

DEBT ADJUSTING BUSINESS

"(3) 'Partnership' does not include a partnership all the members of which are admitted to the bar of the United States District Court for the District of Columbia.

SEC. 2. (a) No person, partnership, association, or corporation shall engage in the business of debt adjusting in the District of Columbia other than under the conditions and subject to the restrictions contained in this Act.

(b) Any person engaged in debt management shall be deemed to be rendering financial planning service, but this Act shall not apply to the following when engaged in the regular course of their respective businesses and professions.

(1) Attorneys at law.

(2) Banks and fiduciaries, as duly authorized and admitted to transact business in the District of Columbia and performing credit and financial adjusting in the regular course of their principal business.

(3) Title insurers and abstract companies, while doing an escrow business.

(4) Employees of licensees under this Act.

(5) Judicial officers or others acting under court orders.

(6) Nonprofit religious, fraternal, or cooperative organizations offering debt management service exclusively for their members.

(c) After January 1, 1964, it shall be unlawful for any person to engage in the business of debt management without first obtain a license as required in this Act.

(d) Any person desiring to obtain a license to engage in the debt management business in the District of Columbia shall file with the Board of Commissioners an application in writing, under oath, setting forth his business name, the exact location of his office, names and addresses of all officers and directors if an association or a corporation, and if a partnership, the partnership name and the names and addresses of all partners, and a copy of the certificate of assumed name or certificate of copartnership or articles of incorporation. At the time of filing the application the applicant shall pay to the Board of Commissioners a license fee of \$50 for each office and an investigation fee of \$100. At the time of filing the application the applicant shall furnish a bond to the people of the District of Columbia in the sum of \$5,000, conditioned upon accounts entrusted to such person engaged in debt management, and their employees and agents. The bond or bonds shall be approved by the Board of Commissioners and filed in their office. No person, firm, or corporation shall engage in the business of debt management until a good and sufficient bond is filed in accordance with the provisions of this Act.

(e) Each licensee shall furnish with his application a blank copy of the contract he intends to use between himself and the debtor and shall notify the Board of Commissioners of all charges and amendments thereto.

(f) The license issued under this Act shall expire on December 31 next following its issuance unless sooner surrendered, revoked, or suspended, but may be renewed as provided in this Act.

(g) The application shall be accompanied by an appointment of the Board of Commissioners as agent of the applicant for service of process in the District of Columbia. Service upon the Board of Commissioners shall be sufficient service upon any licensee under this Act.

(h) Upon the filing of the application and the payment of the fees and the approval of the bond, the Board of Commissioners shall investigate the facts, and if they find that the financial responsibility, experience, character, and general fitness of the applicant and of the members thereof, if the applicant is a partnership or an association and of the officers and directors thereof, if the applicant is a corporation, are such as to command the confidence of the community to warrant belief that the business will be operated fairly and honestly within the purposes of this Act and that the applicant or the applicant and the members thereof or the applicant and the officers and directors thereof have not been convicted of any crime involving moral turpitude, or that such person has not had a record of having defaulted in the payment of money collected for others, including the discharge of such debts through bankruptcy proceedings, the Board of Commissioners shall issue the applicant a license to engage in the debt management business in accordance with the provisions of the Act. The Board of Commissioners may require as part of the application a credit report and other information.

(i) Each licensee on or before December 1, may make application to the Board of Commissioners for renewal of its license. The application shall be on the form prescribed by the Board of Commissioners and shall be accompanied by a fee of