

From: Krygier Investments, LLC, Beatrice Bravo
Proposal: 1465 -- Standards for Assessing the Diversity Policies and Practices of Regulated Entities
Subject: Section 342 of DFA -- Joint Standards for Assessing the Diversity Policies and Practices

Comments:

*Proposed Interagency Policy Statement Establishing Joint Standards For Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies and Request for Comment.

Dear Sir/Madam:

Our Comments are specific to "Procurement and Business Practices-----Supplier Diversity" as it relates to banks.

Background:

Krygier Investments, LLC is 100% owned by minority women and we are members of the nationally recognized Women's Business Enterprise National Council ("WBENC"). We are Debt/ Buyers and own a percentage of a collection company in Tulsa Oklahoma, CFSII, which follows our same business model. We only purchase credit card debt written-off by banks. Our philosophy and business model puts consumer first base on five principles:

- As debt buyers we do not re-sell debt purchased;
- We never collect beyond the statute of limitation;
- We do not call a consumer more than 2 times during a 24 hour period;
- We do not charge interest on debt; finally
- We do not litigate.

Our main emphasis is to help consumers get back on their feet; helping them look for job, decreasing their payment plans with other debtors etc....

In the past year, we have attempted to contact the large institutions-- banks in order to have the opportunity to purchased debt which has been written-off as promulgated by regulations. Our contacts were based on the summary provided to us by WBENC. We have found the following results:

- Banks (major top tier banks) do not response either via phone call or email;
- Web sites set-up to register does not work; and no follow-up occurs from their end;
- Only by threat of reporting one bank (JP Morgan Chase) to the OCC via branch level, we were able to get a phone call from an employee (within the diversity-supply area) and we are still waiting (two months).

Our Opinion on Current Regulation as noted in Section 342 of the Dodd-Frank Act

-

The current bill does not hold the banks accountable. Large banks are members of WBENC but do not provide any form of outreach. Existence of web sites for diversity-supply procurement and membership in WBENC by major

banks are simply "decorations" and "smoking mirror" for the banks; no implementation actually occurs. We believe that it should be mandatory that banks assign a specific percentage for procurement to minority owned corporations specifically 1% to 5% (specific to this industry) and the regulatory bodies should perform reviews every two years to ensure some form of compliance. Percentage assigned to minority groups should be at the banks discretion.

The current self- assessment in the so called Supply-Diversity reflects the current structure followed by large financial institutions. We have found that there is a so called Diversity Officer but the current once technically assigned to this post are merely there for show rather than implementation; the current departments and employees do not have an incentive to follow through.

The proposed rule leaves businesses such as our small company constantly battling. We have found that threatening to report to regulatory agencies is the only form of contact and response from any financial institution.

Specific to the Industry (the collection of Non-performing Credit Card Debt):

-

Large institutions are the main participators in this this industry. Currently, the industry is \$64 billion with 80% controlled by institutional investors, both debt-buyers and collection agencies. JPMorgan Chase provides the major funding for this form of business to the biggest players: Portfolio Recovery Group, Encore/Acceptance, NCO, encompassing 80% of the industry.

We believe that our participation in this industry will change the behavior of the corrupt practices currently being seen within the major banks and within this industry.

Creating regulations which forces these institutions to behave albeit: reviews of procurement practices and requiring allocation are the correct approach. Right now the requirements are the same as before and are not effective in changing behavior.

We appreciate your attention to the points addressed as these comments are crucial to our industry.

If we may provide further points and suggestions, please feel free to call at 201 445-1230.

Sincerely,
Beatrice Bravo, CFO, Ki