

NATIONWIDE ALLIANCE GROUP



CONSUMER PROTECTION LAW FIRM REFERRAL SERVICES

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CONSUMER HANDBOOK
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Our Services

The Nationwide Alliance Group provides education on legal services available for Debt Relief, Debt Defense, Foreclosure Defense, and Bankruptcy.

You have taken the step of hiring an attorney to assist you on the path of financial freedom. Our attorneys focus in all areas of Consumer Protection and ensure that your rights are protected against large financial institutions.

Foreclosure Defense

If you are delinquent in mortgage loan payments to the lender, have been served with a notice of foreclosure letter or have received a mortgage foreclosure complaint, you have a very short time to respond. In many cases, a homeowner and borrower may begin to lose precious legal rights in as little as twenty (20) days. Any delay may make the situation you are in worse, and if a borrower or homeowner fails to do anything at all, the situation may become the worst case scenario possible. A Florida Foreclosure or a Foreclosure in any State which offers the lender recourse against the borrower can have serious, long lasting ramifications that you may have to deal with in the future, so it is absolutely in your best interests to participate now while it is occurring. Your decision to participate now may preserve, protect and safeguard valuable legal rights affecting your future income, credit worthiness and income tax consequences.

The lenders are not always correct in the numerous avenues of legal compliance that they must abide by for each and every single real estate closing. A Florida Foreclosure, New Jersey Foreclosure and Pennsylvania Foreclosures are a judicial matter, which means that a civil action must be commenced in order to foreclose upon a delinquent loan. The lender will file a law suit against the delinquent borrower and seek to involuntarily force the sale of the borrower's home or real estate at a public auction to the highest bidder present on that day. The proceeds of the sale will be delivered to the lender to pay all remaining amounts owed on the delinquent mortgage. If there are no bids at the foreclosure sale, the lender will be permitted to take title to the property or home, at which time, the lender will attempt to sell the home or real estate on the open market to recover its mortgage debt.

Beware the "Lost Note" or "Lost Mortgage" (deed of trust, security deed, etc.) Position taken by foreclosing party (lender) in securitized mortgage foreclosure cases: nothing was "lost", and to so represent to the court is a serious matter and may provide borrowers with a reason to request dismissal of the foreclosure case.

Predatory Lending

Predatory Lending is a pejorative term used to describe unfair, deceptive, or fraudulent practices of some lenders during the loan origination process. While there are no legal definitions in the United States for predatory lending, an audit report on predatory lending from the office of inspector general of the FDIC broadly defines predatory lending as "imposing unfair and abusive loan terms on borrowers." Though there are laws against many of the specific practices commonly identified as predatory, various federal agencies use the term as a catch-all term for many specific illegal activities in the loan industry. Predatory lending should not to be confused with predatory mortgage servicing (predatory servicing) which is used to describe the unfair, deceptive, or fraudulent practices of lenders and servicing agents during the loan or mortgage servicing process, post loan origination.

One less contentious definition of the term is "the practice of a lender deceptively convincing borrowers to agree to unfair and abusive loan terms, or systematically violating those terms in ways that make it difficult for the borrower to defend against." Other types of lending sometimes also referred to as predatory include payday loans, credit cards or other forms of consumer debt, and overdraft loans, when the interest rates are considered unreasonably high. Although predatory lenders are most likely to target the less educated, racial minorities and the elderly, victims of predatory lending are represented across all demographics.

Predatory lending typically occurs on loans backed by some kind of collateral, such as a car or house, so that if the borrower defaults on the loan, the lender can repossess or foreclose and profit by selling the repossessed or foreclosed property. Lenders may be accused of tricking a borrower into believing that an interest rate is lower than it actually is, or that the borrower's ability to pay is greater than it actually is. The lender, or others as agents of the lender, may well profit from repossession or foreclosure upon the collateral.

Loan Modification

If you've been struggling with mortgage payments, you are not alone. In today's economy many are having a hard time making ends meet, and paying a high monthly mortgage doesn't help.

A Loan modification may help you to renegotiate your monthly payments to the bank and modify your payment structure to make it more affordable. But if you're considering renegotiating you'll need a qualified loan modification Attorney to help you through the process. Our law firm is fortunate in having a prior Freddie Mac specialist on staff to assist in the negotiation process with your lender.

Negotiation with banks can often be a haranguing and difficult process. That's why it helps to have a qualified loan modification attorney alongside you every step of the way. We've helped countless homeowners negotiate with banks and get loan modification help they need.

Short Sale

As short sale occurs when the property is sold for less than what is owed on the mortgage. Many times the lender will agree to a short sale rather than foreclosing on the property. The law Firm can offer you many varied types of loss mitigation, with or without **Foreclosure defense**. Many times clients will seek assistance with the Short sale from all the wrong places not realizing the crippling effects of an incomplete short sale that never occurs. We normally say the purchase of your home is the single biggest decision you will make in your life time, unfortunately in today's environment your exit strategy will absolutely be an important decision that must be made with an understanding of your personal situation. A poorly executed Short Sale can have devastating effects for many years into the future.

Bankruptcy

A business or an individual can file for Bankruptcy once they have ascertained that it has become impossible to pay off one's creditors. It can give you a chance to start over from a financial point of view, as most of debts are relieved after you file for bankruptcy.

Chapter 7, or liquidation bankruptcy, means that your "estate" – i.e., your assets – is sold in order to pay off your creditors. A reorganization bankruptcy can also involve the selling of assets, but more often than not you can retain a majority of your assets while your creditors' needs are assessed. Reorganization bankruptcies can be filed under the following guidelines:

Chapter 11 – businesses and individuals with many assets

Chapter 13 – individuals with steady income

Contact us today to learn more about your options under the current bankruptcy laws. We're here to help. Make sure you work with a qualified Bankruptcy Attorney.

Chapter 11 Bankruptcy

Chapter 11 is a chapter of the United States Bankruptcy Code which permits reorganization under the bankruptcy laws of the United States. Chapter 11 bankruptcy is available to every business, whether organized as a corporation or sole proprietorship, and to individuals, although it is most prominently used by corporate entities. When a business is unable to service its debt or pay its creditors, the business or its creditors can file with a federal bankruptcy court or protection under either Chapter 7 or Chapter 11.

A chapter 11 case begins with the filing of a petition with the bankruptcy court serving the area where the debtor has a residence. A petition may be a voluntary petition, which is filed by the debtor, or it may be an involuntary petition, which is filed by creditors that meet certain requirements.

Generally, a written disclosure statement and a plan of reorganization must be filed with the court. The disclosure statement is a document that must contain information concerning the assets, liabilities, and business affairs of the debtor sufficient to enable a creditor to make an informed judgment about the debtor's plan of reorganization. The contents of the plan must include a classification of claims and must specify how each class of claims will be treated under the plan.

As with cases under other chapters of the Bankruptcy Code, a stay of creditor actions against the chapter 11 debtor automatically goes into effect when the bankruptcy petition is filed. The automatic stay provides a period of time in which all judgments, collection activities, foreclosures, and repossessions of property are suspended and may not be pursued by the creditors on any debt or claim that arose before the filing of the bankruptcy petition. The stay

provides a breathing spell for the debtor, during which negotiations can take place to try to resolve the difficulties in the debtor's financial situation.

A major role in chapter 11 cases is played by Creditors' Committees. The committee is appointed by the U.S. trustee and ordinarily consists of unsecured creditors who hold the seven largest unsecured claims against the debtor. Among other things, the committee consults with the debtor on administration of the case; investigates the debtor's conduct and operation of the business; and participates in formulating a plan. A creditors' committee may, with the court's approval, hire an attorney or other professionals to assist in the performance of the committee's duties. A creditors' committee can be an important safeguard to the proper management of the business by the debtor in possession.

While declaring bankruptcy can be a difficult decision and can seem like you're facing a complicated resolution, our experienced attorneys are here to help. Call for a free consultation to discuss your situation and set a plan that is right for you.

File For Bankruptcy Under a Chapter 13 Bankruptcy

Can I file for Bankruptcy under a Chapter 13 Bankruptcy? Will the help Clear Your Debt? When you're deeply in debt climbing your way out seems impossible. You want to pay back what you owe, but mounting financial pressures and the cost of ordinary living make paying off debts seem a far away dream.

In these cases Filing for Chapter 13 bankruptcy can be the extra boost you need to start paying back debts and restore your good credit.

Credit Cards

A credit card is a contract between you and a bank. As with all contracts only an attorney should be hired to identify your rights under the contract, defend your rights under the contract and file a lawsuit against any bank, debt collector or credit reporting agency that violates your rights.

Your Rights

You have the right to understand the terms of a credit card contract before a bank sends you a statement and demands that you pay money.

You have the right to receive the interest rate that was offered to you before a bank sends you a statement and demands that you pay money.

You have the right to dispute a balance on an account and demand that the bank provide your attorney with the original advertising, original disclosure statements, original card member agreement and an explanation as to how their computer arrived at the amount that they claim that you owe.

The Common Law

In law, a contract is an agreement between two parties which if contains the elements of a valid legal agreement is enforceable by law. Regarding a credit card, the contract requires an offer, acceptance of the offer and consideration.

Your attorney is going to identify exactly what was offered to you, when it was offered to you and whether the bank fulfilled its end of that offer. In the event that the bank breached the contract, you may no longer be required to make payments.

In addition to the bank breaching the contract, your attorney may discover through documents that are available at the Federal Reserve System and the Securities and Exchange Commission your bank sold the entire credit card debt to a third party and received payment in full; and also has been receiving a “servicing asset” for servicing the account.

This is important because when a credit card issuing bank claims that they have suffered damages as a result of you not making payments the accounting records will show a different story.

Besides the bank not being able to show damages the bank will have a difficult task producing the documents necessary to show the credit card agreement that applies to your particular credit card.

The Fair Credit Billing Act

The Fair Credit Billing Act protects consumers from unfair billing practices and provides a mechanism for addressing billing errors in "open end" credit accounts, such as credit card or charge card accounts. When is the last time you reviewed the math on your billing statement and checked with a calculator to see whether the finance charge, new balance and minimum amount due was correct? If you cannot check the bank's math or recreate the calculations utilizing the statement, pen and calculator, the Fair Credit Billing Act may allow you to dispute the account based upon a math error.

Your attorney will also require that the bank clarify the previous 60 days worth of charges. Once this happens the Fair Credit Billing Act prohibits the bank from trying to collect on the disputed amount, close the account or report negative information to the various credit reporting agencies. Furthermore, creditors cannot contact you once you are represented by an attorney.

In the event that any bank violates this act your attorney will address the violation with several legal options which may include a lawsuit. The law provides you with actual damages, statutory damages of up to \$1000 court costs and attorneys' fees.

You are entitled to the damages that are awarded, excepting the attorneys' fee, as well as the statutory damages that are awarded by the court.

The Fair Credit Reporting Act

The Fair Credit Reporting Act regulates the collection, dissemination, and use of consumer information, including consumer credit information. It requires that the credit reporting agencies maintain accurate and complete information, investigate and reinvestigate any claim by a consumer that information is not accurate. In the event that a bank or debt collector reports negative information to any of the credit reporting agencies your attorney will notify them in writing that the information is not accurate. If they do not delete the negative trade line your attorney may file a claim against the bank, debt collector and/or credit reporting agency.

The Fair Debt Collection Practices Act

The Fair Debt Collection Practices Act was enacted to eliminate abusive practices in the collection of consumer debts, to promote fair debt collection, and to provide consumers with an avenue for disputing and obtaining validation of debt information in order to ensure the information's accuracy. The Act creates guidelines under which debt collectors must conduct business, defines rights of consumers involved with debt collectors, and prescribes penalties and remedies for violations of the Act.

Your attorney will ensure that no debt collectors contact you while you are represented by an attorney. In the event that you are contacted by a debt collector your attorney may file a claim against the debt collection firm and the debt collector individually.

The Equal Credit Opportunity Act

The Equal Credit Opportunity Act makes it unlawful for any creditor to discriminate against any applicant, with respect to any aspect of a credit transaction, on the basis of the applicant exercising his or her rights under the Fair Credit Billing Act, Fair Debt Collection Practices Act or Fair Credit Billing Act.

Telephone Consumer Protection Act

The TCPA is the primary law in the United States governing the conduct of telephone solicitations, i.e., telemarketing. The TCPA restricts the use of automatic dialing systems, artificial or prerecorded voice messages, SMS text messages received by cell phones, and the use of fax machines to send unsolicited advertisements. It also specifies several technical requirements for fax machines, autodialers, and voice messaging systems—principally with provisions requiring identification and contact information of the entity using the device to be contained in the message.

Unless the recipient has given prior express consent, the TCPA and Federal Communications Commission (FCC) rules under the TCPA generally require:

- Solicitors may not call residences before 8 a.m. or after 9 p.m., local time.
- The solicitor must maintain a "Do Not Call" (DNC) list, which must be honored for 5 years.
- Solicitors must provide their name, the name of the person or entity on whose behalf the call is being made, and a telephone number or address at which that person or entity may be contacted.
- Solicitation calls cannot be made to residences with artificial voices or recordings.
- Calls cannot be made with artificial voices or recordings to cell phones or to any service in which the recipient is charged for the call.
- Prerecorded or autodialed calls cannot engage two or more lines of a multi-line business or to any emergency number.
- In a related section, unsolicited advertising faxes are also prohibited.
- In the event of a violation of the TCPA, individuals are entitled to collect damages directly from a solicitor for \$500 to \$1,500 for each violation, or recover actual monetary loss, whichever is higher.

Your Responsibilities

While your attorney is verifying all the documents that relate to your credit card contract and disputing those items that are able to be disputed, you are responsible to maintain a communications log and monitor your credit report.

The communications log includes telephone calls, letters and any legal documents. It is important that you forward these logs each Friday by fax to (888) 328-5338 or via email to violations@consumerdebtlegalgroup.com. However, if you receive a letter or a telephone call that needs immediate assistance such as a harassing telephone call or threat of any kind, you should send in the communications log immediately.

Monitoring your credit is important so that your attorney can address any negative information that is unlawfully reported to any of the three credit reporting agencies.

This information should be delivered to your dedicated paralegal so that she or he can address it with your attorney immediately.

Frequently Asked Questions

My debt keeps growing. What can I do?

You have taken the first step. A credit card is a legal contract between you and a bank. If you were involved in a car accident that was not your fault would you hire a debt settlement company or a credit counselor? Only an attorney can advise you of your rights and negotiate a legal settlement under the terms of a contract.

Frequently, many of the fees assessed to your account are finance charges that you may not have agreed to. When we review statements we notice that the APR (Annual Percentage rate starts at around 5% but grows to 28%. Most of our clients do not recall agreeing to the change in interest rate.

How Do I Qualify For This Program?

This is not a program. Everyone qualifies to have an attorney review the nature of the contractual relationship between you and your bank. Your attorney is going to get to the bottom of the issues you are having and figure out what your rights are under the law. You may be a victim of predatory lending and if so your attorney is going to tell you what your damages are. We are going to evaluate your particular situation and the attorney will provide legal advice.

Can you eliminate my debt completely?

Attorneys have eliminated over \$500,000,000 in consumer debt since 2005. The only way to “eliminate debt” is to require that the bank “verify” the debt. When they cannot verify the debt, the attorney can begin removing that debt trade line. Only an attorney can do this. Each case is unique and your case will be handled the same way these attorneys have handled all their other cases. There is no guarantee that a debt will be eliminated; however the attorneys will use the law to protect your legal rights.

What do I have to do while the attorney is handling my case?

Answer the phone, keep a good communications log, send your attorney every letter you get (even certified) and most important, RELAX. You are hiring an attorney that knows how to handle banks and their debt collectors. You are going to learn more about banking and finance than you have ever known. Your attorney is going to teach you how to think like a creditor.

If any creditor, debt collector or credit reporting agency breaks the law your attorney will make sure that your rights are protected and if warranted a claim will be filed.

How much will I have to settle for?

It depends. As discussed before we have had some credit cards settle for \$0.00 and other settle for .30 on the dollar. It all depends upon whether or not the bank can verify the balance on the account. What is important however is the manner in which the attorney settles. In other instances, the attorneys have recovered damages from a creditor or from their debt collectors in an amount in excess of the alleged debt owed.

Your attorney will not settle with a creditor or their debt collectors unless it is reasonable and reflects the agreement between you and the creditor. Most importantly, you will not be charged any additional money for the negotiation or settlement of a debt incidental to the dispute or litigation process.

What is the difference between hiring an attorney and hiring a credit counselor for a debt consolidation?

Debt consolidation companies work for the banks. The banks give them a piece of software and every dollar that is left over after your other bills goes to the banks and the debt consolidation company gets paid a commission. Your attorney on the other hand works for you. A debt consolidation is like a Chapter 13 bankruptcy. It can take 5 years and you pay back all the principal and interest. A debt consolidation is a “re-payment plan”. Your attorney can negotiate a debt consolidation or assist with a bankruptcy if you want. It’s your money and your choice. We are here to explain all of your options.

How long does it take to reduce my obligations under the terms of my contracts?

It depends. Your lawyer will evaluate your case and determine how aggressive to be with your lender. Before any negotiations occur your attorney must figure out what your obligations are under the terms of your contracts. Only then can your attorney determine what if anything you would need to pay back.

The length of time varies from card to card but every creditor is handled in the same professional manner.

Will creditors and debt collectors stop harassing me?

The reason why you are hiring an attorney is so that a licensed professional handles your case. Creditors and debt collectors will try and discuss the contract with you for the sole purpose of causing you to waive your rights under the law. Do not discuss your case with any debt collector or bank. Complete your communications log and get it to the law firm. The law firm will make the independent decision as to whether or not a lawsuit is warranted. The law firm will not tolerate any harassment from a creditor, debt collector or debt purchaser.

What about my credit score during or even after my attorney handles my case?

Federal law prohibits a creditor or debt collector from reporting that a particular debt is delinquent without reporting that the account is being disputed. The Fair Credit Reporting Act requires that the creditors, debt collectors, and credit reporting agencies report accurate and complete information about you and your credit worthiness. Anytime you don't pay your credit card bill or other debts, there will always be a negative impact on your credit. Chances are, you have already suffered this negative impact. If you are worried about your credit score, ask to speak to an attorney at the beginning of our representation in order to discuss your concerns.

While your attorney is handling your case you should not be taking out any extensions of credit. This could not only interfere with your attorneys ability to handle your case but can also put you in worse shape than when you hired the firm. If you are considering taking out additional credit first discuss this with your attorney. Let your attorney help you make the right decision.

Your credit report will be handled in two distinct phases. The first phase is to ensure that the creditors, debt collectors and credit reporting agencies properly report the status of any contract. This means that if your attorney requests that the contract be verified and for some reason it cannot, this fact would have to be reported. If it is not, the furnisher of information is potentially violating the law.

The second phase is to address the manner in which negotiated settlement and release agreements are properly reported on your credit report. Your attorney will require that you obtain all three copies of your credit report from Experian, Equifax, and TransUnion. Once obtained, your attorney will challenge any negative information on the credit report and require that the information be investigate, re-investigated and verified.

In the event that it cannot be verified but remains on your report your attorney will make the decision as to whether or not a federal lawsuit is warranted. If so, you could be entitled to statutory damages, actual damages and attorneys' fees.

WHEN A CREDITOR CALLS

What to Say

I am represented by an attorney and my attorney told me that you are not supposed to be calling me. I need the following information from you and my attorney told me that you are required by Federal and State law to disclose this information so that my attorney can contact you and discuss the debt. So please provide me with the following:

My Name: _____

Date: _____

Time of Call: _____ #: _____

Name of Caller: _____ Ext: _____

Name of Company: _____

Where is Company Located: _____

Name of Creditor: _____

Amount Owed: _____

Thank you for your cooperation. My attorneys are Consumer Debt Legal Group my attorneys mailing address is: 333 NW 1st Avenue, Ft. Lauderdale, FL 33301 and phone: 877-694-9729.

Communications Log

The communications log should contain the above information as well as your name. It needs to be mailed directly to your dedicated paralegal.