



NEWS FROM SCDCA

South Carolina Department of Consumer Affairs
Philip S. Porter, Administrator/Consumer Advocate

September 12, 2002

Release #02-011

SCDCA Media Contact: Brandolyn Thomas Pinkston

800.922.1594 (toll free in SC)

803.734.4190 (direct number)

Email: pinkston@dca.state.sc.us

FOR IMMEDIATE RELEASE

CONSECO SETTLEMENT AGREEMENT ANNOUNCED

State Consumer Advocate Philip S. Porter announced recently that Conseco Financial Corporation has agreed to settle the department's action against them regarding debt collection violations. Porter said that the South Carolina Consumer Protection Code prohibits certain methods of collection.

He also stated that chief among consumer complaints against **Conseco were: (1) repeated contact with friends, relatives or employers to discuss the debt; (2) contacting the consumer at unreasonable hours; (3) making repeated calls to harass the consumer, using profane language and threats; and (4) making false or misleading statements regarding the debt.**

Porter said that if you use credit cards, owe money on a personal loan, or are paying on a home mortgage, you are a "debtor." If you fall behind in repaying your creditors, or an error is made on your accounts, you may be contacted by a "debt collector." In either situation state law requires that debt collectors treat you fairly. Of course, the law does not erase any legitimate debt that you owe.

A debt collector may contact the consumer in person, by mail, telephone, telegram or fax. However a debt collector may not contact you at inconvenient times or places, such as before 8 a.m. or after 9 p.m., unless you agree. A debt collector also may not contact you at work if the collector knows that your employer prohibits such calls and the employer or consumer asks the creditor to stop such calls in writing.

-More-

Additionally, debt collectors may not harass or abuse the consumer or any third parties they contact. Most of all, debt collectors have no business discussing the status of the account with third parties.

Finally, Porter said that Conseco has agreed to provide for its collection team, specialized training regarding collection procedures in South Carolina team. and pay a settlement fee of thirty thousand dollars (\$30,000) as part of the settlement. "I am encouraged by the steps the company has undertaken" Porter said, "but the company must know, as must all debt collectors, that abusive debt collection will not be tolerated in South Carolina."

-End-