

Good Morning!

I hope you all have had a great week. In last week's newsletter, I discussed the importance of Florida's accord and satisfaction law, and how this law can be used as an effective tool to reduce your debt.

[Florida Statute 673.311\(1\)](#) provides that if you have a debt and you notify the creditor in writing that the debt is subject to a bona fide dispute and that the provided payment is being provided in full satisfaction of the obligation, and the creditor cashes the check, *this is deemed a full discharge of the obligation, even if the payment is for less than the full amount due.*

Last week we discussed some tips for putting this into practice. This week I want to focus on the next step in this process: what to do if the creditor cashes the check, tendered in full satisfaction of the debt, but still tries to collect against you?

Remember, it is always advisable to consult with an attorney on things like this as there can be tricky exceptions and nuances to these laws. With that said, it's also important to remember that once you tender a payment and note that cashing it will be deemed a full satisfaction of the obligation, the creditor has 90 days under Florida law to return the check once it is cashed. If the creditor returns the money to you within 90 calendar days, the creditor can continue to try to collect the balance from you.

So how about this scenario:

Let's say you have a defaulted credit card that was turned over to collections. Let's just say it's XYZ Collections, Inc. XYZ keeps mailing you letters trying to collect this debt, saying you owe \$800.00. You write XYZ a letter, stating that negotiating or depositing the enclosed check for \$100 will be deemed a full satisfaction of the obligation. In the memo line of the check, you write "paid in full." The debt collector cashes the check, does not return it within 90 days, and then sends you another collection letter. What do you do then?

When our clients have been faced with these situation, we have filed suit against the debt collector for a declaratory judgment, declaring the debt to be fully satisfied, and also a suit for illegal collection under the [Florida Consumer Collection Practices Act](#). Once the debt collector cashed the check, tendered in full satisfaction, the debt collector had no basis to try to collect the balance, unless they returned your payment to you within 90 days.

If you find yourself in this situation, feel free to contact our firm as we handle these cases on a contingency-fee basis.

This strategy doesn't work every time, but my experience has shown that Florida's accord and satisfaction law can be an effective tool for debt reduction.

Thanks for reading and I hope you have a great Sunday.

Best,

Ryan Torrens, Consumer Litigation Attorney

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