to go along with a long-term pay-out and ten per cent decline? How do you handle that?

Mr. RABINOWITCH. Well, frankly, let me say this: I have only had that experience up until the last ten years. In the last ten years the creditor is not our problem. The creditor goes along.

Mr. WHITENER. Even small loan companies?

Mr. RABINOWITCH. Without any question. Without any question. Including some of those who are openly and overtly encouraging the outlaw bill.

I can substantiate this in writing. I can substantiate this through records of not alone our office, but many offices where these organizations refer people to organizations such as ours.

Mr. WHITENER. And most creditors will go along?

Mr. RABINOWITCH. Yes. Creditors are anxious to work with the individual basically, regardless of what anyone may say.

In the period of time that I have been in operation, I cannot think of one hundred accounts that we have not been able to secure creditors a cent. I can also demonstrate that in the city of Fresno, in the city of Bakersfield, Eureka, Stockton, we are there only at the invitation of the credit—grantors, after meetings with them where they ask us to come in to offer a solution to the individual.

Mr. WHITENER. You have made some reference to the comparing of costs and you have an exhibit relating to it, the Chapter 13 fees as compared to your experience with an approximate 15 per cent cost to the debtor?

Mr. RABINOWITCH. Our charge is only 12.

Mr. WHITENER. I believe Mr. Genosky said something about 15 per cent would be a fair figure but he gives specific cases where it has ranged up to 40 per cent for Chapter 13.

Mr. RABINOWITCH. That is true.

Mr. WHITENER. He also mentioned the difference between Chapter 13 and your operation from a creditor's standpoint, where the unsecured creditor does not have to face the issue of a secured creditor having priority under Chapter 13.

Mr. RABINOWITCH. It goes deeper than that. As a typical example, I had written to DeWitt Paul, Chairman of Beneficial Finance, on this. This is my first experience in having dealt with this. We had made arrangements with the branch office of this company to liquidate the obligation of a military man instead of at the rate of $28 a month, which he could not afford, at the rate of $14 a month. We made arrangements for five months, I believe. The sixth month we got the check back from the manager of that office saying that he will only accept $28 and will not accept any reduced payments.

Of course, I called because we had an agreement. Well, this was a new manager. In the course of the conversation he said, "I would prefer him going into Chapter 13 because I will get my full payment as a secured creditor."

I asked, "What are you secured with?"

He said, "Well, I don't know. This was an account transferred from out of state."

I said, "Well, as far as I am concerned, I am sending you the $17 you credited. I am advising our client that you are attempting to re-