



Debt management service providers can help you get out of debt. If you have credit card, a mortgage loan, or student debt, you may consider hiring a debt management service provider.

Before hiring a debt management company, visit dfr.oregon.gov or call 888-877-4894 (toll-free) to make sure it complies with these Oregon laws:

- It is **licensed in Oregon** as a debt management service provider
- It's Oregon **license number is displayed** on all advertising materials
- It is **limited on when and how much it charges**
- Before you sign an agreement, the debt management service provider **must complete a budget analysis** determining if the services will benefit you

The Oregon Division of Financial Regulation's Mission:

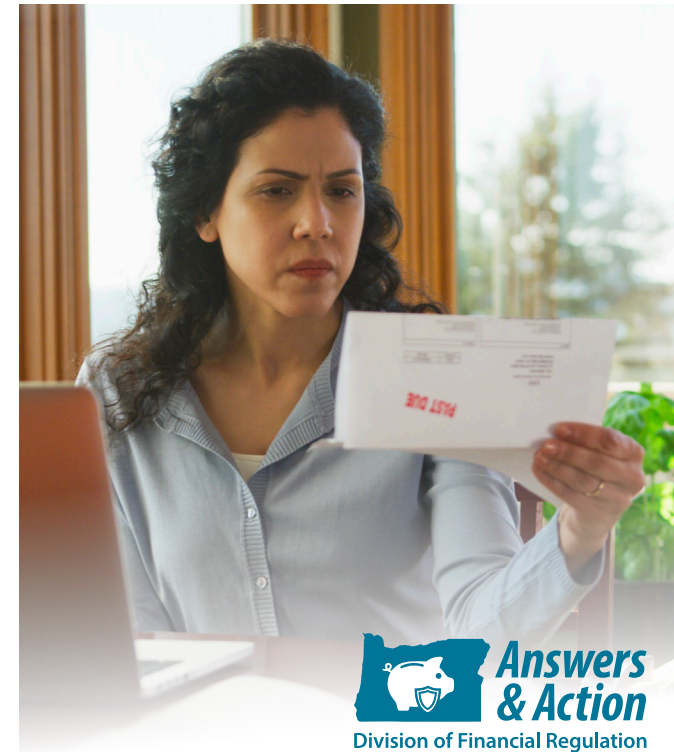
Protecting Oregonians' access to fair products and services through education, regulation, and consumer assistance.

If you have questions or concerns about a debt management service provider, the State of Oregon has advocates here to help.

Before hiring a debt management company, visit: dfr.oregon.gov or call 888-877-4894 (toll-free) to make sure it is licensed and complies with Oregon laws.

Is your debt out of control?

Nine questions to ask before using a debt management service provider



Note: A business registration with the Oregon Secretary of State is not the same as being licensed by the Oregon Division of Financial Regulation.



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Before hiring a debt manager, ask nine questions to understand your rights

1. How can a debt management service provider help me?

A debt management service provider helps consumers with credit card or loan debt.

Services may include:

- Negotiating with creditors to settle a debt for less than what is owed and reduce interest rates, monthly payments, and fees
- Consolidating several debts into one manageable or affordable monthly payment
- Preserving a consumer's credit record, credit history, or credit rating
- Modifying the original terms of a home loan or real estate short-sale negotiations
- Counseling about a budget

Note: These options may have a negative effect on your credit rating because the debt will not be paid as originally agreed.

2. What fees should I expect to pay?

Oregon law sets maximum fees that debt management companies may charge. Fees vary depending on the services provided. For a complete list of permitted fees, visit dfr.oregon.gov.

Often, fees are determined based on the consumer's income and ability to pay. Ask the provider how its fees will be charged.



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3. If I am working with a debt management company, what happens if I ignore creditors' calls and letters?

Ignoring your creditors' attempts to contact you can damage your credit rating. A debt manager should not advise you to stop communicating with creditors.

4. Can I cancel a contract with a debt management service provider?

You can cancel the contract any time before midnight of the third business day after you signed it. After that, you can cancel it for any reason, after giving the provider at least a 10-day written notice.

5. Are all companies that I see advertised licensed in Oregon?

No. Just because a company advertises in Oregon, does not mean it is licensed in this state. Always ask for an Oregon license number and verify it with the Division of Financial Regulation.

6. What if I lose money to or have my credit ruined by an Oregon-licensed debt management provider?

If you have been financially harmed by an Oregon-licensed debt provider, you can file a complaint with the Division of Financial Regulation by visiting dfr.oregon.gov or calling 888-877-4894 (toll-free).

If a court or the division issues an order against the debt management provider, you may file a claim against the company's surety bond.

7. What if I use the services of an unlicensed debt management provider?

If you learn the company does not have an Oregon license, you can still file a complaint with the division. Unfortunately, the ability to recover a financial loss is minimal. However, filing a complaint helps us prevent unlicensed activities.

Contact an attorney for assistance and see what other options you may have.

8. How do I file a complaint?

A complaint can be filed with the division by visiting dfr.oregon.gov or by calling an advocate at 888-877-4894 (toll-free). You can also visit consumerfinance.gov or call 855-411-2372 (toll free) to file a complaint with the Federal Bureau of Consumer Financial Protection.

9. Does a provider that helps with home loan modifications or short sales need to be licensed in Oregon?

Yes. The provider must be an Oregon-licensed mortgage loan originator or a debt management service provider.

Did you know you can get free help with mortgage loan modifications from a foreclosure prevention counselor certified by the U.S. Department of Housing and Urban Development?

Visit hud.gov and search for foreclosure prevention counseling, or call 211 (toll-free).