

Disqualifying Conduct in Debt Settlement, Debt Consolidation, Debt Negotiation, Credit Repair Services, and other Debt Relief Services

The following are considered adverse to the interests of consumers, disqualifying an attorney from attending the National Consumer Law Center's Fair Debt Collection Practices Conference:

- A. Services in which the attorney does not provide individualized legal services or in which the attorney does not have meaningful involvement in the client matter.
- B. Deceptively changing the address on the consumer's accounts so that the attorney receives the bills and notices, rather than the consumer. (Exception: Correspondence from an attorney to a creditor or debt collector requesting future contact be to the attorney.)
- C. Providing services to consumers which violate federal or state laws or relevant ethical rules.
- D. Charging up-front fees for services involving debt settlement, debt negotiation, debt consolidation, or other debt relief services in violation of the Telemarketing Sales Rules, regardless of whether the activity involves telemarketing. (Exception: Activities involving a bona fide dispute over the accuracy or legitimacy of a debt.)
- E. Providing debt settlement services that promise to eliminate or reduce debt or which make representations about the percentage or dollar amount by which debts or interest rates will be reduced.
- F. Providing "unbundled legal services" in violation of applicable law or ethical rules, or without disclosure of the limits of the representation.
- G. Failing to provide all required disclosures to debt relief clients in compliance with the Telemarketing Sales Rule, regardless of whether the activity involves telemarketing.
- H. Providing representation, support, or assistance to an organization involved in any of the above activities.