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VIDEO NUMBER THREE
SUBSTANTIVE SUMMARY

HOW TO USE THE GOVERNMENT, THE ATTORNEY NETWORK, THE COURTS, PRIVATE ENTITIES, AND MORE THAN 200 CONSUMER PROTECTION LAWS TO PROJECT YOUR CLIENT.

A GOOD PLAN VIOLENTLY EXECUTED TODAY IS FAR BETTER THAN A PLAN YOU THINK WILL BE PERFECT THAT IS EXECUTED NEXT WEEK.

--GENERAL GEORGE S. PATTON

In this video you will learn to use the following entities and methods to flank and go around the strengths of the credit reporting agencies, creditors, collection agencies, and other data furnishers. We will use their failure and refusal to follow the law as set forth in the more than 200 consumer protection laws passed to protect consumers. The major consumer protection statutes discussed here will deal with fair credit reporting, debt collection, fair billing, credit repair companies, and other statutes. The following tactics will be used to win the strategic war against credit reporting agencies and data furnishers:

1) Strong demand letters

2) Complaints with governmental agencies

    a. Consumer Financial Protection Board (CFPB)

    b. Federal Trade Commission (FTC)

    c. State Attorney Generals

    d. The U.S. Attorneys

3) Complaints with Private Entities

    a. Better Business Bureau (BBB)

    b. Other Private Companies

4) Attorney Consumer Network

    a. Consumer Attorneys Association of Los Angeles (CAALA)

    b. National Association of Consumer Attorneys (NACA)

c. National Consumer Law Center (NCLC)

d. American Bar Association (ABA)

e. State Bar Associations/Local Bar Associations

f. National Consumers Assistance Plan (NCAP)

i. 31 AG's

ii. Meeting with CRA's

GEOLOGY IS A MATTER OF TIME AND PRESSURE

–MORGAN FREEMAN, SHAW SHANK REDEMPTION

SO IS CONSUMER PROTECTION

–DENNIS GRAFF, ATTORNEY, CPA

5) Injunctive/Declaratory Relief Suits

6) Full Blown Lawsuits

a. Damages

b. Attorney fees

c. Costs

d. Expert Costs

e. Punitive Damages

f. Treble Damages (Civil RICO)

7) Class Actions

8) Private AG Actions

9) Contact Media

The major consumer statutes we will address in this video are set forth below:

I. THE FEDERAL CREDIT REPAIR ORGANIZATIONS ACT (CROA)

The federal FAIR CREDIT REPAIR ORGANIZATIONS ACT (CROA) was passed to protect consumers from dishonest credit repair work **(Section 402)**. CROA covers anyone in the business of improving or advising people to improve their credit **(Section 403)**. Prohibited activities include:

1) Advising anyone to make a false statement

2) Falsely representing any service the credit reporting organization provides

3) Engaging directly or indirectly in fraud

4) Receiving any monies before services are fully performed.

(Section 404)

The statute is enforced by FTC, the CFPB, the State AG's, the U.S. Attorney and state and local district attorneys **(Section 410)**. There is a 5 year statute of limitations for fraud **(Section 411)**. The remedies in the Act are in addition to any State **remedies (Section 412)**.

II. THE CALIFORNIA CREDIT REPAIR SERVICES ACT OF 1984

The California Credit Repair Services Act of 1984 expands upon the federal CROA by requiring:

1) The Act is liberally constructed to protect consumers.

California Civil Code Section 1789.10-11

2) The Act includes advising, providing credit repair, or obtaining a loan in the definition of credit repair. **California Civil Section 1789.12**

3) Attorneys who are not employed or directly affiliated with a credit repair organization are exempt from the Act. **(California Civil Code Section 1789.12 (a) (6).**

4) Services must be performed within 90 days of date the buyer signs the contract. **California Civil Code Section 1789.13(6).**

5) Credit repair organizations cannot advertise without registering with the Department of Justice. **California Civil Code Section 12813(h).**

6) For a credit repair organization to operate in California it must have a surety bond for at least $100,000 filed with the California Secretary of state. **California Civil Code Section**

1789.18.

7) Credit Repair Organizations must register with the California Department of Justice before conducting business. **California Civil Code Section 1789.21**

8) It is a misdemeanor to violate any section of the Act **(California Civil Code 1789.26).**

III. FEDERAL AND STATE FAIR-CREDIT REPORTING ACT

These statutes were addressed at length in Video number 2 and will not be repeated except to summarize:

1) CRA's and data furnishers must follow REASONABLE PROCEDURES to insure MAXIMUM ACCURACY.

2) Disputes must be RESONABLY INVESTIGATED within 30 days of the dispute.

3) The items which must be deleted are those:

a) Inaccurate

b) Incomplete

c) Unverified

d) Obsolete

e) Protected by Privacy

f) Protected by Statute

g) Resulting from Identity Theft

h) Information the credit reporting agency or data furnisher knows or consciously avoids knowing is inaccurate, incomplete, or unverifiable

i) The California Act adds a specific section allowing a consumer to obtain injunctive relief

IV. FAIR AND ACCURATE CREDIT TRANSACTIONS ACT (FACTA)

Specifically strengthens the FCRA and addresses cases of Identity Theft. In such cases disputed information must be deleted

within four (4) days, collection activities must cease, and items deleted when

1) An Identity Theft Complaint and Affidavit is filled out in the form provided by the FTC;

2) The consumer signs it and has it notarized

3) The consumer files file it at a police station and provides a copy of the police report

V. FEDERAL AND STATE FAIR DEBT COLLECTION PRACTICES ACT (FDCPA)

The Federal FDCPA and the California FDCPA strictly regulate collection methods used by debt collectors. Collectors must only contact the debtor, their spouse, or their attorney. Once an attorney advises them of representation they can only contact the attorney. "Bounced checks" now fall under the law.

Under the Debt Validation section consumers may demand all the following:

1) An explanation of what the debt is for;

2) A complete payment history and proof the debt is correct

3) Copy of documents signed by the consumer agreeing to pay the debit;

4) Copy of the documents showing the collection agency has a right to collect the debit;

5) A copy of the creditor or collection agency state license

Section 809 CA Rosenthal FDCPA

VI. THE FAIR CREDIT BILLING ACT

The Fair Credit Billing Act strengthens the Truth in Lending Act. It requires that a creditor or collection agency provide copies of all billing and how the debt was calculated. Those covered are those regularly receiving payments over a 4 month period on a debt. Creditors must reverse charges involving "Billing Errors" defined as:

1) Goods or services not delivered as promised;

2) Goods or services not delivered in time frame promised;

3) Goods or services not accepted by the consumer or his designee;

4) Goods or services not made in accordance with agreement made of the time of the transaction

Section 161(3)(B).

Finally, the credit issuer is subject to the same claims and defenses as the provider of goods (except for tort claims) in a law suit.

Section 170.

VII. OTHER RELEVANT CLAIMS AND STATUTES

1) COMMON LAW CLAIMS

   a. Defamation

   b. Invasion of Privacy

   c. Infliction of Emotional Distress

2) WIRE FRAUD (18 USC 1983)

3) MAIL FRAUD (18 USC 1981)

4) RICO (18 USC 1961-1968)

5) HIPPA (MEDICAL BILLS)