Article - Financial Institutions

[Previous][Next]

§12–1002.

(a) Subject to subsection (b) of this section, the provisions of this subtitle are in addition to and not in substitution for any other provision of law.

(b) A person who periodically receives funds from consumers to be used in connection with providing debt settlement services is not engaged in providing debt management services, and is not subject to Subtitle 9 of this title, if the person:

(1) Complies with the requirements of this subtitle;

(2) (i) Negotiates to settle a consumer's debts by reducing the principal amount of the debts owed; and

(ii) Makes no more than six settlement payments for each debt; and

(3) Establishes a dedicated account that:

(i) Is separate from any trust account established by the person under § 12–917 of this title; and

(ii) Is not established solely for the purpose of holding consumer funds to be disbursed to the debt settlement services provider for fees.

[Previous][Next]