

October 19, 2009

Federal Trade Commission

RE: Notice of Proposed Rulemaking and Request for Public Comments  
16 CFR Part 310 Telemarketing Sales Rule- Debt Relief Amendments

Dear Sir or Madam:

In the fall of 2005, my husband and I were faced with unforeseen financial hardship. We were just married and had moved to Auburn, AL where he was attending graduate school. I was teaching 6<sup>th</sup> grade math as well as working evenings and weekends at a local restaurant. On November 14<sup>th</sup>, my father, who is the owner of a small paint contracting business in Arizona fell from a ladder and seriously injured his ankle. He required surgery that night. The following morning, my mother, who had been diagnosed with lung cancer a few months earlier passed away. My husband and I returned to Arizona for the funeral and to care for my father. He could not walk or drive, but his business depended on him being available to give estimates and manage the job sites. Additionally, my mother had always kept the books for the business, and my father was unable to do so. After much discussion, my husband and I decided that I would stay behind in Arizona to care for my father and help him run his business. I resigned from my jobs, and remained in Arizona until mid-February when my father had another surgery to remove the screws in his ankle and he was able to walk again.

In the time that I was gone, my husband was working as a graduate teaching assistant at Auburn University in Auburn, AL. While he did earn a small salary, it was not nearly enough to cover our monthly expenses. We had a few credit cards that we made minimum payments on, but soon they were all maxed out. When I returned, I took a part time job as a reading specialist, as well as resuming my position at the local restaurant. The following fall, I took a full-time position teaching 5<sup>th</sup> grade at a local school. While we continued to make payments on the credit accounts for a time, they soon became unmanageable and a few of the accounts lapsed. I attempted to contact the companies to set up a payment plan, but the companies were unwilling to negotiate with me. Had there been only one or two accounts, we may have been able to manage their demands, but we had six accounts with five different banks. I did settle one account on my own, but it was one of the smaller balances.

The phone calls were unbearable. It was as if every ring was a reminder of how we had mismanaged our finances. We were not irresponsible, and we were not living above our means. We were in an apartment in an old neighborhood in Alabama. One day, I had had enough and contacted a few debt settlement companies. The first few were not licensed in Alabama. I found the number for American Financial Services (AFS) in the phonebook. I spoke with an agent named Brian who took my information and account numbers and balances. He told me that based on our total debt, AFS could have all of our accounts settled in 3 years. At this point, we had been past due on most of our accounts for almost a year. While I was skeptical, I was willing to try anything. We made automatic monthly payments to AFS and the phone calls stopped. When the first account was settled we were thrilled. We made an extra payment to cover the difference between the settlement amount and our AFS account balance. One by one, our accounts were settled at amazing rates. We settled our last account at the beginning of this year. This spring, my husband and I purchased our first home. None of this would have been possible without the help of AFS. I am so grateful to AFS for helping us out of a helpless situation.

Sincerely,

Jessica M. Johnston