## Michael Kerr

**From:** comments
**Sent:** Friday, March 18, 2011 12:13 PM
**To:** michael.kerr@nccusl.org
**Subject:** FW: My comment on UDMSA laws

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**From:** sean@active-debt.com [mailto:sean@active-debt.com]
**Sent:** Wednesday, March 16, 2011 10:45 AM
**To:** comments
**Subject:** My comment on UDMSA laws

Citing the FTC TRS regulations & federal law, debt settlement companies have NO fiduciary responsibility to their clients as do a debt management company- We have NO care , custody or control over client funds- like a DMP company would-

The bonding requirements are senseless. They will simply prevent the GOOD, small companies from participating. We run a small settlement compoany & HAVE ALWAYS BEEN PERFORMANCE BASED! Therefore, we employ 5 people & have ONLY a few hundred clients in nearly 5 years! We are one in a thousand that NEVER collected fees up front so we can not afford to buy $50k bonds in each state- Currently we are talking about MORE THAN $100,000 IN BOND COSTS ALONE BASED ON CURRENT STATE LAWS! We cabn NOT afford that, so it limits the states that we can help clients!

There is NO NEED FOR A BOND! THE BOND IDEA IS ANTIQUATED TO YEARS AGO WHEN SOME DS COMPANIES USED TO HOLD CLIENTS MONEY! They have been gleemed from laws put in place to regulate Debt Management companies- NOT debt settlement companies!

If these rules stay in place, the ONLY companies that will be able to participate in those states are the giants that got big by screwing over their clients in the 1st place. In essence, these requirements penalize the companies that always did things right! And it will limit companies from being able to participate in the states with these useless bond requirements to the big money machines- No small or start up comapnies will ever be able to afford to compete.

Please show me where there is any need for these bonds.

Sincerely,

Sean Ryan
Sr Vice President

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