

September  
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# DCSD

## Debt Counsel for Seniors & the Disabled

### **IMPORTANT MESSAGE FOR SENIORS AND THE DISABLED CLIENTS: NEW BANK TO PREVENT BANK ACCOUNT FREEZES**

We are pleased to announce that we have made arrangements with ABC Bank located in Chicago, Illinois, to open checking accounts for the clients of Debt Counsel for Seniors and the Disabled (“DCSD”). You will be able to have your social security, disability, veteran’s benefits and/or pension benefits directly deposited into your own checking account without fear that a collection action against you from a court located outside Illinois will result in your account being frozen.<sup>1</sup> Therefore, we are requesting all DCSD clients to close their present checking account and ask that their direct deposits be transferred to a new checking account in their name at ABC Bank.

**WHILE THIS IS ONLY A RECOMMENDATION, PLEASE NOTE THAT DCSD WILL NO LONGER ASSIST YOU IF YOUR BANK ACCOUNT BECOMES FROZEN BY ONE OF YOUR CREDITORS. NOT ENROLLING WITH ABC BANK WILL NOT DISQUALIFY YOU FROM BEING A DCSD CLIENT.**

### **WHY DO I NEED TO CHANGE MY CHECKING ACCOUNT?**

Since the creation of DCSD in 1998, we have found that a number of our clients suffer great hardship because a collector has obtained a judgment against them and then freezes their bank account with a garnishment order from the court. Despite the fact that federal law prohibits debt collectors from garnishing bank accounts that consist entirely of exempt funds, such as social security, disability, pensions, and veteran benefits, many banks will still freeze the account.

In the past, we have struggled to assist our clients whose bank accounts were frozen by a debt collector. In most instances, we have been able to remove the freeze but only after considerable effort on our part. Obviously, this freeze causes a great deal of hardship to those DCSD clients involved, including bounced checks and significant bank fees for the overdrawn accounts.

In addition, these clients are forced to notify the offices from which they were receiving their benefit funds in order to stop the direct deposits to their bank accounts, and to have their checks mailed to their homes. With this change brings more hurdles as clients are then forced to pay bills with money orders instead of being able to write a check, as they did in the past.

However, the days of writing money orders are over! Now every DCSD client can open up a checking account with ABC Bank.

### **TELL ME MORE ABOUT ABC BANK**

ABC Bank was founded in 1891. They simplify banking and provide financial solutions for their customers. ABC Bank brings a friendliness that is strengthened by their commitment to seniors and the disabled. Unlike other financial institutions, their main focus is on understanding your individual needs. ABC Bank prides itself on building relationships with their customers through meaningful interactions and a sincere understanding of their needs.

<sup>1</sup> Depositing non-exempt funds will negate this protection.

**ATTENTION:**  
**Clients with  
Diamond Bank  
Checking Account**

**If you are having  
any difficulty with  
your account with  
Diamond Bank, we  
are arranging for  
our clients to  
transfer to the  
ABC Bank.**

**If interested,  
attached is the  
application form to  
open an account  
with ABC Bank.**

**ABC Bank will  
assist you in making  
the transfer of your  
social security check  
to be deposited into  
your new account  
with ABC Bank.**

ABC Bank is a fully insured financial institution, which also offers Certificates of Deposits and other Savings accounts for those of you who may need these financial services.<sup>2</sup> In other words, you will have a one stop financial institution that will be the official bank of Debt Counsel for Seniors and the Disabled.

**WHAT KIND OF A CHECKING ACCOUNT WILL YOU BE ABLE TO OPEN AT THE ABC BANK?**

You will be able to open up a VIP checking account, which offers:

- Unlimited check writing
- Protection against account freezes if certain conditions are met<sup>1</sup>
- Internet Banking and Bill Payment
- Debit Card
- Toll Free Bank-by-Phone
- Flat monthly fee of \$14.95

**ALTHOUGH THIS FEE MAY SEEM HIGH TO SOME OF OUR CLIENTS, IT IS MINIMAL IN COMPARISON TO THE AMOUNT OF MONEY AND TIME LOST IF YOUR ACCOUNT IS FROZEN. THIS FEE WILL ENSURE THAT NO CREDITOR WILL EVER TOUCH YOUR MONEY.**

**WHAT HAPPENS IF I REFUSE TO CHANGE MY BANK ACCOUNT TO ABC BANK?**

Again, if for some reason you refuse to follow our suggestion that you have your benefits directly deposited into the ABC Bank and your bank account becomes frozen, we will no longer be willing or able to assist you in lifting the freeze. You will be required to hire a local attorney at your own expense to lift the freeze and we will not be responsible for any damages that may occur as a result of your not following our suggestion of depositing your funds in the ABC Bank in Chicago.

We have taken this action because it protects your income, the only money you have to survive. Furthermore, it will allow the legal department to devote more quality time to all of our clients. The legal department has been forced to spend hours assisting clients who have reported that their accounts have been frozen by a collector. DCSD can no longer afford to lose the time the legal staff has been devoting in our attempt to lift the freeze simply because a client refuses to follow the attorney's advice to protect their greatest asset or income from bank freezes.

**CONCLUSION**

We do hope that asking you, our DCSD clients, to deposit your fixed income directly into ABC Bank does not add any stress you may already be feeling. We understand and appreciate that many of you have long-standing relationships with the local bank in which your funds have been deposited. However, it is our job to protect your income and we assure you that the stress of ending the relationship between yourself and the bank is far less than having to face a frozen bank account, which includes bouncing checks and enormous overdraft fees.

Feel free to contact ABC Bank at 630-860-2600 (extension 108 or 109) if you have any questions. You may also call the DCSD office and ask for Elizabeth at 1-800-992-3275 Ext 1402.

Thank you for your cooperation and we hope you will arrange to have a new checking account set up through ABC Bank.

<sup>1</sup> The protection against an account freeze only applies when the collection action arises from a court located outside Illinois and only funds that are protected by law, such as Social Security, veterans' benefits, pension funds and disability payments, are electronically deposited into your account.

<sup>2</sup> Other deposit accounts will not be protected against account freezes.

