

**NOTICE TO DCSD CLIENTS WITH PART-TIME JOBS****Wages Protected from Garnishment Increased in July**

The Federal Consumer Credit Protection Act wage garnishment provisions exempt a portion of a consumer's earnings from garnishment, the amount being tied to the federal minimum wage. On July 23, 2009, the minimum wage increased to \$7.25 per hour, so that means the amount of an employee's disposable earnings totally exempt from garnishment increases from \$196.50 to \$217.50 for the week in question. Only the amount over \$217.50 can be garnished when disposable earnings are \$290 or more in a given week, up to 25 percent of those earnings can be garnished. However, some state restrictions on garnishment may provide greater protection for the debtor and exceed the federal exemption.

Transfers of residential mortgages

There are a number of legal requirements applicable when residential mortgage loans are transferred.

For **all** residential mortgage loans, when the party to whom you are to make payments changes, both the transferor and transferee must give you written notice 15 days in advance of the change. They can either send two separate notices or a joint notice. The notice must tell you:

- o The date of the change;
- o The date the transferor will cease accepting payments and the date the transferee will start accepting payments;
- o The name, address, and toll-free or collect call telephone number of the transferee;
- o A toll-free or collect call telephone number for the transferor;
- o If your mortgage payments include credit life or disability insurance, what you need to do to maintain coverage.

For transfers of **principal residences** occurring on **May 29, 2009** or later, not later than 30 days after the date on which a mortgage loan is sold or otherwise transferred or assigned, the new owner or assignee of the debt must notify the borrower in writing of such transfer. The notice must include:

- o the identity, address, telephone number of the new creditor;
- o the date of transfer;
- o how to reach a person having authority to act on behalf of the new creditor;
- o the place where transfer of ownership of the debt is recorded; and
- o "any other relevant information regarding the new creditor."

Finally, regardless of date, if any **non-investment** home mortgage loan is **delinquent** at the time of transfer, the transferor is required to send, within five days of any communication with the consumer, a standard written debt collection notice with the following information:

- o the amount of the debt;
- o the name of the creditor to whom the debt is owed;
- o a statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the transferee;

- o a statement that if the consumer notifies the transferee in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and
- o a statement that, upon the consumer's written request within the thirty-day period, the transferee will provide the consumer with the name and address of the original creditor, if different from the current creditor.

The information in these notices is helpful, so you should keep copies of them. There are substantial statutory damages (up to \$4,000) for noncompliance, so send in a copy of the notices as well. If you have questions concerning the above, please call Edelman at their 800 number below:

EDELMAN, COMBS, LATTURNER & GOODWIN, LLC
 120 S. LaSalle Street, 18th Floor / Chicago, Illinois 60603-3403
 (312) 739-4200 / (800) 644-4673 / (312) 419-0379 (FAX)
 E-mail: info@edcombs.com / Web: www.edcombs.com

ANNOUNCEMENT

For our clients who do not have a bank account, DCSD office now accepts VISA and Mastercard as payment for the monthly retainer fee.

You can make a payment via telephone by calling Gabby in the Billing Department at 1-800-992-3275 ext 1501.

REFER DCSD TO A FRIEND!

Do you know someone who is suffering in silence like you once were?

Help a friend, neighbor, relative or other loved one achieve peace of mind and restore dignity in his or her life.

Help US by distributing DCSD cards around your community and make others aware of the service that has been helping you restore dignity to YOUR life!

We'd love to talk to anyone whom you think would benefit from our service. Please give your friends and loved ones DCSD cards. Please call (800) 992-3275 ext. 1004 for DCSD cards.

Has your friend or family member recently lost his or her job? There is hope for debt



NOTICE TO UNEMPLOYED DEBTORS WHO CAN'T PAY THEIR CREDIT CARD DEBTS FROM ATTORNEY ASSISTANCE FOR UNEMPLOYED DEBTOR

Just because you lost your job, your only income is from unemployment compensation and you cannot pay your credit card debts does not mean you don't have any options. Attorney Assistance for the Unemployed Debtor (AAUD) is a legal service designed to stop debt collector calls and other collection abuses outlawed by the Federal Fair Debt Collection Practices Act (FDCPA). We also offer FREE bankruptcy consultation with an attorney who will explain Chapter 7 Bankruptcy requirements and help you decide if this is the right path for you. While you are an AAUD client, you can also avail yourself of our LAYAWAY PLAN to save money to pay for a bankruptcy. The funds you set aside will be deposited in a lawyer's trust account and when you have sufficient funds to pay for your bankruptcy, we will file the petition in bankruptcy court and you will be DEBT FREE. This may be the only time you can get a FRESH START with a bankruptcy because you meet the income requirements.

**A.A.U.D. shelters you from harassment
 A.A.U.D. protects your income
 A.A.U.D. is not a bankruptcy**

**ACT NOW TO BECOME DEBT FREE BY CALLING
 (800) 992-3275 EXT. 1304**

We are a debt relief agency as defined by the new Federal Bankruptcy Laws. We help people deal with their debts through bankruptcy relief.
Jerome S. Lamet
 Supervising Attorney

Founded in 1998 • Jerome S. Lamet • Founder and Supervising Attorney
 Former Bankruptcy Trustee • Visit our website at myaaud.com



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 info@lawyers-united.com**