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DOWNEASTER COMMON SENSE GUIDE
DEBT COLLECTION

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STATE OF MAINE
BUREAU OF CONSUMER CREDIT PROTECTION
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION

Maine Bureau of Consumer Credit Protection

Toll-free Maine Consumer Assistance Maine Foreclosure Prevention Hotline

1-800-332-8529 (1-800-DEBT-LAW)

TTY users call Maine relay 711

1-888-NO-4-CLÖZ

(1-888-664-2569)

www.Credit.Maine.gov

The Maine Bureau of Consumer Credit Protection was established in 1975 to enforce a wide variety of consumer financial protection laws, including:

- Consumer Credit Code
- Truth-in-Lending Act
- Fair Credit Billing Act
- Truth-in-Leasing Act
- Fair Credit Reporting Act
- Fair Debt Collection Practices Act
- "Plain Language" Contract Law

The Bureau conducts periodic examinations of creditors to determine compliance with these laws; responds to consumer complaints and inquiries; and operates the state's foreclosure prevention hotline and housing counselor referral program. The Bureau also conducts educational seminars and provides speakers to advise consumers and creditors of their legal rights and responsibilities.

William N. Lund

Superintendent

October 2015

DOWNEASTER COMMON SENSE GUIDE: DEBT COLLECTION

By David Leach, MPA and Arianna Castonguay

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Special Thanks to Eric Wright, Mark Susi and Will Lund for their input on content for this guide

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Maine residents can obtain additional free copies of this booklet by contacting the Bureau of Consumer Credit Protection at 207-624-8527 or toll-free at 1-800-332-8529. Non-Maine residents may purchase the publication for \$6 per copy, or at a volume discount of \$4 per copy on orders of 50 or more. Shipping fees are included in the prices listed.

Dear Maine Consumers:

Credit applicants often feel confident about the future. They believe they will not only be able to repay the full amount borrowed for a house, automobile, college education, boat, or even a credit card charge, but that they can do so over time while paying interest!

Lenders also exhibit confidence when granting a loan. Those in the mortgage field take security interests in homes—extending hundreds of thousands of dollars in credit to borrowers who may experience job changes and other economic “ups and downs” over a 15 to 30 year term. Auto lenders grant loans of shorter duration (typically 3-7 years), but on collateralized items which steadily depreciate in value. New vehicles often lose 50% or more of their original value in four or five years! Nearly all credit cards issued are unsecured loans, with no house to foreclose on or car or truck to repossess if payments are not made.

The economies of both the United States and Maine depend to a large degree on consumer loans and credit sales. Consumers are able to defer payment for important items they are unable to pay for up front with cash. A vibrant Maine financial services industry, employing tens of thousands of Maine workers, depends on those obligations being paid back on time and as agreed! But what happens when loans become delinquent?

Some creditors hire third-party debt collectors to seek repayment of consumer loans or other forms of debt that have become past-due. The activities and behavior of collection agencies are governed by the state and federal Fair Debt Collection Practices Acts, or FDCPAs. These laws establish how a debt collector conducts its business and grant specific rights to the borrowers and debtors.

As authors of this guide, we hope the information presented helps you to better understand your rights and responsibilities when faced with debt collection. We designed this guide to present you with strategies to bring your account current again and help you to work constructively to resolve the debt with the original creditor, third-party collection agencies or debt buyers.

Sincerely,

David Leach, MPA
Principal Examiner

Arianna Castonguay
Margaret Chase Smith Summer Intern, 2015

DEBT COLLECTION ETIQUETTE

It's important to remember that debt collectors are people too. Here are seven things to keep in mind when speaking with them.

1. Be cautious when communicating with collectors. If you don't know whether a debt is yours, don't acknowledge responsibility for it. If you agree you owe the debt, it will be difficult to challenge the collector in the future - even if you present evidence you don't owe the debt. If you are not sure you owe a debt, ask for written validation within 30 days of receiving of the collector's first written communication. If they cannot confirm the debt is yours, the collection action should stop.
2. Tell collectors the best times of the day to reach you, and what telephone number is best. If you prefer to communicate only through the mail, tell them.
3. If calls to your workplace are not allowed, or if they could threaten your job, tell the collector. It's a violation of the FDCPA for the collector to continue to contact you at work after being told to stop. Follow up in writing to secure your right to stop collection calls to your place of employment.
4. Be polite and work with the debt collector. Keep the lines of communication open and always return calls, even if you are unable to pay that day, week or month. If you owe this debt, work to repay it in as short a period of time as your budget will allow. Offering \$5.00 per month on a \$1,000.00 debt won't cut it. It would take more than 16 years to repay the loan! Negotiating a payment of \$200 per month, if you can afford it, stands a much better chance of acceptance.
5. Only make promises you can keep, and keep your promises! If you set up a series of payment dates, do your best to follow through. Emergencies can occur. If possible, inform the collector in advance if special circumstances arise.
6. You have a right to refuse to send pre-dated checks to the collector. Pre-dated checks are rarely a good idea. If you chose to pay with checks, only send one at a time!

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FDCPA Consumer Protections

The federal government established the Fair Debt Collection Practices Act (“FDCPA”) in 1977. This law was designed to end abusive, deceptive or unfair debt collection practices. It also encouraged individual states to protect consumers from abuses in debt collection. The Maine Legislature enacted a state version of the law in 1985.

COMMUNICATIONS FROM DEBT COLLECTORS

Debt collectors may communicate only with the debtor or certain third parties (including the consumer’s spouse, executor, or administrator). If the consumer is a minor, the collector may contact the debtor's parent or guardian. Collectors cannot contact consumers at unusual times or unusual places. Unusual times include calls placed before 8:00 AM or after 9:00 PM. They can call *between* these times all seven days of the week. If you work the night shift and don’t want calls during the day, notify the collector in writing. The collector must comply with your request. Communications from debt collectors cannot be at the consumer's expense (*e.g.*, charging for collect telephone calls).

Debt collectors can contact you at work, unless your employer forbids such communications.

If you send a written “cease” letter to the collector, they should stop calling you at work (see page 23 for a sample cease letter). Likewise, if your employer tells the collector not to contact you at work, they should stop. If a collector knows you have hired an attorney, the collector can contact you only through that attorney (unless your attorney agrees to allow direct communication). They may still contact you directly if the attorney doesn't respond to them, or if they need the attorney's contact information.

Written communications from debt collectors can't be in the form of a postcard. Envelopes sent by collectors can't display symbols or writing indicating the letter is from a collector, or that the enclosed letter is about a debt.

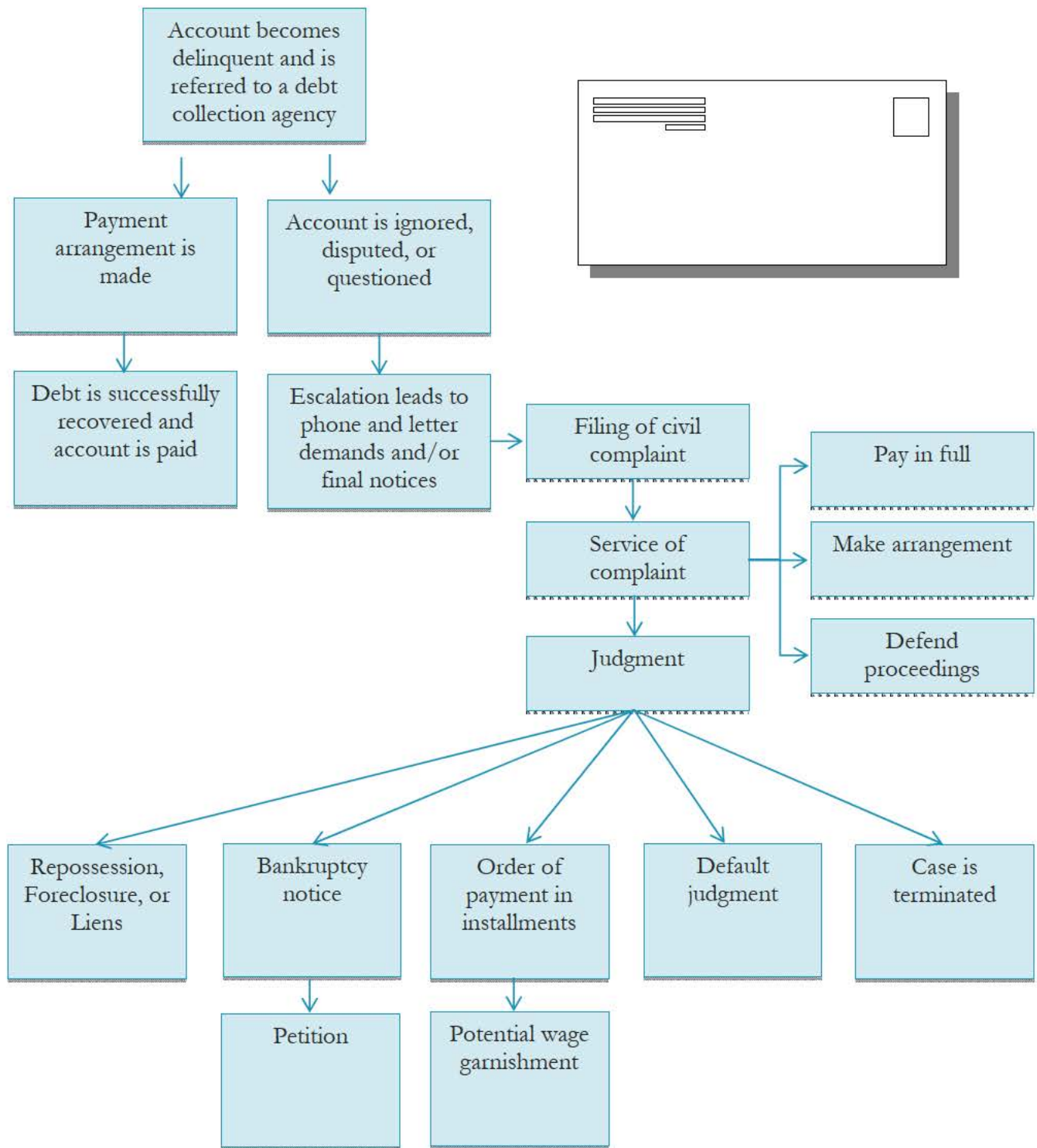
Communicating with Third Parties

The only third parties a debt collector can contact are:

- The consumer’s attorney
- A **consumer reporting agency*** (if permitted by law)
- The creditor
- The creditor’s attorney
- The debt collector’s attorney

Words and phrases in **bold are defined starting on page. 18.*

The Debt Collection Process



You can grant a debt collector permission to contact another party not listed above. A court with proper jurisdiction can also authorize such contact.

Sometimes, debt collectors are unable to locate consumers. If this happens, a collector may ask a neighbor or relative for the borrower's address, phone number and/or workplace. The caller must give their name and state that they are confirming or correcting information about the borrower's location. The collector can't divulge that the consumer owes a debt. They can only say they work for a collection agency if asked. Collectors can't contact third parties more than once, unless the information they received was incorrect or the person asked to be contacted again. All this is to protect your privacy. If you're in debt, the rest of the world doesn't need to know about it!

Ceasing Communication

You have the right to direct a debt collector to stop communicating with you. To do so, send your request—in writing—to the debt collection agency. Once a collection agency receives your request, they can only contact you to tell you:

- The collection efforts have stopped and the collector is ending communications.
- The debt collector or creditor will (or may) take certain actions, such as sending the case to an attorney to collect the debt.

Stopping communication is rarely the best solution to your financial problems if you owe the debt. It may free up your telephone line,

but it won't eliminate your debt! Stopping communication limits the amount of information you receive about the debt. The collector may be able to settle the debt, or may take more serious action.

Collection lawyers can bring legal actions to collect debt, but must follow strict rules. Lawsuits to collect debts may only be filed in the judicial district in which the consumer lives (or the district where the contract creating the debt was signed). Lawyers cannot bring lawsuits to enforce security interests in real property—land, or property attached to land—outside the judicial district where the property is located.

Ceasing communication may increase the chance of a lawsuit. The debt collector could sell the debt to a different collection agency or send the file to an attorney. If a lawyer takes the case and obtains a judgment from the court, a judge may order you to pay the amount due. For more information on debt collection lawsuits, see page 6.

Don't let the threat of a lawsuit frighten you. There are times when the best approach is to tell the collector to stop communicating with you. If a debt collector calls excessively, uses



profane language or makes threats, stop communication. If the collection agency is legitimate, the harassment should stop.

Creditors often sell debts to other companies. It can be hard to know for certain whether you owe a specific debt. If you think you might owe the debt, it's a good idea to ask the collector to verify the debt before sending a cease letter. You have the right to dispute debts and request verification within 30 days of receiving written notice of the debt from a collection agency. Until the collection agency sends proof you owe the debt, it must stop its collection efforts.

The first written communication from a debt collector must include:

- The amount of the debt.
- Who the consumer owes the debt to
- Notification that the consumer has thirty days from receiving the notice to dispute the debt
- Notification that the collector will verify the debt if it receives a request in writing.
- Notification that if the consumer requests the name and address of the original creditor within thirty days, they will provide that information*.

If the debt collector doesn't provide this information in their first written communication, it is their responsibility to send written validation of the debt to you (unless you pay the debt within five days of receiving the communication).

Harassment or Abusive Practices

The FDCPA prohibits harassment and verbal abuse by debt collectors. Before the FDCPA, some collectors would harass consumers—pressuring them to pay off debts. Under current law, collectors can't threaten violence. They can't threaten to harm a person's reputation or property, and they can't threaten to harm third parties (*e.g.*, family members or coworkers). Debt collectors are not allowed to swear or use profane language. However, unlicensed debt collectors often use harsh or obscene language to intimidate consumers. Collectors are also not permitted to annoy, harass, or abuse people by calling incessantly and they can't speak to debtors without identifying themselves first. If you experience these practices, file a complaint with state regulators.

Debt collectors can't advertise the existence of debt to coerce consumers to repay debt. The FDCPA forbids them from publishing the names of consumers who have unpaid debts. They can, however, report debts to **consumer reporting agencies ("credit bureaus")**.

False or Misleading Representations

Debt collectors cannot use false, deceptive or misleading representations to collect debts. Collectors also can't suggest they're with the government. As such, they can't distribute documents that appear to be "official" (*e.g.*, appear to be approved by a court or government agency), unless the documents are,

**If you make this request or dispute any portion of the debt within thirty days from receipt of the notice, the debt collector must halt collection efforts until they mail the requested information to you or provide proof you owe the debt.*

in fact, official documents. Debt collectors also can't claim to be attorneys (unless they actually are) and can't suggest they're law enforcement.

Sometimes, however, collectors can claim to work for or with the government, such as when they are trying to collect unpaid taxes, child support, or are working with a check diversion program under contract with a district attorney. If a debt collector calls you and claims to work for the government, tell them to mail you the information in writing. Do some legwork and check them out on your own before calling back.

The FDCPA mandates truthful representation of debts. Debt collectors cannot misrepresent the character, the amount or legal status of debts. They are also prohibited from lying about the payment they'll receive for collecting a debt and can't threaten actions which they have no intention of performing, including imprisoning debtors or seizing property (unless they intend to go to court and take action that could result in the property being seized).

Debt collectors are not allowed to tell consumers they will sell a debt to a third party, unless they actually intend to do so. Collectors cannot claim the debtor committed a crime (unless they did), disgrace the debtor using other conduct or lie about the collection agency's name. Collectors can't threaten to

repossess or disable property if the creditor does not intend to do so, or if the creditor doesn't have a security interest in the property. Finally, they can't threaten to communicate false credit information and can't claim to work for a credit bureau, unless the collection agency they work for *is* a credit bureau.

Unfair Practices

Everyone has the right to receive fair and honest communications from debt collectors. Collectors can't add interest, fees or other charges to debts, unless the original contract authorizes those charges (or the charges are otherwise permitted by law). To keep their dealings fair, debt collectors can't accept checks postdated by more than five days, unless they notify the consumer, in writing, of the date they intend to deposit the check. The collector must send notice at least three days before the date of deposit. They cannot send the notice more than ten days before depositing the check. Debt collectors can't use postdated checks as leverage—threatening criminal prosecution for insufficient funds—and can't deposit (or threaten to deposit) postdated checks before the date written on the check.

If a collector is trying to collect several debts from you, you can choose how your payments are applied. Debt collectors can't apply payments to disputed accounts against your wishes.

Legal Rights Under the FDCPA

If you owe money to a creditor and are behind on payments, there is a chance the creditor will sue to recover the debt. Lawsuits start when the creditor or collection agency files a complaint with the court, or when documentation is **served** on you.

Getting served means you have received documents notifying you of a lawsuit and the grounds or basis of the claim against you. You are served when you or someone “of suitable age and discretion” are handed a copy of the summons and complaint. For Small Claims Court actions, notices are sent by mail. The complaint will list you as a defendant, along with any person who was a cosigner to the account. It will also state why the creditor is suing you and what the creditor wants out of the case. Usually, the creditor or collection agency will demand repayment of any money owed—plus interest. Some complaints also ask for legal fees. The summons notifies you of the lawsuit and what to do in response to it. You should always file a written answer to the complaint with the court.

Usually, you have up to 20 days to file a written response to the lawsuit. Address your response to the court, and send a copy to the other side’s lawyer. The response is a formal legal document. You may want to hire a lawyer to help you. Your written answer must address each allegation against you detailed in the complaint. Be careful not to admit anything

that you do not know for a fact to be true. It is *vital* to raise all possible defenses to the lawsuit (for example, that the debt is too old to be the subject of a lawsuit).

Not responding to the complaint in time will most likely lead the creditor to ask the court to issue a default judgment. Even if you owe the debt, have no defenses and the amount requested by the creditor reflects what you owe, it’s still worthwhile to respond and begin communicating with the court. If you don’t respond, you lose the right to become an active participant. If possible, contact an attorney and take part in the process.

Filing a written answer with the court does not end the lawsuit. It just moves your case to the next stage. The court will be near your home. If you decide to represent yourself, stay informed about all procedures and court dates relating to your lawsuit. If you don’t know what to do, hire a lawyer—preferably a consumer rights lawyer. Call even if you have



little money. You may be surprised how many lawyers will help you with **unbundled services** (*i.e.*, you only pay for the help you need). The Maine State Bar Association’s Lawyer Referral Program (www.mainebar.org|1-800-860-1460) and Legal Services for the Elderly (www.mainelse.org|1-800-750-5353) may also be able to provide legal help at a reduced cost.

If you lose the case and the court grants judgment for the creditor, the creditor may collect on the judgment. Depending on the debt and your ability to pay, they may place a lien on real estate, seize personal property, or garnish part of your paycheck. If a debtor doesn't have money or property to satisfy the debt, the judge may dismiss this “disclosure” phase of the case, but the creditor or collector can reopen the case 6 months later to determine if the debtor’s financial situation has improved.

How Does Maine’s Statute of Limitations on Debt Work?

Debt collectors and creditors have a window of time to sue debtors for the money and interest owed on financial accounts. This is the **statute of limitations**, and it varies state by state. For Maine consumer debt cases, the statute of limitations is usually six years from the time a debtor stopped making regular payments. Judges may decide to use the statute of limitations of the state where an account is held (*e.g.*, where the company is located). This may result in a shorter statute of limitations.

The statute of limitations helps protect people from claims brought after evidence of a debt

has disappeared. Debts older than the statute limit times are often referred to as **time-barred debts**. If a debt collector sues you to collect a time-barred debt, let the court know the debt is time-barred in your written response to the complaint. It may result in dismissal of the suit. If you ignore notices because the debt is old, you might end up losing the case by default. Remember, debt doesn’t go away just because it goes past the statute of limitations! The debt collector may have lost the legal right to sue, but they can still contact you to collect on the debt.

You may wonder when the clock on a debt starts to tick. It can vary, but it usually starts at the date of the last payment before the account became delinquent. Some state laws require an extra six-month window after the account becomes delinquent. Do not confuse the statute of limitations with the amount of time a debt may remain on your credit report. Bankruptcy, for example, will remain on your credit report for 10 years regardless of other factors, including statute of limitations.

Consumers should be aware of **re-aging** of old debts. The statute of limitations clock may reset if you make a payment—even a small one—on an old debt. Acknowledging an old debt may also extend the time limit for debt collection lawsuits. Often, the best course of action is to ignore calls about ancient debts. Alternatively, seek the advice of an attorney or send the collector a letter saying you don’t recognize the debt and ask them to verify it, including the date of last payment

What Can You Do If A Debt Collector Violates the FDCPA?

In a perfect world, all debt collectors would follow the rules set by the FDCPA. If a collector does violate the FDCPA, there are remedies available to you.

If a debt collector has violated the law, you may have the option of suing the collector in state or federal court. To win such a lawsuit, the consumer needs to prove the debt collector violated the FDCPA. If the judge rules for the consumer, damages will be awarded. Most people who bring actions against debt collectors in court are represented by an attorney. If you plan to pursue a civil lawsuit, you will likely want to hire (or at least consult) an attorney beforehand. Some debt-related lawsuits take years to resolve.

If you don't want to hire an attorney, you may still have the option of going to small claims court. These courts allow consumers to argue their case without an attorney representing them. It is a much faster process than other types of courts; however, these courts hear only limited types of cases. In Maine, small claims court cases cannot involve claims of more than \$6,000. Small claims court usually involves a single hearing at which the parties argue their cases to the judge. Hearings are generally held no more than two months after the consumer files a court document to begin the case. The judge may make a decision on the spot or mail the parties the ruling later.

The Federal Trade Commission ("FTC") oversees the FDCPA. The FTC monitors debt

collector actions and ensures that the FDCPA is not violated. If you choose to do so, you can file a complaint with the FTC. An online complaint form is available at www.ftccomplaintassistant.gov. Consumers may also contact the Consumer Financial Protection Bureau ("CFPB"). The CFPB accepts consumer complaints, working with the consumer and collector to find a solution. You can submit an online complaint with the CFPB at www.consumerfinance.gov/complaint. If a collector is violating the federal FDCPA, they're probably also violating state law. The Bureau of Consumer Credit Protection administers the Maine FDCPA. You can file a complaint on our website (www.credit.maine.gov) or call us toll-free at 1-800-332-8529.

Damages for FDCPA Violations

The FDCPA provides a range of damages for successful FDCPA lawsuits. What the court awards in civil damages depends on the situation. Some damages are solved with a monetary award to the victim.

- **Damages for Physical Distress:** Sometimes debtors suffer physical damage from the debt collection process (e.g., stress-related heart problems). For symptoms to be allowed as evidence of harm in court, a licensed medical professional must document them. If there is a provable link between the debtor's symptoms and the violations of the FDCPA, the debtor may be able to recover the costs of treatment and related damages from the collector.

- **Damages for Emotional Distress:** Verbal harassment and relentless calls can be a source of stress for debtors. Collection calls to a debtor's friends and family can be an embarrassing invasion of privacy. All these things can affect one's emotional well-being and damage a debtor's relationships. Document every occurrence and discuss the situation with an FDCPA attorney. The debt collector may be held liable for causing distress.
- **Lost Wages Recovered:** Some debtors face problems at their workplace when collectors call, disrupting their work. If a debt collector violates the FDCPA by calling a debtor's employer and causing the debtor to lose work, the debtor may be able to recover lost wages.
- **Wage Garnishment Recovery:** If a debt collector violated the FDCPA by **garnishing** a consumer's salary without the authority to do so, the debtor may be able to recover those funds.
- **Statutory Damages of \$1,000:** The FDCPA allows a consumer to recover up to \$1,000 from a creditor above other monetary compensation for physical and emotional distress, lost wages, and the like. This \$1,000 is per lawsuit, not per violation. The law states that a consumer can receive up to \$1,000, meaning the amount awarded could be less. This compensation can be awarded if the consumer proves that the debt collector violated the FDCPA. It doesn't matter if the violation caused harm.

- **Attorney Fees and Costs Recovered:** In cases where a debtor proves an FDCPA violation occurred, the court must allow recovery of reasonable attorney fees and costs.

Courts can also provide **injunctive relief**—ordering the debt collector to stop certain activities. Injunctive relief may include ordering the collector to cease all communication by telephone or ordering the collector to stop sending collection letters to the debtor.

Family members, coworkers, neighbors and other people burdened by a debt collector's communications may also sue the collector. As with any FDCPA claim, these people need to prove that the collector violated the FDCPA and they suffered damages from that violation.

What Does it Mean When an Account is Charged Off?

A **charge-off** occurs when a creditor declares it will no longer attempt to collect a debt. It deems the account "uncollectible" and writes it off. However, even if a creditor charges-off your debt, you still owe the debt. Creditors may also sell bad debt to a debt buyer, to collect on it or package it for sale to another agency.

Charge-offs may remain on a credit report for seven years even if you paid the account in full. If you pay the account, the status will reflect a "paid charge-off."

Repossessions, Foreclosures and More

Repossessions

If a borrower falls behind on a vehicle loan payment, the vehicle may be repossessed. The vehicle is collateral on the loan. If you don't make your payments, the creditor can seize it and sell it to recover part of their loss.

Ten days after missing a payment, the creditor may send the borrower a "notice of right to cure." This notice states the amount needed to "cure" the default and the last date for payment without repercussions. A notice of right to cure remains active for twelve months from the date it was sent. If the borrower defaults again during that period, the creditor can repossess the vehicle without providing a new notice. A notice is considered delivered on the third day after it was sent in the mail. Debt collectors do not rely on certified letters, just proof of mailing.

After receiving a notice of right to cure, the borrower has 14 days (minimum) to pay the amount due in addition to delinquency charges


imposed by the creditor. When that time is up, the creditor has the authority to repossess the borrower's vehicle.

To repossess a vehicle legally, the repossession must occur without the use of force or breach of peace. After the repossession, the repo company must notify the consumer of where they can retrieve items that were inside the vehicle. The creditor may keep items attached to the vehicle (e.g., roof racks or stereos).

After repossessing a vehicle, the creditor may sell it. You have the right to "redeem" your vehicle at any point before the sale occurs by paying the balance owed on your loan, plus reasonable expenses incurred by the creditor. If you want to get the vehicle back, act fast and communicate with the creditor. If you paid 60% or more of the cash price of the vehicle toward the loan, the creditor must sell the vehicle within 90 days. If you paid less than 60%, the creditor can propose to keep the collateral (in writing). You can either consent or object to the proposal. If you object, you

"Some debts are fun when you are acquiring them, but none are fun when you set on retiring them."

-Ogden Nash

Repossession Calendar						
1 Payment Missed	2	3	4	5	6	7
	Payment May be Made Without Penalty					
8	9	10	11	12 Notice of Cure Sent	13	14
15 Notice Delivered	16	17	18	19	20	21
	Cure Period					
22	23	24	25	26	27	28
	Cure Period					
29	30 Vehicle Repossessed					

can force the creditor to sell the vehicle.

A creditor planning to sell a repossessed vehicle must give the debtor reasonable notice of the time and place the vehicle will be publically sold, or the date after which the vehicle will be sold at private auction. The vehicle's sale must be commercially reasonable. A low auction price may be an indicator of, but not proof of, unreasonableness under the Uniform Commercial Code ("UCC").

A creditor may use money from the sale of a repossessed vehicle to cover reasonable costs of the repossession (*e.g.*, storage and preparation for sale) before applying the remaining funds to the consumer's account. In Maine, if the initial amount financed on the

vehicle was \$2,800 or less, a creditor cannot come after the consumer for unpaid balance. If the sale of the vehicle brings in more money than needed to pay off expenses and debts, the creditor must return the surplus to the consumer. If the initial loan was greater than \$2,800 and the proceeds of the sale do not pay off the debt and expenses, the consumer is still responsible for the remaining balance.

Foreclosures

Foreclosure is a court process that allows a lender to take possession of a debtor's home, selling it to pay off the consumer's debts. In 2009 the Maine Legislature enacted a law titled "An Act to Preserve Home Ownership and

Stabilize the Economy by Preventing Unnecessary Foreclosure.” This law helps consumers facing foreclosure by providing trained housing counselors to help people save their homes.

After a consumer misses one or more mortgage payments, the lender sends a **notice of deficiency and right to cure** to the consumer. The lender also notifies the Bureau of Consumer Credit Protection. The Bureau then mails an informational letter to the consumer. The consumer has the option to call the Bureau at 1-888-NO-4-CLÖZ (1-888-664-2569) for referral to a counselor, or can contact a counselor using the information provided in the letter. Services are provided at no cost to the homeowner.

A housing counselor works with the consumer and the lender to find a mutually agreeable arrangement. The consumer can usually stay in their home if they bring the account current or both parties agree to the terms of a loan modification. Under such agreements, a consumer usually makes reduced payments during a trial period. If the trial period is successful, the creditor should dismiss the

pending foreclosure. If the consumer can’t afford to stay in the home under modified payments, the counselor can help negotiate other outcomes. Even though the consumer may leave the property under a “short sale” or “deed in lieu,” it will be on their own schedule. If pre-foreclosure negotiations are not productive, the lender may file a foreclosure action in court. The homeowner should file a written answer or response with the court. The paperwork served on the homeowner will include the correct form and an envelope.

If the case ends up in court, the homeowner can request mediation through a program run by the judicial system. If the consumer is already working with a housing counselor, the counselor may help the consumer prepare for mediation. A consumer requests mediation by filing a written response. A mediator will listen to both sides and make a recommendation to the court. If you can’t afford to keep the house, the mediation is a good time to explore alternatives.

If the homeowner loses the case and the court grants judgment to the lender, the homeowner has a 90-day redemption period. If they pay off the mortgage in full during these 90 days, they may keep the home. Once the redemption period expires, the lender has the right to evict them.

It’s important for consumers to take an active role in the process. If you have access to legal help, use it. If not, call the BCCP to have a counselor assigned. The goal of the program is to make sure you are treated fairly and to offer a modification if you can afford a reasonable repayment plan.



Garnishments and Judgments

A **judgment** is the official decision of a court at the completion of a lawsuit. When a civil suit relates to debt, the judgment will state how much the borrower owes. If the consumer is unable to pay off their debt, the judge may rule to enforce the judgment through orders to pay a certain amount weekly or monthly, or “turn-over” orders for personal property or bank accounts. Judges will not order consumers to pay amounts they cannot afford. If you owe money and can’t pay it, go to the court and explain why you can’t pay (*e.g.*, loss of employment or emergency medical expenses). If you are directed to go to court for a disclosure hearing and you fail to appear, that may be viewed as contempt of court, which can have serious consequences—including jail time.

When wages are **garnished**, a creditor deducts money from a debtor's paycheck. Garnishment is most often used for delinquent taxes and back-owed child support. Wage garnishment can be embarrassing, since it requires involvement by the debtor's employer. It's a violation of law for an employer to discriminate against an employee due to wage garnishment. In normal civil cases, garnishment can't occur unless the court orders a debtor to make regular payments to a creditor and debtor fails to do so.

If you're facing a court action, contact an attorney to discuss options before the situation escalates. Be proactive. Don't avoid the problem and don't miss scheduled court dates. Even if judgment has been granted, provide

information to the creditor and the court if you can't afford to pay the debt.

Title III of the federal Consumer Credit Protection Act limits the amount of money that can be garnished from a consumer's paycheck. Deductions the employee is legally required to pay (*i.e.*, taxes, unemployment insurance, Social Security payments) are protected from garnishment. However, deductions not required by law (*i.e.*, health insurance or union dues) are not protected. Federal law limits the amount of money that may be garnished per pay period to 25% of a debtor's disposable earnings or the amount by which the debtor's disposable earnings are greater than 30 times the federal minimum wage—whichever is lower. This limit applies regardless of how many garnishment orders an employer receives. If an employee nets \$600 a week, under the 25% formula, the maximum garnishment would be \$150 ($\$600 \times .25 = \150). Using the minimum wage formula, the maximum garnishment amount is \$382.50 ($\$600 - 30 \times \$7.25 = \382.5). Since the lesser amount is used for the maximum garnishment, the garnishment amount could be up to \$150. These formulas do not apply to child support orders.

Maine law is more protective than federal law on wage garnishment. In Maine, the most that can be garnished from a consumer's wages is 25% of the debtor's disposable earnings, or the amount by which the debtor's weekly disposable earnings exceed 40 times the federal hourly minimum wage - whichever is lower..

Most creditors can't get a garnishment order until they have obtained a court judgment

stating that a debtor owed them money. There are a few exceptions to this rule. Wages can be garnished without a court judgment for unpaid income taxes, court ordered child support, child support arrears and defaulted guaranteed student loans.

Non-wage garnishment, taking funds from a consumer's bank account, can also occur. If a debtor is not employed but has money on deposit, the debtor's bank account can be frozen and tapped into by the creditor. This sometimes occurs when a debtor owes money to state or federal government. The government does not need a court order to take your money. Separating exempt and nonexempt funds and unfreezing a bank account can take weeks or months, leaving the debtor with no access to saved money during that period.

Liens

Some debts are **secured** (*i.e.*, when a creditor holds a legal interest in something of value, called collateral, belonging to the consumer that can be sold to pay off the consumer's debt). Others are **unsecured** (*i.e.*, when the creditor doesn't hold an interest in property to ensure the borrower repays a debt). Secured creditors have a wider range of remedies available to them than unsecured creditors if a consumer defaults.

A **real estate lien** is a document filed with the Registry of Deeds. It prevents a debtor from selling specific property without first paying off a debt. Creditors can file liens against cars, office equipment or other personal property, as

well as homes and land. In Maine, the Bureau of Motor Vehicles and the Secretary of State's Uniform Commercial Code ("UCC") division maintain records of liens.

A **consensual lien** occurs when a consumer agrees to have a lien placed on personal property (*e.g.*, a car loan) or real estate. If the borrower falls behind on payments, the creditor can repossess the vehicle. There are two types of consensual liens. In **purchase-money security interest liens** a creditor extends credit to a consumer for the purchase of property which secures the debt. In **non-purchase-money security liens** the consumer volunteers property he or she already owns as collateral for a loan.

Statutory liens enable creditors to access consumers' assets to satisfy a debt. One type of statutory lien is a **mechanic's lien**. Mechanic's liens occur when a contractor or mechanic performs work on property and is not paid. If they file the correct paperwork, a lien will attach to the property and the owner will not be able to sell the property without satisfying the lien.

Local, state or federal government can place **tax liens**. Tax liens may occur in connection with unpaid property taxes, delinquent income and estate taxes.

**“Don’t let your mouth
write no check that your
tail can’t cash.”**

-Bo Diddley

Judicial liens are created when a court grants a creditor an interest in debtors' property. Judgment liens can occur in a variety of circumstances. If you lose a civil action in court, the court may order placement of a lien to ensure that the creditor gets paid. This happens at a **disclosure hearing**. At the hearing, the owing party must disclose any assets that could be used to pay the judgment. If the court determines that the debtor is able to pay, the judge can order garnishment of wages, seizure of bank accounts or placement of liens against the debtor's property. **Monetary judgments** filed in the Registry of Deeds act as liens on all real property in a county, without a court order.

A creditor cannot take everything you own to pay off a debt—the law allows certain exemptions. To learn about exemptions, talk to a lawyer, a legal aid clinic or a civil clerk at a courthouse.

Bankruptcy

Consumers facing serious debt problems may find filing for bankruptcy a necessary remedy. If the amount of debt is manageable, you should try to pay it off. Most consumers have access to two types of bankruptcy. In **Chapter 7 bankruptcy**, a bankruptcy trustee cancels many (or all) of a consumer's debts. The trustee may **liquidate** (sell) some of the consumer's property to repay their creditors. In

Chapter 13 bankruptcy, the consumer keeps their property but pays back some or all of their debts over a three to five-year period. Only **Chapter 13 bankruptcy** can stop a mortgage foreclosure. Chapter 13 bankruptcy allows debtors to catch up on missed payments over time while staying current on their regular monthly payments. Chapter 13 also protects nonexempt property from being seized.

Information about Chapter 7 and Chapter 13 bankruptcy remains on consumers' credit reports for ten years. The damage done by filing for bankruptcy depends on the condition of a consumer's credit. Consumers with poor credit aren't likely to see significant drops in their credit scores. Consumers with good credit, however, may see their credit scores fall several hundred points.

Bankruptcy is not a remedy for all financial issues. It doesn't eliminate secured debts, and cannot prevent creditors from repossessing property. It will never remove child support or alimony obligations, and rarely erases student loan debt. Eliminating tax debt through bankruptcy is not simple. Filing for bankruptcy will not wipe out non-dischargeable debts. If you file for Chapter 7, these debts will remain when your case is over. If you file for Chapter 13, these debts will have to be paid in full during your repayment plan.

**“Running into debt isn’t so bad.
It’s running into creditors that hurts.”**

-Unknown

Debt Collection Scams

Have you gotten a call from a person saying you owe money and need to pay up on an account you don't owe? If so, you may have been the victim of a debt collection scam. Since the summer of 2014, the Bureau of Consumer Credit Protection has gotten many reports from consumers about receiving these disturbing calls at their homes and workplaces.

Debt collection scams often begin as online payday loans and other unlicensed short-term credit products. Whether or not the consumer takes out a loan, collectors may call a few months later demanding repayment. The victim is often pressured to pay off the “debt” before it gets worse. The con artists are sometimes convincing enough to make consumers wonder if someone has taken out loans using their name. If the victim has outstanding debts, the collectors may inflate the amount owed, claiming interest and fees caused the loan’s principal to increase. Unlicensed debt collectors have no authority to collect money, even if the debt is legitimate. Here are a few tactics used by fake debt collectors:

1. Threatening immediate arrest or service of court papers.
2. Refusing to mail written validation of the debt.
3. Harassment—sometimes calling a dozen or

more times in one day or using profane and hostile language.

4. Refusing to provide the company’s address, his or her direct dial number, and their supervisor’s name and phone number.
5. Insisting that funds be “wired” through Western Union or MoneyGram, or demanding a prepaid debit/money transmission card and refusing to accept a mailed check. They sometimes ask for personal bank account information (*e.g.*, routing number and/or account number) to illegally debit funds from the account.
6. Refuse to provide a Maine debt collection license number, or saying they don’t need one to collect your debt.
7. Contact your friends, relatives or co-workers, telling them of the existence of this “debt,” and claiming you are in serious trouble.

Each of the above seven examples is a serious



violation of the federal Fair Debt Collection Practices Act (FDCPA)—which can land debt collectors in trouble with regulators in both the state and federal government.

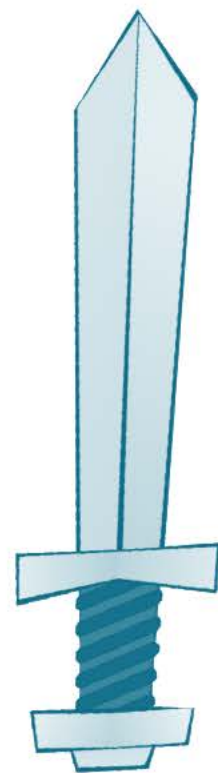
Licensed collectors should:

- Act politely and respectfully ;
- Offer to mail you evidence of debt if you ask for written validation;
- Accept checks in payment of the debt;
- Work with you in good faith to set up a reasonable repayment plan; and
- Provide their address, telephone number and Maine license number.

Phony debt collectors do not care about the FDCPA, just like burglars doesn't care if you have locks on your doors! Scam collectors bully consumers into wiring funds. Once wired, the money is gone. There is almost no chance of recovering it. Even worse, consumers who wire funds to pay non-existent debts often have their names added to suckers lists. Scammer may sell these lists to other criminals, who call knowing you already caved and sent funds when pressured. Before sending money, call the Bureau of Consumer Credit Protection (1-800-332-8529) to determine if a debt collector is licensed!

***“He mentally cursed the
vainglorious extravagance
which had put him in debt to
the money-lenders and made
him a pawn of scheming
politicians.”***

**Robert E. Howard,
“The Phoenix on the Sword”**



Glossary of Debt Collection and Credit Terms

Accounts Receivables: Money owed to a business for merchandise or services sold.

Accrued Interest: Interest that has accumulated since the most recent payment on a debt.

Alimony: A court-ordered action related to financial support offered to another partner in a situation involving divorce or separation.

Amortization: The liquidation of debt by installment payments

Annual Percentage Rate (APR): The total cost of credit expressed in a yearly percentage rate. The APR includes non-interest charges such as fees and mortgage points.

Arbitration: The resolution of debt involving a 3rd party.

Automatic Stay: An injunction that stops lawsuits, garnishments and foreclosures on the date the bankruptcy petition is formally filed.

Balloon Payment: A large payment due at maturity on a non-amortizing loan.

Bankruptcy, Chapter 7: A federal court action allowing debtors to liquidate assets in order to satisfy creditors.

Bankruptcy, Chapter 11: A federal court action allowing business debtors to attempt reorganization.

Bankruptcy, Chapter 13: A federal court action

allowing protecting some property from while debts are being reorganized.

Capitalization (of Interest): The addition of unpaid interest to the principal balance of a loan.

Cease Letter: A formal letter to a debt collector asking that collection contact be stopped.

Charge-Off: An accounting practice in which a creditor declares that a debt is unlikely to be collected.

Civil Action: A court action against a consumer.

Closed-End Credit: Generally, credit extended in a specific amount for a specific purpose, to be repaid in installments over a specific period of time (*e.g.*, a mortgage loan)

Collateral: A borrower's pledge of property in order to secure credit.

Collection Agency: A third party entity that attempts to collect on a consumer debt. Collection agencies may act as the agent of the original creditor, or may own debt by purchasing it from another creditor.

Commercially Reasonable Sale: The sale of a repossessed vehicle is considered commercially reasonable if the vehicle is auctioned or sold under normal circumstances in a recognized market.

Compound Interest: Interest charged on both the principal balance or a loan and previously accrued interest.

Consensual Lien: When a consumer voluntarily consents to placement of a lien on personal property or real estate.

Consumer Reporting Agency: See *Credit Reporting Agency*.

Contempt of Court: Behavior that opposes or defies the authority, justice, and dignity of the court (*e.g.*, failure to appear in court).

Credit Bureau: See *Consumer Reporting Agency*.

Credit Report: A detailed record of a consumer's credit history prepared by a consumer reporting agency.

Credit Reporting Agency: Any person or company that engages in the practice of assembling or evaluating consumer credit information or other information on consumer for the purpose of furnishing consumer reports to third parties.

Credit Score: A statistically-derived representation of a consumer's creditworthiness expressed in a number between 300 and 850. The higher a consumer's credit score, the greater their perceived creditworthiness.

Debt Load: The total amount a debtor owes.

Debt Settlement: When a borrower (or a hired agent of a borrower) negotiates with one or more creditors to lower APRs or the current loan's balance.

Debt-to-Asset Ratio: An indicator of financial leverage calculated as a borrower's total debts divided by the borrower's total assets.

Debt-to-Income Ratio: A fractional number used by lenders to gauge risk by dividing monthly debts by monthly income. Lenders use two types of ratios: the front-end ratio includes the total housing payment of principal, interest, taxes and insurance; the back-end ratio includes the total housing payment and all other debts.

Deed in Lieu of Foreclosure: An agreement to grant property to a lender instead of the lender proceeding with a foreclosure action.

Default: The failure of a debtor to make timely payments to a creditor.

Default Judgment: A binding judgement in favor of a party based on the failure to take action by a second party. In debt collection, this may occur if a debtor is summonsed to court and fails to appear.

Deferred Payment Date: When a lender agrees to let the consumer make a payment (mortgage, auto, credit card) after the scheduled payment day.

Deficiency Balance: The remaining amount of monies owed to a lender after repossessed or foreclosed property is sold at an auction.

Delinquency: Failure to make a payment on an obligation when due.

Disbursement: Loan proceeds paid to a borrower.

Discharge: An order given by a bankruptcy judge that pardons or extinguishes the remaining debts owed by the borrower.

Disclosure Hearing: A hearing at which the owing party will be required to disclose any assets that could be used to pay the judgment amount.

Finance Charge: Any fee representing the cost of credit.

Forbearance Agreement: A negotiated act of restraint by the lender to refrain from foreclosure in exchange for an agreement with the borrower to bring the debt current.

Foreclosure: The legal process of obtaining and selling a mortgaged property to recover the unpaid debt owed to the lender following default of the note by the borrower.

Grace Period: The period of time between the monthly payment due date and the date by which a late fee may be assessed. Maine law provides a grace period of 15 days before a creditor can charge a late fee.

Judgment: A court decision against a debtor.

Judicial Lien: Occurs when a judge grants a creditor a lien, or interest, in a debtor's property, which can be taken as repayment if a debt is not paid.

Late Fee: A fee imposed by a lender for payments made after a set periodic due date.

Lien: A form of security interest granted over property to secure the repayment of a debt. The word lien means literally, "to bind."

Mechanic's Lien: A lien that arises when a contractor or mechanic performs work on property and is not paid. Owners of the property cannot sell it until the debt is paid off.

Negative Amortization: When scheduled monthly payments are insufficient to satisfy the monthly accrued interest and reduce the principle balance. Negative amortization results in the form of a growing loan balance as opposed to a declining loan balance.

Negative Equity: When a borrower owes more money on a secured loan than the collateral will be worth when sold.

Non Purchase-Money Security Interest Liens A subcategory of consensual lien occurring when a creditor extends credit to a debtor who volunteers property as collateral.

Open-End Credit: A pre-approved loan account that may be drawn upon up to a set limit and that can subsequently be paid back prior to payment becoming due.

Past-Due Amount: The dollar amount a borrower is behind on a loan account.

Petition: In bankruptcy case, a document that initiates the bankruptcy process.

Post-Dated Check: A check that will not be drawn from an account until the future date written on the check by the user.

Principal Balance: The non-interest amount owed on a loan.

Purchase-Money Security Interest Lien: A subcategory of consensual liens occurring when a creditor extends credit to a debtor specifically for the purchase of the property that secures the debt (*e.g.*, a mortgage loan).

Real Estate Lien: A document filed in the Registry of Deeds preventing a consumer from selling their land or residence without first paying the amount of money listed on the lien.

Remittance Report: A document sent from a debt collector to a creditor showing the amount of funds collected on assigned accounts.

Repossession: The act of taking back an item pledged as collateral on a loan.

Right of Rescission: A consumer right provided by the Truth-in-Lending Act (REG Z) that allows borrowers a three day "cooling off period" during which they are able to rescind or cancel a loan transaction in cases where an interest in land is conveyed other than a purchase money mortgage. There is no right of rescission for auto purchases.

Right-to-Cure Notice: A notice, from a creditor to a borrower, notifying the borrower that they have missed a payment and informing them that the creditor may exercise their rights under the law, including repossession or the start of foreclosure, unless payment of all past-due amounts is made by a specified date. Right-to-cure notices remain effective for 12 months after the original date sent.

Satisfied: A court ordered payment on a debt which has been paid off by the consumer in an amount that is deemed to be acceptable.

Secured Loan: Loans in which a security interest in property is pledged.

Service of Process: When a debtor is formally served by a deputy sheriff or other person of authority to appear in court for an overdue debt obligation.

Set-Off/Off-Set: A contractual right a bank or credit union has to remove funds from a consumer/member's bank account to pay a past due loan amount at that same financial institution.

Short Sale: When a agrees to permit a borrower to sell property securing a loan for an amount that is insufficient to pay off balance of the loan.

Skip Tracing: An investigative tool used by debt collectors to find the new address and contact information of delinquent debtors that have moved without leaving forwarding addresses.

Simple Interest: An interest calculation based solely on the original loan amount.

Statute of Limitations: The maximum period of time parties have to initiate legal proceedings.

Statutory Lien: A lien enabling creditors to access a consumer's assets to satisfy a debt without the consent of the borrower.

Tax Lien: A legal claim on property for unpaid taxes.

Term: The payback period of a loan.

Time-Barred Debt: A debt that has passed the time threshold set by the Statute of Limitations.

Total of Payments: The total amount paid back on a loan, including interest and other charges.

Unbundled Services: Attorney services that only require the consumer to pay for legal assistance actually needed.

Unsecured Loan: A loan where no collateral is pledged.

Upside Down (Equity): When a consumer owes more on property than the property's appraised value.

Wage Garnishment: A court order to legally have a portion of a debtor's wages directed toward an outstanding debt.

Writ of Replevin: Court ordered repossession of an item offered by a borrower as security on a loan.

“Home life ceases to be free and beautiful as soon as it is founded on borrowing and debt”

-Henrik Ibsen



Cease Contact and Other Sample Letters

Consumers have the right to demand that a debt collector stop communicating with them. To accomplish this, a letter must be sent to the collection agency requesting all calls and/or mail communications to be stopped. There are other letters that a consumer may want to send to collection agencies, including letters to inform collectors that you have legal representation which require a collector to only make contact through your attorney, or that you are requesting that a debt be validated. You may also wish to use a letter to dispute the validity of a debt. Some examples of how these letters should look are on the following pages.

NOTE: The “Cease Communications” letter found on page 23 is not a cure-all. Some collectors who receive this letter will immediately cease collection due to the small size of the debt owed, or the fact they may have a hard time providing written validation of the debt. Some collectors will do the opposite, escalating the situation and hiring an attorney to take you to court.

Cease Communications Sample Letter

Debt Collector Name

Address Line 1

Address Line 2

RE: Account number: _____
 Original Creditor: _____

Dear _____:

Per my rights under the federal and state Fair Debt Collection Practices Act (USC §1692 *et seq.*, Section 805 c, Title 32 MRS §11001 *et seq.*), I am instructing your company, in writing, to cease its collection effort – by personal land-line and cellular telephone, correspondence, in-person meetings and any other forms of communications – with myself (my location information is contained in this letter), my relatives, my friends and my co-workers at my place of employment.

Please be advised that this is my formal FDCPA “Cease Communication” letter to you, and with this letter in place, I reserve the right to explore any available damages that the FDCPA provides to me, as a consumer, if your company continues collections communications with me about the above referenced account.

Please be advised that I am now keeping accurate records which may include: telephone logs, recorded telephone conversations, emails and general correspondence—and those dates received, to ensure an accurate accounting of the debt collection actions by your company in the post “Cease Collection” time period.

You may contact me by written correspondence once, as permitted by law, to tell me that you are ceasing collection communications on this account.

Sincerely,

Debt Validation Sample Letter

Debt Collector Name

Address Line 1

Address Line 2

RE: Account number: _____
 Original Creditor: _____

Dear _____:

I am sending this letter to you in response to a notice I received from you on *(date of letter)*. Be advised, this is not a refusal to pay, but a notice sent pursuant to the Fair Debt Collection Practices Act, 15 USC 1692g Sec. 809 (b) that your claim is disputed and validation is requested.

This is not a request for "verification" or proof of my mailing address, but a request for validation made pursuant to the above named Title and Section. I respectfully request that your office provide me with competent evidence that I have any legal obligation to pay you. Please provide me with the following:

- What the money you say I owe is for;
- Explain and show me how you calculated what you say I owe;
- Provide me with copies of any papers that show I agreed to pay what you say I owe;
- Provide a verification or copy of any judgment if applicable;
- Identify the original creditor;
- Prove the Statute of Limitations has not expired on this account;
- Show me that you are licensed to collect in my state and provide me with your license numbers and Registered Agent.

I have asked for this information because I have some questions. I need to hear from you to make an informed decision about your claim that I owe this money. I am open to communicating with you for this purpose. In order to make sure that I am not put at any disadvantage, in the meantime please treat this debt as being in dispute and under discussion.

In addition to providing the information requested above, please let me know whether you are prepared to accept less than the balance you are claiming is owed. If so, please tell me in writing your offer with the amount you will accept to fully resolve the account between us.

Sincerely,

Communication through a Lawyer Sample Letter

Debt Collector Name

Address Line 1

Address Line 2

RE: Account number: _____
 Original Creditor: _____

Dear _____:

I am responding to your contact about collecting a debt. You contacted me by [phone/mail] on [date] and identified the debt as [any information they gave you about the debt].

Please contact my lawyer about this debt, and do not contact me directly again. My lawyer's contact information is:

[Contact information for your lawyer].

Thank you for your cooperation.

Sincerely,

Disputing a Debt Sample Letter

Debt Collector Name

Address Line 1

Address Line 2

RE: Account number: _____

Original Creditor: _____

Dear _____:

I am responding to your contact about collecting a debt. You contacted me by *[phone/ mail]*, on *[date]* and identified the debt as *[any information they gave you about the debt]*. I do not have any responsibility for the debt you're trying to collect.

If you have good reason to believe that I am responsible for this debt, mail me the documents that make you believe that. Stop all other communication with me and with this address, and record that I dispute having any obligation for this debt. If you stop your collection of this debt, and forward or return it to another company, please indicate to them that it is disputed. If you report it to a credit bureau (or have already done so), also report that the debt is disputed.

Thank you for your cooperation.

Sincerely,

Publications

Be sure to check out other free booklets from the
Bureau of Consumer Credit Protection:

Downeaster Common Sense Guide: Credit Cards—Paper or Plastic? – This comprehensive booklet addresses credit cards: how they work, their responsible use, how to comparison shop for a credit card, when to pay cash, use a debit card charge on a credit card and what to do if you fall behind on your credit card payments.

Downeaster Common Sense Guide: Automobile Buying and Financing – From calculating “how much vehicle” you can afford, to vehicle research, shopping for the best APR and deciding on the best loan term for your needs, this booklet is a comprehensive guide to purchasing and financing a vehicle.

Downeaster Common Sense Guide: Gone Phishing – Identifying and Avoiding Consumer Scams – This guide is all about helping consumers defend themselves against being scammed. It details tactics and hooks used by scammers, offers advice to consumers so they can protect themselves, and explains how to report the scams to authorities.

Downeaster Common Sense Guide: Credit Reports and Credit Scores – Learn the basics of credit, gain insight into how credit reporting and scoring work, and discover the impact your credit has on your ability to borrow with this publication from the Bureau of Consumer Credit Protection.

Downeaster Common Sense Guide Finding, Buying and Keeping Your Maine Home – This guide is a resource for first time homebuyers, and provides an overview of the mortgage lending process, types of mortgage lenders and loans, and other related topics.

These guides are free to Maine residents. Out-of-state orders are \$6.00 each, or at a volume discount of \$4.00/copy on orders of 50 or more (shipping included).

To order, call 1-800-332-8529 (in-state) or 1-207-624-8527 (outside of Maine).

Consumer Protection Resources

Maine Bureau of Consumer Credit Protection	1-800-332-8529
Maine Bureau of Insurance	1-800-300-5000 TTY Maine Relay 711
Maine Bureau of Financial Institutions	1-800-965-5235 TTY Maine Relay 711
Maine Office of Aging and Disability Services	1-800-262-2232 TTY Maine Relay 711
Maine Office of the Attorney General (Consumer Hotline)	1-800-436-2131 TTY 1-207-626-8865
Maine Office of Professional and Occupational Regulation	1-207-624-8603 TTY Maine Relay 711
Maine Office of Securities	1-877-624-8551 TTY Maine Relay 711
Maine Public Utilities Commission (Consumer Assistance Division)	1-800-452-4699 TTY 1-800-437-1220
Maine Real Estate Commission	1-207-624-8524 TTY Maine Relay 711
Commodity Futures Trading Commission	1-866-366-2382
Consumer Financial Protection Bureau (CFPB)	1-855-411-2372 TTY 1-202-435-9742
Federal Reserve Consumer Hotline	1-888-851-1920
Federal Trade Commission Consumer Response Center	1-877-382-4357
Federal Trade Commission ID Theft Hotline	1-877-438-4338
(after dialing, press "0" to reach a live operator)	
Financial Industry Regulatory Authority (FINRA) Call Center	1-301-590-6500
Internet Crime Complaint Center (IC ³)	www.ic3.gov
National Credit Union Administration (NCUA)	1-800-755-1030
U.S. Department of Veterans Affairs	1-800-729-5772
U.S. Postal Inspection Office — Portland, ME Field Office	1-877-876-2455

NOTES

This book is not intended to be a complete discussion of all statutes applicable to consumer credit. If you require further information, consider contacting our agency or an attorney for additional help.

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Bureau of Consumer Credit Protection

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