

Dealing with Collection Agencies

Are you constantly receiving harassing calls from collection agencies?

What are your rights?

Once you become delinquent on your debts, a creditor may turn the account over to a collection agency. A collection agency is a third party hired by your creditor to collect the debt that you owe.

What to Do When Negotiating with a Collection Agency

- Make sure you get the name of the collection agency, the representative's name, and the telephone number with the extension of the representative. Keep a log of the dates and times of any conversations you have with the collection agency for your records.
- Ask for proof that you owe the debt. Every collector must send you a written "validation notice" telling you how much money you owe within five days after they first contact you. This notice must include the name of the creditor to whom you owe the money and how to proceed if you don't think you owe the money.
- If you negotiate a payment with the collection agency, make sure that the amount that you agreed to pay is affordable for you. Before sending any payment to a collection agency, have the terms of that agreement provided in writing.



- Never give a credit card number or checking account information over the phone to a collection agency. There could be a misunderstanding about how much you have agreed to pay.
- Many collection agencies will offer you a settlement. If you are considering a settlement (reduction of a debt), be aware of the negative consequences. For more information about settlements, please contact Navicore Solutions or refer to our educational brochure on settlements.

What Collection Agencies Cannot Do

- Contact you before 8 a.m. or after 9 p.m.
- Contact you at any residence other than your own.
- Call you at work if they were told (orally or in writing) that your employer doesn't allow you to get calls.
- Repeatedly use the phone to annoy you.
- Use obscene language or threats of violence or harm.
- Make a call without disclosing the caller's identity.
- Publish a list of names of people who refuse to pay their debts.
- Make false statements.
- Try to collect any interest, fees, or other charges on top of the amount that you owe, unless it's allowed by your state law or the agreement that you have with the collector.

If you feel that your rights have been violated, report problems that you have with the collection agency to your state Attorney General's office (see www.naag.org) and the Federal Trade Commission (see www.ftc.gov or call 1-877-FTC-HELP).



An Educational Message from



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 make all the difference.*