

Executive Summary

Customer Service Advocates is a small company that serves consumers by providing effective communication and resolution services on customer grievances with large, enterprise organizations. We serve as a solid communications liaison to clarify matters between a customer and big company. We also specialize in matters that involve significant debt-reduction. When consumers need an advocate they can trust, they come to Customer Service Advocates.

Student Loan Repayment and Forgiveness

Background:

Mary had student loans that totaled about \$150,000. She had a full-time job but had changed jobs in the past year and was now making much less. Her spouse, in turn, also changed jobs that required he take a pay cut. In addition, Mary's job entails many responsibilities that require her attention throughout the day. She also has direct reports – so spending time on the phone with a lender/servicer is not something she is able to do. She is not able to continue paying her standard repayment and she is not sure how this will affect her current loan status. She also has young children to care for.

Problem:

Mary is not sure what her options are as a borrower. She believes that if she begins paying far below her standard payment, she will be penalized somehow, but not sure of the details. Her financial situation needs to be addressed with the lender; however, when she attempts to call the lender – she is met with a disengaged person who has been trained to pressure the borrower into making a payment. This is without fully understanding the borrower's situation and therefore offering a workable solution.

Solution:

Mary approached Customer Service Advocates because of her time constraints and increasing frustration with the lender. She tried to talk to their customer service center – which all borrowers are connected to – to no avail. Customer Service Advocates did the research into the customer's possible options. We also connected to the head of education at the company's headquarters and were directed to another level of knowledgeable experts in the student loan industry. After an initial phone call, we were able to connect the borrower and lender – achieving an agreement for the borrower to pay the lender at a significantly lower amount. In addition, this borrower was eligible for a 10-year loan forgiveness program – a bonus!

Benefits:

Mary chose Customer Service Advocates because she had nowhere else to go. She felt that the lender's employees were untrained to handle complex customer situations. Customer Service Advocates went the extra mile to understand the complexity of the borrower's situation. In addition – we did our due diligence in this arena before reaching out to the lender. In speaking with the lender – we were quickly able to find an inhouse expert to explain options to the client/borrower. The client was very satisfied because she was able to pay an amount that was comfortable for her. She was also eligible for a 10-year loan forgiveness program that she did not know existed.

Credit Cards and Credit Reports

Background:

Jane had co-signed for a vehicle loan for her friend. Knowing that her friend would potentially default on paying her obligation – she went to an attorney and drew up an agreement between herself and her friend. As Jane suspected, her friend did default on paying the bank toward her loan and the bank soon came into contact with Jane. Jane explained that she was the co-signor yet the bank's sole interest was to collect on the loan. Jane let several years go by before addressing the problem – being contacted by third-party collectors, etc. The final impetus was that Jane's credit report took a serious toll and she was looking to purchase a house in the next couple of years. She realizes large-ticket items tend to be more expensive for people who have low credit scores.

Problem:

Jane was continuously receiving letters from the third-party who owned her account. She was willing to settle with the organization but was debating on just letting this debt fall off of her report within the next year or two. Jane assumed that the loan would be on her report for 7 years and then be eliminated - unaware of the common practice of re-selling debt. In calling the debt servicer/collector to offer a possible settlement – Jane received a firm response that she owed the debt amount plus collector's fees that reached over \$2,000.

Solution:

Customer Service Advocates found the letters the client had were not current. Indeed, the debt had been re-sold. Customer Service Advocates reached out to various parties including the original creditor and the current account owner (the servicer's client) and we were able to assist in making payment and status update agreements acceptable to the client. This means that the client's debt was reduced from \$10,000 to \$2,000. Also, the client's credit report would be updated within 30 days showing payoff of the debt.

Benefits:

The client, Jane, had the best intentions co-signing for her friend. However, her friend did not meet her obligations as a customer which gave the creditor the ability to go after Jane. Once Jane contacted Customer Service Advocates, we took the worry of reaching the right person from Jane. We also articulated Jane's situation succinctly and clearly so that her original creditor (a bank) and the current account holder (debt collector) could work with her based on her individual situation. Jane is very happy with the outcome as this will give her the ability to purchase a house with the best possible credit score.

