

licensee is required to maintain a separate trust account of funds received from the debtor.

The Superintendent is authorized to examine the condition and affairs of each licensee, who must pay the cost of such examination, up to \$100 a day.

OCTOBER 3, 1967.

Re Credit Advisors, Inc., 1413 K Street, N.W. 2nd floor, Washington, D.C., (bill to prohibit debt adjustment, No. H.R. 9806).

HON. JOEL T. BROYHILL,
House of Representatives,
Washington, D.C.

MY DEAR MR. BROYHILL: AS I understand, you have a Bill pending legislation to possibly curtail the activities of such companies, as the above.

With respect to the same, I have been a victim of Credit Advisor's method of business dealings in that they advertise to relieve the constituent of their financial responsibilities in that all you have to do is give them your money, and they will make all the arrangements to make payments. But they do not relate, or tell you how they go about the same. They do make you sign a Contract, but the so called "contract" which they relate as meaning "nothing" and can be broken at any time, does not work just that way. It was necessary for me to take these people to Court, and the Judge said that I signed a Contract to let them do whatever they wanted with my money, and that I could not interfere within 90 days hence. So in the 90 days, what they proceed to do, is ruin ones credit rating.

After only two weeks of Credit Advisors handling some \$160.00 of my money, I was deluged and plagued by everyone whom I owed money, whereas heretofore I paid my bills on the stated dates and times that they were supposed to be paid. It became so embarrassing, they were phoning me at my Government office, at my home, sending me open face cards, so that I quickly took what cash I had available, even tho Credit Advisers had my money, and sent it to the people who wanted money. I quickly asked Credit Advisors to return all of my money to me, including the \$25.00 Retainer fee, but they would not release it to me.

The way they go about the same, Credit Advisors plan or tend to ruin ones credit rating by holding off all Creditors until where they come to the payees rescue. This they do not relate or tell you in the Contract. I did not need that kind of help; just wanted to be relieved of paying all the small bills, and by lumping it in one sum, would make it easier for me all around. However, that is not the way they go about it. In the ninety days they accumulate their constituents money, ruin their credit rating in the mean time, and then proceed to pay them as little as they possibly can, and embarrass the constituent all around. In taking them to Court I lost some \$60.00 and could not retain the same. The Judge said that a Bill was pending; that is all about he could do. They got the best of me in the entire situation, by misrepresenting the bill of goods they sell in every which way. The Judge said that I gave them 90 days, in the Contract, leaveway to do whatever they wished with my money and to spend it the way they pleased. But this is not the way they sell their bill of goods.

In lieu of the pending Bill, thought you would appreciate this kind of information, as I have since heard of a number of other people who have lost even more money than myself in dealing with these kind of companies.

Respectfully,

MISS MARY AGNES BLUM

BAR ASSOCIATION OF THE DISTRICT OF COLUMBIA,
Washington, D.C., November 14, 1967.

Re H.R. 9806, to prohibit the business of debt adjusting in the District of Columbia; H.R. 8929, to regulate the business of debt adjusting in the District of Columbia.

HON. JOHN L. McMILLAN,
Chairman, Committee on the District of Columbia,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN McMILLAN: The Bar Association of the District of Columbia has considered the above-referenced Bills and desires to make known to the Committee on the District of Columbia that it supports enactment of H.R. 9806. This Bill, if enacted, would prohibit the business of debt adjusting in the