Division of Financial Practices
Bureau of Consumer Protection

Joel Winston
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October 4, 2010

BY EMAIL AND FIRST-CLASS MAIL

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205 Crystal Grove Blvd., Suite 102
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David Medine, Esq.
WilmerHale
1875 Pennsylvania Ave., N.W.
Washington, DC 20006

Re: DCM Services, LLC

Dear Ms. Sinsley and Mr. Medine:

As you know, the staff of the Federal Trade Commission's Division of Financial
Practices has conducted an investigation of DCM Services, LLC ("DCM") for possible
violations of the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. §§ 1692-1692p, and
Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 41 *et seq.*, in connection with its
debt collection activities. Specifically, the investigation focused on: (1) whether in attempting to
collect the debts of deceased persons, DCM may have contacted persons other than those with
whom communication is permitted under Section 805(d) of the FDCPA; and (2) whether DCM
may have engaged in unfair or deceptive acts or practices in attempting to obtain payments from
the relatives of deceased debtors, including misrepresenting that they may be personally liable
for the decedent's debts.

Through our evaluation of the information we obtained in this investigation and in other
ways, we learned that there is uncertainty in the debt collection industry as to who is a proper
person with whom a collector lawfully may discuss a decedent's debt. Section 805(d) of the
FDCPA permits collectors to contact anyone who is an "executor" or "administrator," or is
within other specified categories, such as a "spouse." Since the FDCPA was enacted in 1977,
however, many states have amended their probate procedures to allow for more informal
processing of decedents' estates. As a result, individuals other than those who fall within the
technical definition of "executor" or "administrator" may have authority to pay the debts of the
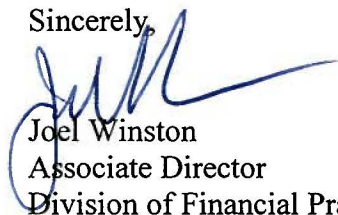decedents out of the decedents' estate.

To provide greater clarity on these issues the Commission is publishing a proposed enforcement policy statement to clarify how it intends to enforce the FDCPA and Section 5 of the FTC Act in connection with the collection of decedents' debts. The proposed policy statement provides guidance on how the Commission intends to exercise its prosecutorial discretion concerning: (1) with whom the debt collector can discuss the decedent's debts; (2) how the debt collector can identify and contact the appropriate person with whom to discuss the decedent's debts; and (3) how the debt collector can avoid creating a misleading impression about that person's personal obligation to pay the decedent's debts from the person's own assets, rather than from the assets of the estate. The Commission is seeking public comment on the proposed policy statement, and it intends to issue a final policy statement after it considers the comments its receives.

Based on the Commission's issuance of the proposed policy statement relating to the collection of decedents' debts and other considerations, Commission staff has decided to close this investigation. In evaluating DCM's future collection of decedents' debts, FTC staff will consider, among other things, whether its conduct is consistent with any final policy statement the Commission issues on this topic.

The closing of this investigation is not to be construed as a determination that a violation of law did not occur, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely,

Joel Winston
Associate Director
Division of Financial Practices