

## Moral: Lend No More Than You Can Afford to Lose!

By Harriett Muhammad

Dear Harriett: Several months ago a friend of mine asked for a \$600 loan with which to close a personal business transaction. We had known each other for more than three years, and during this time I had given him other personal loans which he had always paid back.

THOSE loans had been of smaller amounts, so when he asked for this sum, I asked him to give me a note saying that he was borrowing the money for just two weeks, and also a hi-fi as collateral.

Well, two weeks came and passed and my dear friend had nothing to give me but promises. After a month, I started to get more demanding and we had a few un-

pleasant encounters. Then, the next thing I knew, my friend had moved!

I called his other friends in the city and they didn't know where he was either. I learned he had hit them for loans, too. I'm angry because I've "been had," yet sort of hurt that my buddy did me and his other friends so wrong.

I don't know whether to chalk the whole thing up to experience or to hire a lawyer to see if he can be found and made to pay me. If you have any legal knowledge concerning my chances, I would appreciate the information.

—V. J. Denver, Colorado

DEAR V. J.: Your chances of recovering your money through legal channels is very slim. There isn't too much that can be done if your friend's whereabouts are unknown. Even if he left a forwarding address with his post office, the only persons who can get such information are agents of the F.B.I. Since you willingly gave him the money, it's not a matter for the police.

Most bad debts are handled through collection agencies, but let me tell you the main things they can do:

(1) First, before any agency will handle your case, they have to be assured that you have a legal claim—then they will keep half of anything that is collected.

(2) If they have no ad-

dress, they can run an S.S. (social security) clearance.

IF YOUR friend has had any employment (usually for your particular state) the name of the employer and your friend's address will be returned—that is, if you are lucky. Some people don't give correct addresses to their employers — others only give P.O. box numbers.

(3) Suppose your friend is located. The agency will write nasty letters and make home calls to demand the money. If nothing comes of this, the matter can be taken to the small claims court. If your friend is working, he may agree to pay a certain amount of money per month, or have his wages garnisheed.

However, the odds that this could take place are very slim. Your friend could disappear again and the whole process would have to start again.

As far as I know, no one can go to jail because of bad credit—they either have to pay or file bankruptcy in order to settle matters. If you are in business and you can prove that this was a business transaction, then you could write the loss off as a tax deductible item.

YOU MAY be able to do this as an individual, but be sure to check with an income tax specialist. It's best

not to loan more than you can afford to lose.

Something on your mind? Write and tell me about it.

Harriett Muhammad  
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## REST AND

## YEAR ROUND CO

### RESORT ON LAKE SHORE GLENN, MICHIGAN EASY TO REACH . . . FROM

(1). Take Chicago Skyway, and come off (2). Take highway 39 leading to 94, w way 196. (3). Come off 196 at Glenn, Mich. Turn right, come over bridge about 1 mile Drive. (4). Make right U turn on Lake 1 mile back north on Lake Shore Dr. mailbox, left side and on sign board.

50 ACRES OF RECREATION LAND where you can Baseball, Bicycle Riding, Swimming on our own Horseback Riding and Golf near by.

