Creditors Interchange
Third Party Recoveries, First Class Results

1137 Old York Road
Abington, PA 19001
(716) 614-7523
Fax: (215) 887-2206

February 4, 2011

Members of the Committee:

Good afternoon to the Chair, members of the Committee with a special thank you to Mr. Ishida for his prompt responses and dealing with my revisions that were previously submitted.

My name is Raymond Bell. I am a Vice President of Creditors Interchange Receivables Management and employed as such since September 15, 2004. My division provides creditors and debt buyers services for dismissed consumer bankruptcy cases. Part of this service requires a review of the court docket, including a review of claims registers, proofs of claim on file, bankruptcy schedules, applicable motions filed, court orders and whether the consumer's account was discharged in a prior bankruptcy proceeding. I have already provided the Committee my bio information covering almost 40 years experience in consumer credit, collection and consumer bankruptcy.

I will preface by stating of comments and/or opinions may not necessarily represent those of my Company. I am not an attorney nor do I represent any individual creditor or debt buyer entity, or any associations. There are two basic premises dating back to 1979: fresh start and equality of distribution to creditors and I will hopefully offer some additional information that I believe relative to the rule.

I originally submitted a comment response to the Advisory Committee on December 15, 2010 (10-BK-006 comments for testimony. I will read my revised comments and provide the Committee this updated version, as requested.

Having participated in consumer bankruptcy cases since October, 1979 I have seen improvements ongoing in the preservation of integrity in the bankruptcy system. While not perfect, I have seen more good things than bad things during my career, but both are because of people, not the law or rules. When I look back and go forward, there are good signs the system is working. The study that was published as a result of the requirement in the BACPA showed in over 156,000 closed chapter 13 cases creditor misconduct was noted as a total of 30 while sanctions against debtors' attorneys was 4 from 2007 to 2009. It is important to note from this study that 28% of the consumers who had closed cases reported showed they had prior filings.

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Improvement should be continuous by all. I reference part of the Preamble of the Constitution ".in order to form a more perfect union..." which I believe means nothing is 100% perfect and the challenge belongs to everyone to strive toward perfection. Today the Courts, US Trustee, Chapter 7-11-12-13 Trustees, and lawyers have contributed to improved integrity of the system through knowledge and experience. Even though I would define experience as getting a different result than planned, I do believe the bankruptcy law and rules have assisted a great deal more benefit to the most important participant – the consumer. Since 1994, based on total non business bankruptcy filings, at least over eighteen million consumers have received discharge from debts while at the same time allowing an even playing field for consumers and claim filers. The present Code and Rules provides for a creditor to file a claim and a consumer to list as disputed in Schedule F and to file an objection.

I commend the Committee in its recent revision suggestions to BR 3001 as I believe these changes may help avoid delays in the bankruptcy process while protecting the rights of consumers and claim filers but offer today that certain assumptions may attempt to measure what isn't really measurable. It is indicative the Committee has reviewed the many comments and concerns since the initial proposed rule change was introduced. It is also encouraging the Committee will hear additional comments and suggestions concerning BR 3001 today and going forward. I would like to suggest changes to the proposed Rules for (3) and 3(A) to insert the word "bilateral" after credit and before agreement which would be consumer credit bilateral agreement. Also to change (3)(A)(i) to say "the name of the creditor from whom the open end or revolving credit bilateral agreement originated." I believe these two suggestions will first address the current process when a consumer enters into a credit card agreement. The second is to allow the consumer to see the original creditor name even if the original debt buyer sells to another debt buyer. With the inclusion of "Bilateral" I believe better defines how open credit is transacted and consummated between a consumer and a credit card bank.

I will point out the proposed additions to the statement of the account may not be a totally reliable basis for a determination of compliance to individual state statue of limitation laws. There exists today, penalties for filing fraudulent proofs of claim under 11 USC Sections 152 and 3571 and to the best of my knowledge, there are none. The purpose of the bankruptcy law is to allow consumers to discharge all debt, old or new.

In closing I believe the best advice I can leave with all parties of interest is to continue to trust but verify.

I wish to thank the Advisory Committee, the Chair of the Judicial Conference Advisory Committee on Bankruptcy Rules for my opportunity to present these comments and observations. I will gladly answer any questions you may have now and in the future.

Respectfully,

Raymond P. Bell, Jr.
Vice President
Creditors Interchange Receivables
Management, LLC.