COMMENTS TO THE FEDERAL TRADE COMMISSION (FTC) ON ITS NOTICE OF PROPOSED RULEMAKING ("NOPR"):

MORTGAGE ASSISTANCE RELIEF SERVICES("MARS")

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The comments contained herein are limited to the FTC's proposed rules for MARS as applies to attorneys only. No opinion is expressed relating to the FTC rule as applies to non-attorneys.

Introduction

The FTC has gathered substantial information regarding loan modification practices. While it is clear that attorneys have been instrumental in the preparation of the NPRM for MARS (as is evidenced by the section entitled "For Further Information Contact" which lists three attorneys), I do not believe that the FTC properly considered the rules of ethics and other state laws that attorneys must abide by.

It is my view that the FTC:

(1) Overstepped its authority in proposing the MARS rules that affect attorneys;

(2)Has given no credence to the existing infrastructure of rules that apply to attorneys;

(3)Has not sufficiently explored the actual loan modification process or observed or participated in the very cumbersome loan modification process;

(4) lacks an understanding of the abuses that the banks and lenders engage in when dealing with consumers; and

(5) Has not considered the broad chilling effect that the institution of rules that ban upfront legal fees will have.

The basis for my objections to the proposed MARS rules can be summarized as follows:

1. FTC Regulation of Attorneys Beyond the Scope of the FTC's Authority; breach of separation of executive and judicial branch of government. Attorneys are licensed by individual states to practice law. Highly developed ethics rules have evolved that mostly follow the model rules of ethics for attorneys promulgated by the American Bar Association. Generally, the highest court in the State licenses attorneys and attorneys practice, subject to those states laws. There is no Federal licensing of attorneys except to practice before certain Federal courts or agencies which may require special

admission. By making rules that are invasive of the practice of law by attorneys the FTC seems to be asserting authority in an area in which the Federal government has previously left to the states.

Unless the Federal Government means to begin regulating and licensing attorneys I suggest that the MARS rules are beyond the scope of authority of the FTC.

I suggest that the FTC is interfering with the Judicial branch of government by attempting to regulate broad behavior of attorneys that could have a chilling effect extending well beyond merely offering advice on loan modifications. Accordingly since attorneys are licensed by the judicial branch of government under the Constitutional concepts of separation of the legislative, judicial and executive branches of government the FTC should not attempt to regulate an area that is already highly regulated.

a. Chilling Effect. In explanation of the chilling effect referred to, the FTC should note that the private practice of law is based upon precedent that is older than the United States, following common law developed in the United Kingdom over many centuries. American citizens have a fundamental right to consult legal counsel for advice for matters of all kinds. If the FTC were attempting to preclude the payment of advance fees in a criminal case it would clearly be unconstitutional and would immediately be overturned. In the case of civil matters, especially when it comes to financial matters, US residents have the right to consult counsel and receive advice as to such matters. They may not know the legalities of their actions, or available options and they have the right to consult counsel. Without the ability of attorneys to charge for such services before they are performed (the taking of a retainer), the FTC has precluded such individuals from being able to consult reputable, knowledgeable counsel because attorneys will not be able to afford to offer services without being timely compensated and without the assurance of being compensated. Historically, attorneys have billed either on an hourly basis, a flat rate basis or on a contingency basis. All of these methods are legal and within the boundaries of the rules of ethics governing attorneys as long as they are clearly described in a written retainer agreement provided to the client. Furthermore, to suggest that Lenders, left to their own devices, have the best interest of the consumer is curious. Most consumers do not understand the documentation that was prepared by attorneys for the lenders use and lenders protection. If many of the consumers affected by predatory lending practices or sub prime mortgages sought proper legal counsel prior to consummating their mortgages, perhaps the market conditions would be quite different than we see today.

Without the ability to take a retainer and charge for their time and effort regardless of whether they are successful, most attorneys will not be able to offer expert loan modification advice and services. Accordingly the regulation of advance fees is unconstitutional (or a violation of fundamental rights contained in the constitution) and beyond the authority of the FTC. This regulation would further allow the lenders to continue to take advantage of consumers that otherwise would seek legal advise.

b. Unnecessary Disparaging Comments on Behalf of the FTC Affecting an entire Profession. The FTC's comments are unnecessarily disparaging of attorneys. The language is fraught with gratuitous statements indicating that attorneys in general engage in deceptive practices. The MARS rules have been promulgated on the premise that "In the Commission's view, the present record does not support

a broad exemption for attorneys. **Some attorneys have engaged in various forms of deceptive and unfair conduct** in conducting activities covered by the proposed Rule. First, some attorney's have engaged in the same deceptive practices as non-attorney MARS providers, i.e., failing to provide promised services, falsely touting high likelihoods of success, misrepresenting their refund policies, and falsely claiming an affiliation with the government or other entities." (NPRM Page 67-II. Mortgage Assistance Relief Services-G. Section 322.7:Exemptions).

The FTC's statements are broad generalizations that could apply to any profession and any situation. For example it might be said that "Some Congressman have engaged in various forms of deceptive and unfair conduct". The FTC, however, has no authority to regulate members of Congress. The arguments proffered by the FTC lack persuasiveness based upon a lack of logic. I suggest that there are adequate rules in place currently that regulate the acts of attorneys and these rules do not depend upon bringing a lengthy law suit but rather merely require a complaint to the attorney grievance committee of the individual states. The attorney grievance committee then conducts investigations. The actions the FTC is referring to such as false advertising, inferring a connection with the government, inflating successful performance are all governed by very strict rules of ethics for which an attorney can be disciplined or disbarred. The FTC is impugning the practice of law as a profession based upon broad generalizations.

c. No Recognition of the Practical Aspects of the Practice of Law and the Needs of the Consumer.

The drafters of the MARS rules seem to have little knowledge of the private practice of law or the needs of consumers when it comes to legal advice. In my experience when a client consults an attorney as to their financial situation there are a range of questions that need to be asked and considerations to be taken into account. The FTC should not attempt to regulate consumers ability to consult (for a fee) counsel who might be able to help them secure a loan modification to modify a mortgage that is perhaps (1) predatory in nature; (2) has a high interest rate; (3) requires payments that the consumer could never afford or due to the current economy can now not afford; or (4) has been sold to a third party purchaser who attempts to cut off rights the consumer might otherwise have; and (5) is subject to foreclosure.

In these situations a client might want to hire an attorney to explore his or her options. The types of questions might be: (1) What is the likelihood of obtaining a loan modification based upon my income, expense and hardship? (2) If I don't pay my mortgage what will happen to me ? (3) Can I still qualify for a loan modification if I am behind in my payments? (4) Do I need to be behind in my payments to qualify for a loan modification? (5) I have attempted a loan modification but was denied for (a) too much income; or (b) too little income; or (c) insubstantial hardship; or (d) failure to supply all necessary documents; or (e) because the bank lost my paperwork—can you help me? (6) The bank told me I qualified for a loan modification and then (a) sold my loan; (b) told me terms different than what they gave me in writing; (c) demanded that I pay immediately because the paperwork would not be forthcoming for several months; (d) I could not get the person that worked for the bank back on the phone again; (e) have now furnished me with a foreclosure notification.

In each one of these situations a law office that has a significant amount of experience with loan modifications knows how to answer these questions. The client deserves to have competent legal representation since most clients cannot on their own persevere the grueling process of obtaining a loan modification. Furthermore, without proper legal advice, the consumer must rely on the lender for the answers to these questions, and the lender is biased and unable to give objective proper advice.

I suggest that as knowledgeable as the FTC staff members are in having compiled information on the loan modification industry they have neglected to sufficiently understand the loan modification process and the nefarious nature of most of the lenders.

d. The exemption for attorneys is too narrow. The drafters have made certain assumptions that are not based in fact or law.

Exemption for attorneys representing clients in bankruptcy and other court proceedings. The proposed exemption for attorneys exempts attorneys only if the attorney is "providing legal counsel in connection with preparing or filing (i) a bankruptcy petition or any other document that must be filed in a bankruptcy proceeding; or (ii) any document that must be filed in connection with a court or administrative proceeding. The preparation and filing of bankruptcy petitions and other documents for court proceedings is part of the bona fide practice of law....For example, the exemption clearly does not cover attorneys who primarily offer to obtain loan modifications for consumers outside of a formal legal proceeding."

The FTC does not seem to consider the "bona fide practice of law" consists of. If a client consults an attorney, whether because that attorney has advertized their expertise or not, the client has a right to be properly advised. There is little relevance in exempting attorneys who are "preparing or filing a bankruptcy petition". It may not be in the consumers best interest to file a bankruptcy petition; however, a loan modification may well be the right course of legal action to take. A person's home is the single largest investment both in terms of money and emotionally. Many mortgages should be modified in today's economy. Many of them can be if the presentation to the bank is made properly. It takes experience, knowledge of the banks, knowledge of the laws and careful drafting to obtain a loan modification. Bankruptcy is a non-sequitur. Bankruptcy has nothing to do with most loan modifications and is a last resort to forestall foreclosure if negotiations do not succeed. Many consumers have and continue to consider bankruptcy as an option so as not to have to deal directly with lenders or creditors. Having a legal advisor will alleviate the frustration many consumer have in dealing with lenders who lose files, ask for the same material multiple times and have inexperienced staff who engage in the unlicensed practice of law by advising consumers on legal matters. The bona fide practice of law includes a bundle of advice. Some of it is based purely on statute and case law, and other parts of that advice are based on factual circumstances and advocacy. This bundle of factors cannot be unbundled to say that a filing of bankruptcy is the practice of law, but the mere consideration of bankruptcy or the preparation of an application for a loan modification is not. Attorneys need to be able to provide unfettered advice for which they are entitled to be paid either before services are performed, as part of a retainer, or as those services are performed.

e. Compliance with State Bar Rules. The Exemption requires attorneys to "comply[y] with all applicable state laws, including licensing regulations. If an attorney is not licensed to practice in the state, there is no reason the proposed Rule should not apply to the attorney's activities to the same extent as any other MARS provider...Under the proposed Rule, such an attorney would not be exempt."

After careful scrutiny of the ethics rules governing the "unlicensed practice of law" by attorneys who work in other states it is clear that this is a very complicated area of the law which the FTC has grossly simplified. Clearly attorneys are allowed to work from the state in which they are licensed and provide services to people who reside in other states. For instance if someone wanted to sue HSBC, NA the proper forum for that law suit might be New York since that is the state that HSBC has its US headquarters. In most instances the banks are large national entities with national law firms representing them and they are based outside the state in which the client resides. Loan modification law is not state specific. If anything it is Federal in nature due to the HAMP program. There is no reason that an attorney would have to be admitted in the state in which the client resides if the bank is located elsewhere. Further, the localizing of the practice of loan modification law would leave the consumer at a major disadvantage when dealing with the large behemoth banks represented by expensive wall street law firms.

There are certainly complications with the practice of law throughout the US (i.e. a national law firm); however, those issues are resolved by the utilization of "of counsel" or associate attorneys throughout the country for local law expertise. Attorneys have been practicing this way in the United States for many years and I believe the FTC is once being too Draconian by referring to the state in which the attorney is licensed when through affiliations the local law aspects may very well be legitimately covered. The FTC should leave this area to the states ethics rules which already are substantial.

Footnote 203 of the NPRM for MARS states that "in one recent lawsuit by the Commission, the defendants represented to consumers that "they [were] a law firm with attorneys in several states offering loan modification, Chapter 13 bankruptcy, and Chapter 7 bankruptcy...Despite any such marketing claims, if the attorney associated with a provider fails to work with the borrower to prepare a bankruptcy petition, or instead only seeks a loan modification for the borrower outside of any bankruptcy or other court proceedings, he or she would still be prohibited from requesting or receiving an advance fee under the proposed Rule." Clearly attorneys from one state can work with attorneys admitted in other states in order to full fill the licensed attorney requirement. This happens in a myriad of situations including criminal trials where an attorney may be an expert in a given area (but not admitted in the local state) and work hand in hand with an attorney of the local state. If the FTC's rule is adopted as is currently proposed one of the attorneys would have to be "preparing a bankruptcy petition or other court proceeding". I am not sure what the purpose of this footnote was in the context of the MARS rules; except, that it, along with other language in the MARS rules seems to indicate that an attorney should be doing all of the work themselves and not rely on other attorneys locally admitted or paralegals, or legal assistants, to provide routine work such as client intake or document collection and analysis. Again, I believe the FTC is attempting to change the practice of law to be something different than it is as currently practiced in the United States today. Clearly legal assistants, paralegals as well as

junior or local attorneys need to be supervised, but the type of work that they do should not be prescribed by the FTC.

I agree that the mere association of a non law firm with licensed lawyers is a façade that should not be legally accepted as law firm

Another quote from MARS states: "For example, a frequent characteristic of MARS attorneys engaged in deception is that they offer services to borrowers outside of the state in which they are licensed. Under the proposed Rule, such an attorney would not be exempt from the rule." Again, if an attorney is licensed in New York and is providing legal services from New York for a client in Ohio and the bank is located in New York, I do not believe there is a violation of State ethics laws, especially when loan modifications do not rely on local state law. The language that states "In addition to providing a limited exemption from the prohibition on advance fees, proposed section 322.7 exempts lawyers from the proposed Rules' prohibition against instructing consumers to cease communications with their lenders or servicers, so long as the lawyer is licensed to practice law in the state where the consumers resides." I believe that this comment changes the current ethical rules that govern an attorney. Attorneys are not limited to representing clients in only the state they reside, but can represent clients from any state provided that they are not appearing in court or practicing state law for a state they are not admitted in.

The FTC's exemption is overly narrow affecting the legal system in general in a very negative way without regard to protection of a consumers rights to obtain counsel of their choice.

2. FTC's Lack of Information Related to the Lenders' Bad Practices.

The NPRM for MARS states that "The rules the Commission promulgates to implement the 2009 Omnibus Appropriations Act, ... cannot cover the practices of banks, thrifts, federal credit unions, or certain nonprofits." Unfortunately attorneys practicing in the field of MARS know very well that the problem with the 2009 Omnibus Appropriations Act as relates to mortgages is that the lenders have been given an unfettered ability to earn fees by modifying mortgages with little oversight. An attorney is the only proper and effective advocate an individual can have in the loan modification process to ensure that the lenders (1) modify the right mortgages; (2) use the proper criteria; (3) do not make mistakes when it comes to the facts provided by a mortgages; (4) treat the mortgagers fairly and consistently; (5) work diligently towards the end result; and (6) don't foreclose prematurely on a house where negotiations are ongoing.

(a) Lenders' bad practices. In our practice of helping homeowners modify mortgages we have seen all of the major banks utilize abhorrent practices with our clients. The Lenders work on the premise that they are too big for any real consequences to befall them. Lenders are notorious for losing documents. When we call to check on a status of a modification, more times than not the lender will say we need particular documents that we have already delivered to them. Our view after dealing with many loan modifications and many different lenders is that it is a tactic they employ in order to delay doing the work that they need to do. Lenders also do not like to deal with attorneys representing clients because they are being monitored and cannot unfairly deal with the clients without being caught.

Lenders go to extremes to avoid dealing with our law firm including the request to fax unnecessary powers of attorney or letters or representation numerous times. It is the rare case where we can fax such authority only once.

I know of several situations where a lender has agreed to postpone foreclosure and then sold the client's house anyway. In those situations we are very strong advocates for our clients and work toward reversing such unfair practices. We have had lenders tell us that "yes, it was in there notes that the foreclosure was to be postponed, but there must have been a mistake...and no they would not reverse the sale." Until legal pressure is asserted, the lenders fail to act.

Many consumers who seek advice from attorneys have already dealt directly with lenders and are merely seeking impartial professional advice and guidance.

(b) Lenders' failure to provide timely documentation. It is our experience that Lenders will take months to grant a temporary loan modification and then demand that the documents be signed and returned to them within 3 days. These demands provide us little time to review the documents on behalf of our clients. However, we can review the documents to ensure that no mistakes in terms have been made and to ensure that our clients receive the best possible modification. Many times the first offer of modification is not acceptable to the client because they cannot afford to make the payments. We then review the financial information and resubmit pointing out the mistakes the lenders have made in interpreting financials. Without an attorney reviewing these documents for mistakes the clients are at risk agreeing to something they may not understand and which might not be the transaction they were offered.

(c) Lenders' request for payment prior to preparation of documents. Lenders typically agree to a temporary loan modification and require payment immediately usually months before the documentation is prepared. It is our practice to prepare a written acknowledgement of the terms of the modification and send that to the lender. In the event the bank does not respond to correct those terms we believe we have established the terms that the lender would then have to abide by. Many times these terms include the addition of overdue amounts to principal and other very significant terms. Most clients are not equipped to confirm the terms in writing on their own and rely on their counsel to do so. We also add a paragraph that conditions our clients payment of funds on the lender not negatively reporting to credit bureaus the loan modification. In our view a loan modification is a negotiation that results in new terms of a loan which the bank has agreed upon. Accordingly there should be no negative reporting, although the banks routinely report that the client is "partially paying under a modification plan" which is treated as a negative by the credit bureaus. Clearly a forbearance agreement would result in negative reporting, at least until the permanent modification can be put into place; however, a trial or permanent loan modification should have no such effect and we have been successful challenging this.

In no other area of the law would I recommend that a client enter into an arrangement without a written document; however, with loan modifications there is generally no choice. At least counsel can provide protection from the lender changing or attempting to change the arrangement.

The FTC would have attorneys who were not exempt from receiving upfront payments wait to collect payment until the provider has:"(1) achieved all of the results (i) the provider represented, expressly or by implication, to the consumer that the service would achieve, and (ii) that are consistent with consumers' reasonable expectations about the service and (2) provided the consumer with documentation of such achieved results...."

The requirement of documentation would add a month or two on to the time period for which an attorney not exempted could collect his or her fees. Documentation is generally not prepared by the banks until months after the temporary loan modification has been agreed upon.

3. **The Commission has asked for comments regarding the advance fee ban.**

(a) The advance fee ban is designed to not only regulate potentially unfair and deceptive behavior, but to eliminate any law firms or companies offering loan modification services. Without advance fees law firms would not be able to provide the services necessary to achieve a loan modification for clients. The proper providing of loan modification services requires a sufficiently large staff to induct new clients and obtain all of the required information for a loan modification. This information is gathered by legal assistants who are persistent and knowledgeable as to the necessary information as opposed to information that is merely helpful. Hardship letters need to be developed and in many cases rewritten to express the clients actual hardship which many people cannot describe without assistance. Information has to be communicated both orally and written to the correct department at the lenders. Often our staff is on hold for 45 minutes waiting for a bank representative to deal with us. The preparation of the loan modification application requires and analysis of the clients financial situation and then the preparation of an informative and comprehensive letter requesting a loan modification either under a government program or otherwise. Again, clients often times cannot adequately address their own problems in persuasive language and require assistance to do so. The follow up with the banks is a grueling process requiring multiple resubmissions of documents and multiple follow up calls. We find that because of our persistence we achieve much better results for our clients. Clients that are turned down for modifications require a renewed effort and strategy. Traditional modifications are available even though banks are not compelled to enter into them. Substantial legal assistant, paralegal and attorney work is performed for each client. The fact that a firm such as ours does many loan modifications means we have developed experience and expertise that can be passed on to the clients. If we were to charge our clients hourly few would be able to afford assistance. The FTC MARS rules are designed to allow attorneys to handle very few loan modifications collateral to bankruptcy or a court proceeding only which does not allow many attorneys to obtain the expertise necessary to deal with the lenders who have high paid legal counsel and deal with clients like the behemoth corporations that they are.

(b) Limit or cap advance fees instead of banning them outright. A limit or cap would help defray some of the costs of providing quality services; however, our experience is that most clients utilizing our services for loan modification are financially stressed and once their loans are modified they have no impetus to pay for services rendered. Generally attorneys have little or no recourse to collect other than calling clients and asking them to pay or submitting invoices. Litigation with clients is not only frowned

upon but it is generally accepted to be a bad practice for attorneys except for extraordinary situations. The cap would have to be sufficiently high to cover the majority of costs for services rendered or law firms offering this service will not be able to pay their bills.

(c) Independent third party escrow accounts. Escrowing of funds would work in certain circumstances; provided the third party didn't charge an outrageous amount for such services. Typically, attorneys need to utilize funds on an ongoing basis to cover the operational costs of their services. Attorneys also have their own highly developed rules for escrowing of funds and a third party is probably not necessary or warranted when attorneys have significant dollars in escrow for home closings on a routine basis. A combination of some advance fees and escrowing of the balance of the fees might work.

(d) Rights of Rescission. A right of rescission for three days after the services are contracted for would be perfectly reasonable and offer a cooling off period for potential clients. I see no problem with a right of rescission provided it is for a short period of time and does not interfere with the timing on the offering of services.

(e) Successful provision of services prior to collecting fees. Attorneys should be able to collect fees whether or not they are successful in obtaining a modification for a client; provided they have not guaranteed results. Not all clients can achieve a modification for a panoply of reasons. Some clients are uncooperative and do not respond timely to their counsel. If a client hires counsel to attempt to obtain a loan modification and no guarantee of success if offered, counsel should be able to be paid regardless of the outcome.

4. Exemptions (page 97 et. seq.)

(a) Instructing consumers not to communicate with lender or servicers. I think it is very dangerous to pass a rule that supersedes the judgment of attorneys as to whether their clients should talk to the lender or servicer. Many clients cannot effectively negotiate with the lenders and the lenders attempt to trick the clients into providing information over the phone that may not be supported by fact and may be different than provided by the law firm. This prohibition is extremely dangerous and changes the profession of practicing law in a very negative way. Whether or not an attorney complies with the exemption that ultimately becomes part of the MARS, there should be no restriction on how an attorney counsels his or her clients.

(b)Exemption for attorney receiving advance fee if the attorney: (a) provides MARS in connection with a bankruptcy petition or other court proceeding; (b) is licensed to practice in the sate where the consumer resides; and (c) is in compliance with applicable state laws, including licensing regulations.

This exemption is overly narrow and does not recognize that an attorney provides legal services and advice apart from appearing in court or in legal proceedings. Attorneys are referred to as counsel because a large part of their profession involves counseling clients in aspects of the law. For example advising a client as to estate planning may involve changing the manner in which certain property is held, preparing trusts and a will and advising a husband and wife as to simultaneous death issues that

may arise in the passing of property to their children. No court case or proceeding is involved, however, legal services are provided nonetheless.

Similarly attempting to obtain a loan modification requires consultation and advice, preparation and presentation of documents and negotiations. This is all work that is properly performed by an attorney.

The exemption should be expanded to include all law firms providing legal services to a client where (1) the advertising meets legal requirements (i.e. no leads have been purchased and the advertising meets the ethical requirements of state in which the client resides (note that these requirements are detailed and very restrictive)); (2) no guarantees of success have been offered; (3) the fees are reasonable (reasonableness of fees is also a requirement of most states attorney ethics rules); and (4) there is meaningful attorney involvement (see the Fair Debt Collection Practices Act over which the FTC has authority).

As to the notion of the attorney having to be admitted in the state where the consumer resides should be left to the states rules that govern the unauthorized practice of law. In some cases an attorney many need to be licensed and in others he or she may not need to be licensed based upon the circumstances and affiliations. Although this is a complex area there is already a body of law that exists that should not be modified by the FTC to fit its notions of who can practice law in a given state.

(c) What types of MARS services apart from representation in litigation e.g. calling lenders or servicers on consumers' behalf) do attorneys perform that would not qualify for the exemption in proposes section 322.7 how prevalent is the provision of these non-litigation legal services and how do they provide consumers with legitimate mortgage relief?

I have addressed the type of loan modification services we perform above and have called for a complete attorney exemption. The concept that an attorney is only providing legal services when litigation is involved is a complete misnomer. I believe it is (1) very bad policy for the FTC to regulate attorneys when they are currently regulated by the judiciary branch of government; (2) have perfectly adequate rules governing them that would avoid all "unfairness and deceit" if applied; (3) unconstitutional (or a violation of fundamental principles of the constitution) to prohibit consumers from hiring attorneys to help them with one of the most important aspects of their lives-their homes.

Foreclosure Prevention.

The FTC seems to be under the view that most attorneys are hired by consumers for loan modifications due to foreclosure proceedings and that most attorneys have marketed themselves to prevent foreclosures. We have found that clients that have pending foreclosures are desperate for help and we are generally successful in putting off foreclosure sales during the loan modification process. A substantial amount of our time is spent trying to forestall foreclosure. We do not; however, appear in court on behalf of our clients to prevent foreclosure since in most cases there is no real defense if the client is in arrears. The best defense is to secure a loan modification that amortizes the unpaid mortgage payments. Firms that are practicing foreclosure defense and appearing in court on behalf of the client are generally expensive and generally there is no real defense other than a court ordered delay or

arbitration. The FTC seems to have considered the companies that offer Foreclosure prevention as one of the primary sources of abuse. However, we would like to make it clear that loan modification as a practice of law has little to do with defending foreclosure procedures that are brought in court.

CONCLUSION

The FTC should reconsider its MARS exemption for attorneys. It is the banks and lenders that are the real cause of the majority of the abuse in the loan modification arena. By effectively eliminating attorneys by banning upfront fees the FTC is doing exactly what the banks desire. We have all been made aware of the strong lobbying ability the banks have even though they are the entities that initiated the lending abuses. Attorneys are the only effective advocates that can stand between the consumer and the banks and achieve any semblance of fairness when it comes to loan modification.

Background on Author H. Bruce Bronson, Jr.

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