

Fines can be very costly. Agents must strictly adhere to the compliance measures outlined in this document to avoid FDCPA citations and their potentially severe financial ramifications.

person is liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of such failure;

(2) (A) in the case of any action by an individual, such additional damages as the court may allow, but not exceeding \$1,000; or

(B) in the case of a class action, (i) such amount for each named plaintiff as could be recovered under subparagraph (A), and (ii) such amount as the court may allow for all other class members, without regard to a minimum individual recovery, not to exceed the lesser of \$500,000 or 1 per centum of the net worth of the debt collector; and (3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court. On a finding by the court that an action under this section was brought in bad faith and for the purpose of harassment, the court may award to the defendant attorney's fees reasonable in relation to the work expended and costs.

(b) Factors considered by court

In determining the amount of liability in any action under subsection (a) of this section, the court shall consider, among other relevant factors—

(1) in any individual action under subsection (a) (2)(A) of this section, the frequency and persistence of noncompliance by the debt collector, the nature of such noncompliance, and the extent to which such noncompliance was intentional; or

(2) in any class action under subsection (a)(2)(B) of this section, the frequency and persistence of noncompliance by the debt collector, the nature of such noncompliance, the resources of the debt collector, the number of persons adversely affected, and the extent to which the debt collector's noncompliance was intentional.

§ 817. Exemption for State regulation 15 U.S.C. § 1692o

The Commission shall by regulation exempt from the requirements of this subchapter any class of debt collection practices within any State if the Commission determines that under the law of that State that class of debt collection practices is subject to requirements substantially similar to those imposed by this subchapter, and that there is adequate provision for enforcement.

Franklin Credit Agents should also be aware of applicable state and local debt collection and solicitation laws.

As a Franklin Credit Agent, You Represent...

a nationwide program that offers mortgagees the opportunity to easily and affordably communicate directly with homeowners, featuring:

- ✓ Accelerated turnaround.
- ✓ Detailed reports, double-checked for completeness.
- ✓ Collections and recovery management expertise.
- ✓ Flexible (bundled and unbundled) pricing.
- ✓ Skip tracing facilities.
- ✓ Subdivision and regional saturation capabilities.

Franklin Credit Agents Are...

- ✓ Courteous and respectful.
- ✓ Mindful of borrower rights and feelings.
- ✓ Mindful of client goals and perspective.
- ✓ Attentive to property and neighborhood details.
- ✓ Persistent in determining the ownership, maintenance, and control of a property.
- ✓ Resourceful.
- ✓ Thorough and prompt in filing visit reports.
- ✓ Representatives of Franklin Credit Management Corporation and of course, our clients.
- ✓ The best in the field!

If you have any questions regarding FDCPA requirements and how they might relate to either your work generally or a specific situation, please call Franklin Credit Management Corporation today at...

(201) 604-4403

(201) 604-4419

The Face to Face Home Solutions Program is offered by Franklin Credit Management Corporation ("Franklin Credit"), a national loan management company that currently services approximately 32,000 mortgage loan accounts representing an aggregate principal balance of more than \$2.0 billion.

Founded in 1989 and a pioneer in subprime origination and servicing since 1992, Franklin Credit provides extraordinary range and depth in servicing clients' performing and distressed assets, with proven proficiency in most loan types (simple interest, interest only and conventional, performing and nonperforming, firsts and seconds, ARMS, balloons) and most portfolio types (bankruptcy- or foreclosure-only, multiple-strata) as well.

Franklin Credit also offers critical mortgage portfolio analytic and advisory services, including portfolio- and loan-level valuation, pricing and cash flow models, appraisal due diligence, and closing-to-boarding expertise.

A leader in mortgage portfolio analysis and servicing, Franklin Credit nonetheless remains true to its subprime origins, prizing flexibility and borrower focus as keystones to maximizing client return on loan investment. Franklin Credit Management Corporation's unparalleled success with even the hardest to service loans and portfolios makes it the perfect partner for today's tumultuous mortgage investment environment.



John Kurila
Franklin Credit Management Corporation
101 Hudson Street, 25th fl.
Jersey City, NJ 07302

Phone: 201-604-4403
Phone: 201-604-4419
Fax: 201-604-4400

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YOUR RESPONSIBILITIES

AS A
FRANKLIN CREDIT
FACE TO FACE
HOME SOLUTIONS
AGENT



You Are Expected to Observe FDCPA Requirements

This brochure excerpts those Federal Debt Collection Practices Act 15 U.S.C. § 1692 requirements that may inform Face to Face Home Solution agent activities.

When speaking with third parties, state that you represent Franklin Credit, but only if asked. Do not explain our business and do not refer to the consumer as a "borrower."

While you may leave a Franklin Credit-authorized door hanger or sealed envelope at the borrower's property, do not leave any item, even a note, at the neighbors'.

Franklin Credit Agents may visit borrowers only between the hours of 8:30 AM and 9:00 PM.

§ 804. Acquisition of location information 15 U.S.C. § 1692b

Any debt collector communicating with any person other than the consumer for the purpose of acquiring location information about the consumer shall—

- (1) identify himself, state that he is confirming or correcting location information concerning the consumer, and, only if expressly requested, identify his employer;
- (2) not state that such consumer owes any debt;
- (3) not communicate with any such person more than once unless requested to do so by such person or unless the debt collector reasonably believes that the earlier response of such person is erroneous or incomplete and that such person now has correct or complete location information;
- (4) not communicate by post card;
- (5) not use any language or symbol on any envelope or in the contents of any communication effected by the mails or telegram that indicates that the debt collector is in the debt collection business or that the communication relates to the collection of a debt; and
- (6) after the debt collector knows the consumer is represented by an attorney with regard to the subject debt and has knowledge of, or can readily ascertain, such attorney's name and address, not communicate with any person other than that attorney, unless the attorney fails to respond within a reasonable period of time to communication from the debt collector.

Whether speaking with anyone but the consumer's spouse, state only your intent to contact the consumer and confirm their location. Do not say why you are visiting.

The consumer has a right not to have their alleged debt revealed to third parties.

Debt collectors may contact third parties only once, and only for the purpose of locating the consumer.

We are not allowed to communicate directly with a debtor when we know that they retain an attorney to serve as their point of contact. Your assignment reflects that we have not been advised of such retainer. Please call Franklin Credit immediately with the attorney's contact information.

§ 805. Communication in connection with debt collection 15 U.S.C. § 1692c

(a) Communication with the consumer generally Without the prior consent of the consumer given directly to the debt collector or the express permission of a court of competent jurisdiction, a debt collector may not communicate with a consumer in connection with the collection of any debt—

- (1) at any unusual time or place or a time or place known or which should be known to be inconvenient to the consumer. In the absence of knowledge of circumstances to the contrary, a debt collector shall assume that the convenient time for communicating with a consumer is after 8 o'clock antemeridian and before 9 o'clock postmeridian, local time at the consumer's location;
- (2) if the debt collector knows the consumer is represented by an attorney with respect to such debt and has knowledge of, or can readily ascertain, such attorney's name and address, unless the attorney fails to respond within a reasonable period of time to a communication from the debt collector or unless the attorney consents to direct communication with the

Franklin Credit screens accounts to ensure you do not call on consumers who are represented by an attorney—unless the attorney proves to be just as incommunicative.

consumer; or

- (3) at the consumer's place of employment if the debt collector knows or has reason to know that the consumer's employer prohibits the consumer from receiving such communication.

(b) Communication with third parties

Except as provided in section 1692b of this title (see §804 above), without the prior consent of the consumer given directly to the debt collector, or the express permission of a court of competent jurisdiction, or as reasonably necessary to effectuate a post-judgment judicial remedy, a debt collector may not communicate, in connection with the collection of any debt, with any person other than the consumer, his attorney, a consumer reporting agency if otherwise permitted by law, the creditor, the attorney of the creditor, or the attorney of the debt collector.

(c) Ceasing communication

If a consumer notifies a debt collector in writing that the consumer refuses to pay a debt or that the consumer wishes the debt collector to cease further communication with the consumer, the debt collector shall not communicate further with the consumer with respect to such debt, except—

- (1) to advise the consumer that the debt collector's further efforts are being terminated;
 - (2) to notify the consumer that the debt collector or creditor may invoke specified remedies which are ordinarily invoked by such debt collector or creditor; or
 - (3) where applicable, to notify the consumer that the debt collector or creditor intends to invoke a specified remedy. If such notice from the consumer is made by mail, notification shall be complete upon receipt.
- (d) "Consumer" defined

For the purpose of this section, the term "consumer" includes the consumer's spouse, parent (if the consumer is a minor), guardian, executor, or administrator.

§ 806. Harassment or abuse 15 U.S.C. § 1692d

A debt collector may not engage in any conduct the natural consequence of which is to harass, oppress, or abuse any person in connection with the collection of a debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

- (1) The use or threat of use of violence or other criminal means to harm the physical person, reputation, or property of any person.
- (2) The use of obscene or profane language or language the natural consequence of which is to abuse the hearer or reader.
- (3) The publication of a list of consumers who allegedly refuse to pay debts, except to a con-

Do not attempt to visit the consumer at their place of work.

Again, you are permitted limited contact with third parties. Do not reveal the reason for your visit or the nature of our business. Simply state you are trying to get in touch with the person on behalf of Franklin Credit. Do not refer to the consumer as a "borrower."

We may not have processed a consumer's "Do not contact." instructions in time to cancel your assignment. Please call Franklin Credit immediately to apprise us of the consumer's new representation, including the attorney's name and phone.

Generally, you may discuss the purpose of your visit only with the consumer or their spouse. For purposes of obtaining information, treat other family members as third parties.

Agents may neither threaten nor harass consumers, nor make continual inquiries after the consumer.

sumer reporting agency or to persons meeting the requirements of section 1681a(f) or 1681b (3) of this title.

(4) The advertisement for sale of any debt to coerce payment of the debt.

(5) Causing a telephone to ring or engaging any person in telephone conversation repeatedly or continuously with intent to annoy, abuse, or harass any person at the called number.

(6) Except as provided in section 1692b of this title, the placement of telephone calls without meaningful disclosure of the caller's identity.

§ 807. False or misleading representations 15 U.S.C. § 1692e

A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

(1) The false representation or implication that the debt collector is vouched for, bonded by, or affiliated with the United States or any State, including the use of any badge, uniform, or facsimile thereof.

(2) The false representation of—

- (A) the character, amount, or legal status of any debt; or
 - (B) any services rendered or compensation which may be lawfully received by any debt collector for the collection of a debt.
- (3) The false representation or implication that any individual is an attorney or that any communication is from an attorney.

(4) The representation or implication that nonpayment of any debt will result in the arrest or imprisonment of any person or the seizure, garnishment, attachment, or sale of any property or wages of any person unless such action is lawful and the debt collector or creditor intends to take such action.

(5) The threat to take any action that cannot legally be taken or that is not intended to be taken.

(6) The false representation or implication that a sale, referral, or other transfer of any interest in a debt shall cause the consumer to—

- (A) lose any claim or defense to payment of the debt; or
- (B) become subject to any practice prohibited by this subchapter.

(7) The false representation or implication that the consumer committed any crime or other conduct in order to disgrace the consumer.

(8) Communicating or threatening to communicate to any person credit information which is known or which should be known to be false, including the failure to communicate that a disputed debt is disputed.

An Agent may not make false implications that...

✗ He or she is an attorney or government agent if he or she is not.

✗ A crime has been committed simply because the consumer has not paid a debt.

✗ The Agent is associated with or works for a credit reporting agency when he or she does not.

✗ The consumer will be arrested simply for not paying a debt.

✗ The consumer may be subject to seizure, garnishment, attachment, or sale of property when the Agent is not allowed to do so or has no intent to do so.

✗ The Agent can take property from the consumer when the Agent is not permitted to do so or has no actual intentions of taking the property.

✗ The Agent will sue the consumer when the Agent has no authority to sue, or has no intent to sue the consumer.

Strong-arm techniques such as shaming and threats should not be practiced.

(9) The use or distribution of any written communication which simulates or is falsely represented to be a document authorized, issued, or approved by any court, official, or agency of the United States or any State, or which creates a false impression as to its source, authorization, or approval.

(10) The use of any false representation or deceptive means to collect or attempt to collect any debt or to obtain information concerning a consumer.

(11) The failure to disclose in the initial written communication with the consumer and, in addition, if the initial communication with the consumer is oral, in that initial oral communication, that the debt collector is attempting to collect a debt and that any information obtained will be used for that purpose, and the failure to disclose in subsequent communications that the communication is from a debt collector, except that this paragraph shall not apply to a formal pleading made in connection with a legal action.

(12) The false representation or implication that accounts have been turned over to innocent purchasers for value.

(13) The false representation or implication that documents are legal process.

(14) The use of any business, company, or organization name other than the true name of the debt collector's business, company, or organization.

(15) The false representation or implication that documents are not legal process forms or do not require action by the consumer.

(16) The false representation or implication that a debt collector operates or is employed by a consumer reporting agency as defined by section 1681a(f) of this title.

§ 812. Furnishing certain deceptive forms 15 U.S.C. § 1692j

(a) It is unlawful to design, compile, and furnish any form knowing that such form would be used to create the false belief in a consumer that a person other than the creditor of such consumer is participating in the collection of or in an attempt to collect a debt such consumer allegedly owes such creditor, when in fact such person is not so participating.

(b) Any person who violates this section shall be liable to the same extent and in the same manner as a debt collector is liable under section 1692k of this title for failure to comply with a provision of this subchapter.

§ 813. Civil liability 15 U.S.C. § 1692

(a) Amount of damages Except as otherwise provided by this section, any debt collector who fails to comply with any provision of this subchapter with respect to any

Bottom line: Do not be deceptive, nor make misleading statements to the consumer.