

There are a couple of charges that I have heard—descriptions of your business may be better. My first question is, in the collection of the 12.5 per cent fee to which you referred, is it your policy, as it has been represented, to first collect that fee and then begin paying the debt, or do you take a part of that 12.5 per cent from each payment your client makes through your office to the creditor?

Mr. HOLLAND. I would like to say emphatically no, we do not attempt to take our fee off the top as has been charged in many cases. We write our contracts to extract an individual from debt and we amortize our fee equally over the life of that contract. There is no attempt to take our fees at the beginning or off the top as it is said.

Mr. JACOBS. By amortization, you mean the practice is to deduct the 12.5 per cent from each payment that is made to you so the complement of the money paid to you is directed, I assume, proportionately to the creditors of your client?

Mr. HOLLAND. Yes, sir. For instance, if we were to write a contract that would extend for 23 months we would amortize our fee equally in 23 equal amounts, or payments.

Mr. JACOBS. I know you have stated this for the record and sooner or later I can see it in the record, but for my own edification at the moment, would you repeat the number of accounts that are handled by an employee of yours during a week's time?

Mr. HOLLAND. In different areas it will be a different figure, but I would say the average is close to 60 in our organization.

Mr. JACOBS. Does that mean your average employee puts in up to 60 hours a week working?

Mr. HOLLAND. Our average employee puts in, depending on his stature—our managers certainly do put in a week that is even in excess of that, but our average employee puts in a week that would be 48 hours on the average. This would be an average of our consultants, our managers and also our clerical help.

Mr. JACOBS. Do you have figures to show what your per-employee hourly income is?

Mr. HOLLAND. I could submit those figures. I would be happy to submit them to the committee.

Mr. JACOBS. I think that would be very helpful. In other words, what I am talking about is the gross income of your operation per hour, per employee. I think that might be very helpful and enlightening.

Mr. JACOBS. As I understand it, if you had a client with a \$2,000 total debt, your fee, of course, would be \$250 for facilitating payment of that debt?

Mr. HOLLAND. Yes, sir.

Mr. JACOBS. Over what period of time would you expect that contract to run, or your contract with that client?

Mr. HOLLAND. It would be difficult to say because it depends on the structure of the individual debt. One debtor might come to us for assistance who has debts that are due in a relatively short period of time. You might be able to work him out of debt in a period of one year. Another debtor with the exact total amount of debt, but a different composition of that debt would take much longer. If he comes to you and he has an automobile and the note on that automobile is due in 36 installments and, let's say when he comes to us he still has 27 install-