

## **Debt Settlement and Calls from Creditors**

One of the most important drawbacks of debt settlement program is that calls from creditors and collection companies will persist while the client is in the debt settlement program.

Debt settlement typically operates wherein the client stops making payments to his creditors directly. Moreover, most of the debt settlement companies suggest their clients not to speak to their creditors directly. However, collection companies and creditors keep calling and “harassing” debt settlement clients and often tell them how “bad” a debt settlement program is in order to keep collecting debts, and creditors usually don't stop calling until they are paid, getting payments, or forced to stop calling by some legal mechanism.

Before we proceed further, it is important to know about FDCPA (Fair Debt Collection Practice Act).

The Fair Debt Collection Practices Act is an Act which creates guidelines under which debt collectors may conduct business, defines rights of consumers involved with debt collectors, and prescribes penalties and remedies for violations of the Act. Its purposes are 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.

FDPCA is a federal law which protects clients from being called too late or too early or at specific times of the day, being threatened with harm, from relatives or neighbors being called, being verbally abused etc. Clients also have an option to tell creditors or collection companies to not call them at work or call their cell phone as these could cause unjust harm to client's finances. Clients can also request in writing not receiving any calls at all, using a “cease and desist” letter.

FDCPA has certain uncovered areas:

1. FDCPA is only applicable to collection agencies and some debts are held for long periods of time by original creditors.
2. Collection agencies use a variety of techniques to not comply with the FDCPA.

To name some, ignoring it altogether!

Cease and desist letters are often ignored as well and the phone keeps on ringing.

Unless the client has an ability to either record calls or hire an attorney or maintain a strict log of violations and calls, these violations will continue unabated.

A new service provided by DAAN group utilizing a new technology solves the problems described here. The technology allows for calls to be immediately routed to a law firm which monitors FDCPA violations and forwards the calls to the correct debt settlement company. The technology is easily installed into any home phone, the most problematic source of

creditor phone calls. Over time, with correct usage of the DAAN technology, creditors typically find themselves no other outlet than to settle with the intermediary company.

There are few debt settlement companies like [DebtsFreelife](#) that provide DAAN services to their clients. This helps the clients manage collection calls and live a peaceful life. Always make sure your debt settlement company offers you protection from collection calls.