy it goes on your credit report for 10 years. If you fail to pay uncollectible debts in seven years, you write the five credit-reporting agencies and they must remove from your credit report that you have paid this debt. In other words, you get a clean credit report in seven years instead of 10.

Another reason for choosing the alternative to bankruptcy – DCSD – is the cost. You are charged a one-time \$200 processing fee by DCSD, plus \$20 to \$30 per month. If you have \$10,000 in debt in a state with a four-year statute of limitations and have less than five debts, it would cost you \$960.00 to get rid of \$10,000 of debts as uncollectible forever.

How does DCSD process your application when you send it to us?

- 1 We verify that your income is only from exempt sources.
- 2 We discuss with you what assets you have that need to be protected from debt collectors. We have a lawyer on staff to work with you to protect these assets.
- 3 We make sure you have sent us a statement verifying the debt with the name, address and account number.

4. We then write a letter to all of the debt collectors notifying them that you are represented by an attorney and tell them that you cannot pay this debt and if they sue you they cannot collect this debt because your only income is protected from garnishment under federal and state law and suggest the debt collector write it off as an uncollectible debt. The letter concludes by telling the collector to cease and desist contacting you because under federal law, after they are notified of the representation, they are not permitted to contact the debtor.

What must you do after your application is processed? You will know this after you receive copies of letters we sent the original creditors.

- 1 Send us all correspondence you receive, like collection letters and summonses. You are not going to court. You can send this correspondence by fax, e-mail or US Postal Service.
- 2 Keep a phone log of all collectors' calls and send it to our office or call our office. If you receive a call from a very aggressive collector, call our office and report it. Finally, I would like to comment on any bad feeling you may have about not being able to pay your debts. I am 81 years old and I know that our generation always wants to pay the debts we incur. There may be some feeling of guilt or shame for not paying these debts. Some facts you should consider:

The usury statute in your state may limit interest to six to 10 percent. The credit card interest could be 29 percent. In 1975, the credit card industry convinced the state legislation of each state to exclude credit card interest from the statute with the promise that "competition would keep this interest reasonable." Every state changed their statute to comply with the credit card industry's request for exclusion. This means you are now paying loan shark interest on these bills because the banking lobbyists were able to convince the states to exclude them from regulation.

It may be time for you to stop paying loan shark interest and allow DCSD to convince the debt collectors to stop bothering you and write it off as uncollectible debt. Act now and send your application to restore your peace of mind and dignity. Sincerely,

Jerome S. Lamet, Supervising Attorney