

To: Federal Trade Commission

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

From: Michael Watson

Having read your Proposed Rule at <https://public.commentworks.com/FTC/InitiativeDocFiles/53/Notice.pdf>, I feel compelled to comment on my personal experience with Debt Settlement, and to pose several questions that are of great concern to me for your consideration.

In the past, I was hopelessly overwhelmed with \$74,000.00 of Credit Card debt. I elected to engage the services of a "Debt Settlement" company in lieu of filing for bankruptcy. The process of Debt Settlement was not a painless one, but I did not expect it to be so. Overall I was and remain completely satisfied with the experience. Within 34 months of entering into this program I had settled my debt, which stemmed from 6 separate Credit Card accounts. After paying my creditors and the Debt Settlement company its service fees, I realized a savings of approximately \$35,000.00. The availability of Debt Settlement not only allowed me to regain control of my financial life, but also restored my self-respect and that of my family and friends. My wife and children are no longer afraid to answer their own phone!

The following is a direct quote from page 10 of the 38 page PDF document posted on your website.

"Consumers often suffer irreparable injury as a result of paying a fee in advance of receiving services offered by a debt settlement company".

I now wish to offer my opinion. The "irreparable injury" to myself was caused by the Financial Industry. For decades I paid countless thousands of dollars in usurious interest payments while barely scratching the surface of my principal debt. The entire financial industry, including but not limited to credit card issuers, automobile loans, home loans and personal loans all charge their fees up front. In all instances their interest is "Front Loaded" and the consumer will pay countless thousands of dollars with little or no reduction in the principal amount that was borrowed. Additionally, I can purchase a product or service at an agreed upon price with a credit card, and after this fact the credit card issuer can and does raise the price of this purchase simply by increasing my interest rate.

My automobile insurance company charges all of its fees up front! These monies are charged based upon the "mere possibility" of being involved in an accident. Over the past 40 years I have paid enough in insurance premiums to purchase 3 brand new automobiles, all the while having never filed a claim. Consequently my insurance company has never provided a service to me...so tell me...am I entitled to my money back?

Should I require the services of an attorney I am required to pay in advance. And this is without any guarantee as to effectiveness or outcome.

How do you reasonably expect any company providing Debt Settlement services to successfully operate and survive without a steady revenue stream? Only if these companies were provided free of charge with Real Estate, Computer Hardware and Software, Telephone and Internet service, etc...and were staffed with a volunteer workforce, would your proposal seem viable.

Having studied the FTC's proposed rules that are being championed under the guise of "Consumer Protection" I have come to the conclusion that the Financial Industry and not the "Consumer" will be the sole beneficiary of your proposal. Once again, we the Consumer have been presented with the proverbial "Wolf in Sheep's Clothing" ...!!!

Thank you in advance for your consideration, and I anxiously await your reply,

Michael Watson