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Funded Merchant

Re: SCAM ALERT from CBSG

Dear Merchant:

My long-time client, Complete Business Solutions Group, Inc.(CBSG)/Par Funding, requested that I reach out and warn you about a large and growing problem many of our Merchants are facing from various scams they are confronting. It appears as though more and more of our funded Merchants have reported being besieged with marketing materials, telephone calls and other enticements from unscrupulous businesses purporting to promising Merchants that they can save them money through renegotiating their Merchant Cash Advance Agreements. Oh, and of course they want an upfront fee from you and/or ask that you pay them rather than CBSG and that they will work something out for you.

Unfortunately, falling prey to these unscrupulous operators will usually cause the Merchant to face legal actions and a damaged credit score - shutting the door on future funding, while the so called “Debtor’s Relief” company walks away with fees charged. These Debtor’s Relief operators fail to tell Merchants of the financial and legal pitfalls of failing to abide by their Agreements. As a policy, CBSG refuses to negotiate with third party debt negotiators or debt work out companies under any circumstances.

We are presently involved in federal litigation against a third-party company which charged Merchants fees to allegedly negotiate their obligations to CBSG (See CBSG vs. Protection Legal Group and Corporate Bailout, E.D. PA 16-cv-4267). Said lawsuit is based upon their interference with business relations and their interference with CBSG’s access to purchased receivables (CBSG’s property). Further, the Federal Consumer Financial Protection Bureau successfully litigated an action against a group of self-styled “Debtor’s Relief” operators in the Southern District of New York (Consumer Protection Bureau vs. Mission Settlement Agency, et al. (S.D.N.Y. 13-cv-3064)) for violations concerning Federal telemarketing regulations.

In other words, dealing with these so called “Debtor’s Relief” companies isn’t going to help save you money – but will instead result in damaged credit, fees and penalties, possibly legal judgments, and lost fees which are paid to these companies. These are consequences from which it can take your business years to recover. If you do receive any communication from a “Debtor’s Relief” Company soliciting your business, please share it with me. We are more than happy to answer any questions you might have on this topic.

Regards,



Norman M. Valz

NMV/mab