



PRESS KIT

CONTENTS

2 **LEMON LAW BACKGROUND**

An overview of the history of Lemon Laws and information about what constitutes a "lemon" vehicle, as well as why it's important for consumers to have a Lemon Law attorney at their side.

4 **FAIR DEBT LAW BACKGROUND**

An overview of illegal practices under the federal Fair Debt Collection Practices Act, as well as information on the consumer's right to dispute and the Federal Trade Commission's enforcement actions.

7 **ATTORNEY BIOS**

Meet the legal team at Lemberg & Associates, LLC.

We understand that you may be working under a deadline, and pledge to return your call or email as quickly as possible.

PHONE: 203.653.2250

EMAIL:
responseteam@leberglaw.com

About Lemberg & Associates, LLC

Based in Stamford, Connecticut, Lemberg & Associates, LLC focuses on helping consumers who have been victims of defective vehicles, illegal debt collection practices, insurance fraud, and illegal credit reporting practices. The firm practices law in New York, Connecticut, Massachusetts, Pennsylvania, and the District of Columbia. The firm's Of Counsel attorneys represent clients in

Arizona, California, Illinois, Louisiana Maryland, Mississippi, Nevada, New Hampshire, New Jersey, North Carolina, Ohio, and Texas.

Main Office

1100 Summer Street
Stamford, CT 06905
Tel: 877.775.3666
Local: 203.653.2250
Fax: 203.653.3424
responseteam@leberglaw.com

Websites and Resource Centers



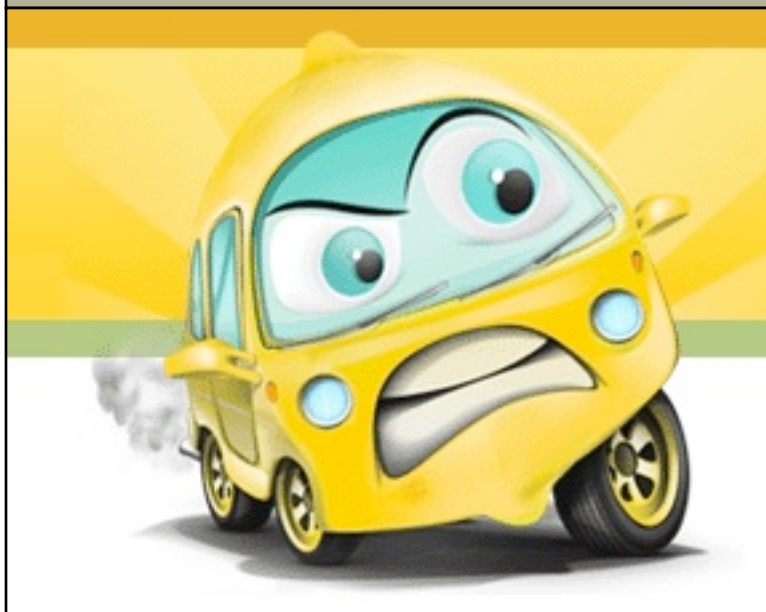
www.LembergLaw.com



www.LemonJustice.com



www.StopCollector.com



LEMON LAW BACKGROUND

For additional Lemon Law resources, please visit www.LemonJustice.com, or contact Sergei Lemberg at Lemberg & Associates:

203.653.2250

responseteam@leberglaw.com

Fast Facts

- Every state, along with the District of Columbia, has enacted a Lemon Law
- Provisions of Lemon Laws vary from state to state
- The Connecticut Lemon Law was the first enacted in the United States, and was signed into law on June 4, 1982

First in the Nation: Connecticut Lemon Law Signed June 4, 1982

“John J. Woodcock III, a Connecticut State Representative, was the proponent of the first ‘Lemon Law’ enacted in the United States. Governor William A. O’Neill signed the bill (PA 82-287) into law on June 4, 1982.” *Source: Central Connecticut State University, Center for Public Policy & Social Research. <http://library.ccsu.edu/about/departments/spcoll/lemonlaw/>*

Historical Context

“President Ronald Reagan’s policy of deregulation left consumers subject to fraud and other abuses by manufacturers. A federal law, the Magnuson-Moss Warranty Act of 1975, and Uniform Commercial Codes provided some protection for the consumer, but the way in which these laws were written meant the consumer usually ended up filing a lawsuit against the manufacturer. Seeking redress under either statute led to ‘frustration, delays, expense and uncertainty.’ (Kegley and Hiller, 1986, p. 88). Hence the need for a more consumer-friendly

procedure.” *Source: Central Connecticut State University, Center for Public Policy & Social Research. <http://library.ccsu.edu/about/departments/spcoll/lemonlaw/>*

Types of Vehicles Covered by Lemon Laws

The types of vehicles covered vary according to each state’s Lemon Law. Every state covers new passenger vehicle purchased and used for personal and household purposes, but many states’ laws go much further. Coverage can include business vehicles, leased vehicles, motor homes, motorcycles, and even ATVs.

Legal coverage is more uneven when it comes to used vehicles. Some states have separate statutes that cover used car purchases, typically by mandating a “sliding scale” warranty that grants longer warranties to more expensive vehicles or vehicles with fewer miles on the odometer. Many states’ new car Lemon Laws cover vehicles that are sold or transferred within the manufacturer’s original warranty period. So, for example, if a consumer purchases a used car that is less than a year old and has only a few thousand miles on it, the chances are good that it is covered by the state’s new car Lemon Law.

Definition of a Lemon

While the definition of a lemon varies from state to state, generally speaking a lemon:

LEMON LAW BACKGROUNDER, CONTINUED

- Has a defect (or sometimes a series of defects) covered by the manufacturer's express warranty that substantially impairs the safety, use, or value of the vehicle
- Has been taken in several times (laws vary, but generally require from two to four repair attempts) for the same problem or series of problems, or has been out of service for a specified number of days (typically 30 days)
- Has a defect that occurs within the Lemon Law period (most often a specified time period, such as one year from the date of delivery of the vehicle, or a specified odometer reading, such as the first 12,000 miles)

Replacement and Refund Requirements

Generally, Lemon Laws state that, if a dealer or manufacturer cannot conform a vehicle to the manufacturer's express warranty after a certain number of repair attempts or a certain number of days out of service, then the manufacturer must either give the consumer a comparable replacement vehicle or a refund. The refund usually includes the purchase price, tax and license fees, and collateral expenses, less an amount representing the consumer's use of the vehicle.

Consumer Requirements

Lemon Laws typically require consumers to take a number of actions prior to seeking relief under the law. For example, a Lemon Law may require the consumer to notify the manufacturer of the problem in writing, via certified mail, and give the manufacturer a final opportunity to repair the vehicle.

Lemon Laws often require the consumer to go through a manufacturer- or state-operated arbitration hearing. Some states give both the

consumer and manufacturer a right of appeal following an arbitration hearing, others make the arbitrator's decision binding for the manufacturer but not the consumer, and still others make the decision binding to both parties.

Why Consumers Need Lemon Law Attorneys

Most vehicle manufacturers follow the principle of "No lawyer, no money." In other words, they count on being able to outmaneuver the consumer who hasn't retained a Lemon Law attorney. Even in informal dispute resolution processes, the consumer is only on equal footing if he or she has an advocate at his or her side. The attorney's expertise enables the consumer to easily dispute the manufacturer's testimony.

But perhaps the most important reason for a consumer to have a Lemon Law lawyer is that it sends a clear signal to the manufacturer that the consumer is serious about the claim, and is willing to sue them in order to get justice. Vehicle manufacturers have powerful legal teams that are adept at avoiding or stalling Lemon Law claims, and often only obey the law when they're faced with the threat of a lawsuit by Lemon Law experts. When they are, they usually settle very quickly, since they know that the cost of going to court will be much higher. In addition, Lemon Law attorneys generally don't charge consumers for representation, since most Lemon Laws require the manufacturer to pay the consumer's attorney fees in successful actions. For these reasons, it's in the consumer's best interest to have an advocate who knows the law and works on the consumer's behalf.

Specific Information by State

You can easily find information about specific states' Lemon Laws at www.LemonJustice.com.

READY TO ASSIST YOU

Attorney Sergei Lemberg and his colleagues can lend an expert's voice regarding:

- New and used car lemon law
- Used car lemon law
- Auto insurance and financing fraud

- Magnuson-Moss Warranty Act

They can also refer you to Lemberg & Associates clients who live in your geographic area and who want to share their stories with your readers, viewers, or listeners.

FAIR DEBT LAW BACKGROUND

For additional Fair Debt resources, please visit www.StopCollector.com, or contact Sergei Lemberg at Lemberg & Associates: 203.653.2250 or responseteam@leberglaw.com



Fast Facts

- The federal Fair Debt Collection Practices Act (FDCPA) was enacted on September 20, 1977, and was last amended on October 13, 2006
- Debt collection agencies that violate the FDCPA may be liable for actual damages, up to \$1,000 in additional damages, and the consumer's attorney fees
- The Federal Trade Commission and the Consumer Financial Protection Bureau are charged with enforcing the FDCPA

Original Creditors vs. Collection Agencies

The federal Fair Debt Collection Practices Act covers debt collection agencies, but generally doesn't cover original creditors. Bank credit cards (like Visa and MasterCard), for example, typically use in-house collectors and wouldn't fall under the FDCPA. The same would be true if a hospital directly employed someone to collect on an overdue bill. However, some states have laws that protect consumers from abuse by original creditors. Debt collection agencies or collection law firms are companies hired by original creditors to collect the money owed. These are the debt collectors regulated by the FDCPA.

About Bill Collectors

According to the U.S. Bureau of Labor Statistics (BLS), there were 408,760 bill and account collectors employed in 2008. The BLS estimates that the job prospects for debt collectors is more than rosy; the agency anticipates the field will grow over 25 percent by 2016, at which time it anticipates that there will be 534,000 debt collectors going after consumers.

Nationally, the median wage for a bill collector is \$14.73 an hour. About a quarter of debt collectors are categorized in "business support services," while

about 15 percent work in doctors' offices or for hospitals. The states with the highest concentration of bill collectors are South Dakota, Delaware, Arizona, South Carolina, and Missouri, while the metropolitan areas with the highest concentration of debt collectors are Sioux Falls, SD; Huntington-Ashland, WV-KY-OH; Buffalo-Niagara Falls, NY; Pueblo, CO; and San Angelo, TX.

How Debt Collectors Track Down Consumers

Debt collection agencies employ a variety of tactics to find consumers, including utilizing the data mining industry, exploiting public records, conducting Internet searches, contacting friends and family members, and using social networking sites. These are all legal practices. Most Americans leave a sizable digital footprint, and information on their whereabouts is relatively easy to access.

How Debt Collectors Track Down Consumers

The FDCPA outlines a number of specific debt collection practices that are considered illegal, but provides a murkier definition of others. Here's a rundown:

Contacting Others: Debt collectors can use almost any means to locate a consumer, including contacting the consumer's friends, family members, and coworkers. However, the debt collector cannot tell a third party that the consumer owes a debt, and cannot contact a third party once he knows the consumer's contact information.

Collection Calls: Debt collectors can call consumers, but not at all hours of the day and night. The law prohibits debt collection calls early in the morning or late at night, unless the consumer has told the collector to call at one of those times. A

FAIR DEBT BACKGROUNDER, CONTINUED

collector can't call "at a time or place known or which should be known to be inconvenient to the consumer," such as the workplace. While the law prohibits collection call harassment, it doesn't define what constitutes harassment. Calls are likely to be viewed as harassment if there are more than a couple of calls per week or if the collector repeatedly calls and hangs up. In addition, in every call the bill collector is required to provide the consumer with his true name, and tell the consumer that he's trying to collect a debt, and that the information the consumer offers will be used for that purpose.

Verbal Abuse and Threats: The law broadly defines harassment, which includes "the use of obscene or profane language, or language the natural consequence of which is to abuse the hearer or reader." Under the law, harassment isn't judged based on how a specific consumer felt; the more generous standard of the "least sophisticated consumer" is applied. So, harassment happens anytime the hypothetical least sophisticated consumers might feel confused or threatened. So, for example, it is illegal for a collector to threaten to repossess property for an unsecured debt; to threaten arrest or imprisonment; to threaten a lawsuit that is past the statute of limitations; or threat to garnish wages.

Communicating via Mail: Debt collectors are allowed to send letters through the mail, but they're not allowed to embarrass consumers by sending a postcard or an envelope with printing that indicates it relates to a debt. According to the law, a bill collector can't use "any language or symbol, other than the debt collector's address, on any envelope when communicating with a consumer by use of the mails or by telegram, except that a debt collector may use his business name if such name does not indicate that he is in the debt collection business."

False Representation: The FDCPA prohibits false representation. False representation isn't just when a debt collector assumes a false identity, but it also applies to documents related to the collection. This means that a bill collector can't send a document that looks like (or says it is) an official court, governmental agency, or state document. Debt

collection agencies will often mail "official" looking paperwork to consumers, hoping that people will react to what they perceive are governmental documents.

Collecting More than is Owed: Debt collection agencies often attempt to collect more than is owed. They may, for example, add on a "collection fee" or interest charge. The FDCPA prohibits that, saying that a debt collector is not allowed to collect interest, add a fee, or attempt to collect more than the original debt or charge unless the contract that created the debt - or state law - allows the charge.

Misleading Consumers About a Course of Action: The FDCPA prohibits "the false representation or implication that documents are not legal process forms or do not require action by the consumer." If the consumer has the opportunity to take action, either by contesting the validity of a debt, or negotiating a payment plan or settlement, a bill collection agency can't give the consumer the impression that he or she should do nothing. A favorite tactic of deceptive collection agencies, though, is to mislead consumers so they won't take action. Then, when the window of opportunity has closed, they'll sue the consumer for not taking action.

Misusing Postdated Checks or Electronic Withdrawals: Debt collectors often request that consumers send post-dated checks, or approve a series of electronic check withdrawals on certain dates according to a payment schedule. It's illegal for a bill collector to accept the checks and deposit them earlier than the agreed-upon date. In fact, within three days of the date written on the check, the collector must send the consumer a notice of his intent to deposit the check.

The Right to Dispute

Consumers have the right to dispute the amount the collector is seeking to collect. The law says that, within five days of contacting a consumer, a debt collection agency has to notify the consumer in writing of the amount he or she owes. The collection notice must contain provisions that allow the consumer 30 days to dispute the amount.

FAIR DEBT BACKGROUNDER, CONTINUED

The debt collector must then provide verification of the debt, and may not continue contacting the consumer until he verifies the amount in writing. The consumer has 30 days to dispute the amount under the Fair Debt Collection Practices Act. Asking for this information often buys a consumer the time he or she needs in order to formulate a plan of action, so consumers should take advantage of this legal provision.

The Federal Trade Commission

The Federal Trade Commission (FTC), along with the newly formed Consumer Financial Protection Bureau, is charged with administrative enforcement of the FDCPA. The FTC issues an annual report to Congress that tallies the number of complaints the agency receives about abusive debt collection practices. In its 2011 report on complaints filed in 2010, the FTC stated that 140,036 complaints were filed by consumers, but acknowledged that the actual number was probably much higher. The report noted, "Nevertheless, the Commission receives more complaints about the debt collection industry than any other specific industry."

The FTC has brought a number of successful actions against debt collection agencies that engaged in abusive practices. Often, the FTC enters into "consent decrees" or a court issues a "stipulated final order" that enables the defendants to pay a fine without admitting to a violation of the FDCPA. For example, in January 2008, the agency alleged that Rawlins & Rivera, Inc. of Florida,

Rawlins & Rivera, Inc. of Georgia, Ryan & Reed, Inc. of Georgia, and RRI, Inc. "used misleading dunning letters and abusive telephone calls to falsely threaten that consumers would be sued, their property seized, and their wages garnished if they did not pay the money that the defendants said they owed. The complaint alleged that the collectors often shouted and used profanity and other abusive language to carry out their collections." The court fined the defendants \$3.4 million.

In September 2008, Bearn Stearns and its subsidiary, EMC Mortgage Corporation agreed to pay \$28 million for a variety of unlawful practices, including FDCPA violations. The FTC noted, "The defendants allegedly violated several provisions of the FDCPA in collecting loans that were in default when they obtained them. They also allegedly made harassing collection calls; falsely represented the character, amount, or legal status of consumers' debts; and failed to communicate that debts were disputed. In addition, they allegedly used false representations or deceptive means to collect, and failed to send consumers a validation notice containing the amount of the debt and the consumer's right to dispute the debt and obtain verification of the debt."

In November 2008, Academy Collection Service, Inc. settled with the FTC for \$2.25 million. The FTC alleged that "Academy and its collectors misled, threatened, and harassed consumers; disclosed their debts to third parties; and deposited postdated checks early, in violation of federal law."

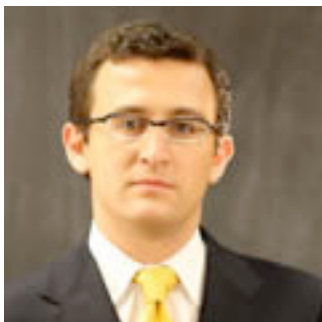
READY TO ASSIST YOU

Attorney Sergei Lemberg and his colleagues can lend an expert's voice regarding:

- The Fair Debt Collection Practices Act
- Debt collectors' dirty tricks
- How consumers can fight back
- Legal and illegal debt collection practices
- Why consumers should dispute a debt - even if they owe the money

They can also refer you to Lemberg & Associates clients who live in your geographic area and who want to share their stories with your readers, viewers, or listeners.

Attorney Bios



Sergei Lemberg, Esq.

After graduating from Brandeis University in 1997 with a degree in Economics and a minor concentration in Business, Sergei Lemberg continued his studies at the University of Pennsylvania Law School, where he graduated in 2001 with a Juris Doctor degree. Licensed to practice law in New York, Connecticut, and Massachusetts, Mr. Lemberg held positions with several major law firms before launching his own practice focusing on consumer law.

During law school, Mr. Lemberg was captivated by Article 2 of the Uniform Commercial Code (UCC), which covers the sales of goods. He came to deeply admire two of the architects of the UCC, Karl Llewellyn and Soia Mentschikoff, legal scholars who happened to be married to one another. Mr. Lemberg was drawn to contract law because of its complexity as well as the ways in which it reflects human nature. He felt strongly that Article 2 of the UCC made contract law come to life, making it accessible and understandable.

When a colleague of his began discussing the practice Lemon Law, Mr. Lemberg was intrigued. Working for large firms representing corporate clients embroiled in litigation wasn't as fulfilling as he had hoped; Mr. Lemberg yearned for the opportunity to do well by doing good, through having an impact on individuals' lives. He quickly came to realize that auto manufacturers never, ever accommodate consumers who don't have legal representation. Mr. Lemberg understood that he could help people resolve a devastating problem and move them to a better place.

As he practiced Lemon Law, Mr. Lemberg began to see another disturbing trend, namely that third-party debt collection agencies were preying on consumers who weren't aware of their rights under the Fair Debt Collection Practices Act. He read horror stories of people who were subjected to illegal harassment by bill collectors, and who were being bullied into paying more than they owed. Thus, he expanded the practice to include representing consumers who were being victimized by companies violating the Fair Debt Collection Practices Act and the Fair Credit Reporting Act, as well as companies perpetrating fraud.

Mr. Lemberg's satisfaction comes from knowing that he can positively affect his clients' lives by using the legal process. He also appreciates that the law dictates that companies violating the law pay for legal fees, so that his clients are not further burdened in the process of seeking redress.

Mr. Lemberg's commitment to advocating on behalf of consumers also has its roots in his personal story. Seeking freedom and opportunity, Mr. Lemberg and his parents immigrated to the U.S. from Russia when he was 15. Today, he is married, has a son, and lives in Connecticut.

Jody Berke Burton, Esq.

Jody Berke Burton, Esq. understands that compassion, combined with a keen understanding of consumer law, are powerful tools in helping people get rid of their Lemons.

Ms. Burton graduated from the State University of New York at Albany in 1990 with a degree in English. She continued her studies at the American University, Washington College of Law, and graduated in 1993 with a Juris Doctor degree. After two federal judicial clerkships in Washington, D.C., Ms. Burton represented the federal government in litigation before entering the private sector and joining Lemberg & Associates.

Ms. Burton is licensed to practice law in Connecticut, the District of Columbia, and Pennsylvania.

**Susan Schneiderman,
Esq.**

Since her admission to the New York bar in 1985, Susan Schneiderman, Esq. has represented individuals and businesses as counselor, advocate, and advisor in a wide variety of fields and settings. Ms. Schneiderman received a Bachelor of Arts degree from Clark University in Worcester, Massachusetts, and her legal education at Benjamin N. Cardozo School of Law in New York City. She is licensed to practice law in New York and Connecticut, and is also admitted to the Federal Bars of the United States District Courts for the Southern and Eastern Districts of New York, the United States Court of Appeals for the 2nd Circuit, and the Supreme Court of the United States. Ms. Schneiderman is a member of the American Bar Association, the Connecticut Bar Association and the Greater Bridgeport Bar Association.

Attorney Bios, Continued

Stephen Taylor, Esq.

Stephen Taylor, Esq. is a graduate of Tulane University Law School and Boston College. In 2005, he received the Certificate of Achievement from Queen's College London for studies in International Business. Additionally, Stephen is a former Judicial Clerk and has worked for a Connecticut criminal defense firm. Mr. Taylor is admitted to the Connecticut Bar.

Diana P. Larson, Esq.

Diana Larson earned her Juris Doctor degree, summa cum laude, from South Texas College of Law in Houston, Texas, and her B.S. from Texas A&M University in College Station, Texas. Immediately following law school, Mrs. Larson was the briefing attorney for the Honorable Sam Nuchia with the First District Court of Appeals in Houston. Mrs. Larson then worked for several large law firms in Houston. Most recently, Mrs. Larson was a partner with Gardere Wynne Sewell in Houston. In 2009, Mrs. Larson founded the Larson Law Office, PLLC. Mrs. Larson's practice consists of business law, family law, creating wills and trusts, and consumer protection litigation. Mrs. Larson is admitted to practice in the United States Supreme Court, all Texas State Courts by the State Bar of Texas, and is admitted to practice in federal courts in the Fifth Circuit Court of Appeals, the Southern District of Texas, the Northern District of Texas, the Eastern District of Texas, and the Western District of Texas.
