

SCHWARTZ & BALLEN LLP
1990 M STREET, N.W. • SUITE 500
WASHINGTON, DC 20036-3465

(202) 776-0700

FACSIMILE
(202) 776-0720

www.schwartzandballen.com

M E M O R A N D U M

March 24, 2004

To Our Clients and Friends

Re: Amendment of the Telemarketing Sales Rule

The Consolidated Appropriations Act of 2004 mandates that the Federal Trade Commission (“FTC”) amend the Telemarketing Sales Rule (“TSR”) to require telemarketers subject to the TSR to obtain from the FTC the list of telephone numbers on the National Do Not Call Registry (“Registry”) once a month.¹ The TSR currently provides that telemarketers obtain this list every three months.

Based on comments received to its proposed rule issued in February, the FTC has issued a final rule which states that sellers or telemarketers must obtain telephone numbers on the National Do Not Call Registry and purge these numbers from their call lists no more than thirty-one days prior to making a telemarketing call. Sellers and telemarketers must maintain records documenting this process. The final rule is effective January 1, 2005.

A copy of the final rule can be found on our web site -
http://www.schwartzandballen.com/whats_new.html.

If you have any questions, please call Gilbert Schwartz, Robert Ballen or Tom Fox at (202) 776-0700.

¹ Entities subject only to the Federal Communications Commission’s do not call rule under the Telephone Consumer Protection Act would not be affected by the FTC’s change. However, the FCC has indicated that it is planning to initiate a proposed rulemaking to adopt a similar change to its do not call rule.