



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Allison I. Brown
Attorney
Division of Financial Practices

Direct Dial: 202-326-3079
Fax : 202-326-3768
E-mail: aibrown@ftc.gov

December 21, 2009

William R. Mitchell
Logan Retoske
On behalf of Nationwide Support Services, Inc.
31351 Rancho Viejo Road, Suite 202
San Juan Capistrano, CA 92675

Dear Mr. Mitchell:

Thank you for the public comment that Nationwide Support Services, Inc. filed in the FTC's rulemaking proceeding regarding the Telemarketing Sales Rule - Debt Relief Amendments. We are seeking additional information to follow up on specific public comments, and we request that you voluntarily provide answers to the following questions.

Please let us know whether you will provide answers to the attached questions by Tuesday, January 5, 2010, and provide completed answers to all questions you are willing to answer by Tuesday, January 12, 2010.

All information should be submitted at <https://secure.commentworks.com/ftc-TSRDebtRelief> and will be treated as public comments in this proceeding. Comments containing material for which confidential treatment is requested must be filed in paper form, must be clearly labeled "Confidential," and must comply with FTC Rule 4.9(c), 16 CFR 4.9(c). Specifically, the comment must be accompanied by an explicit request for confidential treatment, including the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. The request will be granted or denied by the Commission's General Counsel, consistent with applicable law and the public interest. See FTC Rule 4.9(c), 16 CFR 4.9(c).

Please contact me if you have any questions.

Sincerely,

/s/ Allison Brown

Questions From FTC Staff Following Up on Public Comment

1. Company Background

- (a) How long has Nationwide Support Services, Inc. (NWS) been enrolling consumers in debt settlement programs?
- (b) Has NWS made significant changes in its programs since it began offering settlement programs? If so, please describe.

2. Number of Accounts and Consumers

For each question, state the specific time period.

- (a) How many total accounts have consumers enrolled with NWS?
- (b) How much total debt have consumers enrolled with NWS?
- (c) How much total debt have consumers settled through NWS?
- (d) How many total consumers have enrolled with NWS?

“Enrolled” is defined as consumers who have made at least one payment.

3. Debt Reductions

- (a) For NWS, what is the average percentage reduction of settled debt that consumers who completed your program received? Please calculate this percentage reduction using the amount owed at enrollment.

“Completed” is defined as having had 95%-100% of the consumer’s total amount of debt settled.

- (b) For NWS, what is the average percentage reduction of settled debt that consumers who completed your program received? Please calculate this percentage reduction using the amount owed at settlement.

4. Accretion

For NWS, what is the average rate of increase in amounts that consumers owe to creditors between enrollment and settlement?

5. Fee Structure

(a) What is the total fee NWS charges consumers for your services?

(b) Has this fee changed over time?

(c) When does NWS charge the fee to consumers? If the fee is charged in parts over the course of a program, please explain when amounts are collected, and what amount is collected at each time.

(d) Has the timing of fee collection changed since NWS began offering debt settlement programs? If so, please describe how it has changed.

(e) For NWS, what is the total amount of fees paid by consumers who have completed the program?

(f) For consumers who have dropped out of NWS's program before completion, what is the total amount of fees paid by them?

6. Completion Rate

(a) Of consumers who enrolled in NWS's program at least 36 months ago, what percentage have completed it?

(b) Of consumers who enrolled in NWS's program at least 36 months ago, what percentage are still active?

7. Number of Settlements

(a) What percentage of consumers who enrolled in NWS's program settled at least one debt in the first year after enrolling?

(b) What percentage of consumers in NWS's program settled at least one debt in the first two years after enrolling?

(c) How many consumers who enrolled in NWS's program dropped out before settling any debts?

8. Quality Survey Services (QSS) Survey

(a) QSS submitted a survey of NWS clients who cancelled after completing 50% of the program. Please describe the survey methodology in detail, including but not limited to answers to the following questions.

(i) The comment states that QSS conducted exit interviews of NWS clients. How did QSS collect the survey data (e.g., telephone, mail)?

(ii) The comment states that QSS surveyed 129 consumers in this group. How many consumers were contacted to complete the survey?

(iii) How many total consumers are in the target group (NWS customers who cancelled after completing 50% of the program)?

(iv) What were the dates that survey respondents participated in the program?

(b) QSS submitted a survey based on exit interviews of NWS consumers at the time the consumer completed the program (2008-2009). Please describe the survey methodology in detail, including but not limited to answers to the following questions.

(i) The comment states that QSS conducted exit interviews of NWS clients. How did QSS collect the survey data (e.g., telephone, mail)?

(ii) What is the definition of “completed” for the purpose of the survey?

(iii) The comment states that QSS surveyed 329 consumers in this group. How many consumers were contacted to complete the survey?

(iv) If the consumers surveyed did not include all of the consumers who completed the program, how were they selected?

(v) How many total consumers are in the target group (NWS customers who completed the program)?

(vi) How was “total debt savings amount” calculated (slide 16, question 2)?

(vii) How was “average settlement percentage” calculated (slide 18, question 4)?

(vii) Did the consumers calculate the settlement percentage, or did the consumers give certain information to QSS for calculation?

(ix) Did QSS verify any of the information that consumers provided through survey responses? If so, how?

(c) QSS submitted a follow up survey conducted 8 months after NWS consumers completed the program. Please describe the survey methodology in detail, including but not limited to answers to the following questions.

(i) How many consumers participated in this survey?

(ii) How many of the consumers included in this follow up survey were included in the original survey of consumers who completed the program? If these were different groups of consumers, why was that?

(iii) This survey reports that of the 56% of consumers who pulled their credit score, 86% had a FICO score above 601. What were these consumers' scores at enrollment?