



Better Business Bureau®

Los Angeles, Orange, Riverside, and San Bernardino Counties of Southern California

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For Businesses

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BBB BUSINESS REVIEW

Overview | **Complaints** | **Directions** | [What is a BBB Business Review?](#)

THIS BUSINESS IS NOT BBB ACCREDITED**Freedom Financial Management, Inc.**

(888) 443-3648

1901 East Alton Avenue, Suite 240, Santa Ana, CA 92705
<http://www.ffmgt.com>

F On a scale of **A+** to **F**
Reason for Rating
BBB Ratings System Overview

Description

This company's business is debt negotiation.

BBB Accreditation

This business is not BBB Accredited.

Businesses are under no obligation to seek BBB accreditation, and some businesses are not accredited because they have not sought BBB accreditation.

To be accredited by BBB, a business must apply for accreditation and BBB must determine that the business meets BBB accreditation standards, which include a commitment to make a good faith effort to resolve any consumer complaints. BBB Accredited Businesses must pay a fee for accreditation review/monitoring and for support of BBB services to the public.

Reason for Rating

BBB rating is based on 16 factors. Get the details about the factors considered.

Factors that lowered this business's rating include:

- BBB concerns with the industry in which this business operates
- Length of time business has been operating
- 461 complaint(s) filed against business
- Failure to respond to 144 complaint(s) filed against business
- 38 complaint(s) filed against business that were not resolved
- 111 serious complaint(s) filed against business
- Overall complaint history with BBB
- Business has failed to resolve underlying cause(s) of a pattern of complaints

Customer Complaints Summary[Read complaint details](#)

461 complaints closed with BBB in last 3 years | 43 closed in last 12 months

Complaint Type	Total Closed Complaints
Advertising / Sales Issues	56
Billing / Collection Issues	48
Problems with Product / Service	352
Delivery Issues	2
Guarantee / Warranty Issues	3
Total Closed Complaints	461

Additional Complaint Information

In some cases, the complaint allegations are very serious. Complainants allege the company fails to fulfill services, does not contact or pay creditors, misrepresents that they can stop harassing calls and collection efforts from creditors and does not issue refunds. Complainants also allege the company does not answer or return calls, fails to inform clients of the status of their cases, and complainants experience difficulty cancelling services. Some complainants allege they were sued by their creditors or had to file for bankruptcy because the company did not settle their debt. The company responds to some complainants by issuing full or partial refunds, claiming they contacted creditors and work to resolve the client's debt situation. Generally, the company responds by denying allegations of misrepresentation. In some cases, the company offers to continue their services or agree to cancel services.

[Complaint Details](#) | [Definitions](#) | [BBB Complaint Process](#) | [File a Complaint](#)

Government Actions

BBB has no information regarding government actions at this time.

What government actions does BBB report on?

Advertising Review

BBB has no information regarding advertising review at this time.

What is BBB Advertising Review?

Additional InformationBBB file opened: 8/19/2008
Business started: 3/24/2008**Licensing**

California law requires bill paying services, and pro-raters accepting money from clients to be disbursed to creditors on behalf of the debtor, to be licensed by the California Commissioner of Corporations and file a \$25,000 bond. To verify licensing, contact the California Dept. of Corporations by writing to 1515 K Street, Suite 200 Sacramento, CA 95814-4052, by calling (916) 445-7205, (866) 275-2677, or 866 ASK CORP. Prorater licenses can be verified on-line, by accessing the DOC website at www.corp.ca.gov.

Contact Information

Carmen Miramontes - Director of Customer Service

Customer Service ()
Jim Phan (President)
Khianne Barwick ()
Nayeli Alvarado (Customer Service Mgr.)
Daniel Ramirez (Floor Manager)

Business Category

Debt Relief Services - non-compliant with FTC Rule

Alternate Business Names

Freedom Financial Management, Inc.
Freedom Fidelity Management
Global Solutions
Alliance8
Alistate

Alternate Web Sites**Industry Tips**

Our experience with debt negotiating companies is that they attract customers with large credit card debt by claiming to be able to settle those debts for a fraction of their face value. They often claim that their services are more effective than those provided by credit counseling services and that they are a superior alternative to bankruptcy.

These companies usually instruct their clients to stop paying their creditors. Some companies direct clients to make their payments to the debt negotiation company instead. They promise that when sufficient cash has been accumulated to offer a settlement to a creditor, they will do so. They go on to say that their program may take two or three years to complete. Most companies collect their fees upfront and generally the fees are based on some percentage of the promised savings.

Other companies simply collect their fee and advise debtors to save their money to pay their creditors themselves. California law limits the amount of fees debt negotiators can charge, but by not collecting the money and distributing it to your creditors, companies can remove themselves from the limiting statutes and charge whatever they wish. What they are supposed to do for you while you're saving up your money is to contact your creditors and inform them that they're working with you, negotiate the amount to settle your debt, and ask them stop contacting you.

Complaints on these companies allege that creditors continue to harass clients, fees and interest continue to accumulate, and that the companies do not contact the creditors. Usually, creditors turn the claims over to collection agencies, file suit and pursue collection of the money owed to them. Debts are seldom settled, customer's credit is ruined, and many people are sued forcing them to seek bankruptcy protection. Typically, it is difficult to obtain refunds from the companies.

Debtors may not realize that if their creditors do accept a negotiated settlement, the amount forgiven constitutes taxable income.

