

When a Debt Collector Calls

Say as little as possible.

Get the facts.

Have a pen & paper to write down information.

1. Answer the phone.
2. **“Who is calling, please?”**
3. **“Please send me verification of this debt.”**
DO NOT ADMIT TO ANY DEBT. Verify they have the correct address.
Wait for this to arrive before proceeding with any further conversation.

When you receive the verification:

Is the debt yours?

- If not, you can dispute the debt

Have 6 years passed in Michigan?

- If so, you can no longer be contacted about paying this debt.

Have 7 years passed?

- If so, this debt can no longer be reported on your credit report.

4. If you have verified this is your debt, next time they call:
**“I don’t know if this is my debt. Can you tell me more about it?
What would it take to settle it?”**
Even if the debt is yours, you DO NOT HAVE TO ADMIT TO IT.
5. Say: **“Can I get that settlement in writing?”**
6. Wait for documentation to be mailed, e-mailed, or faxed before providing any payment. Keep one copy for your records and send another copy with your payment to the collection agency.

Settling Debt Collections

Create a payment plan

Pros	Cons
You can create a payment amount and schedule that works for your budget.	Missing a payment can derail the plan.
Paying off your debt will help your credit report and credit score.	If your payment amount is unrealistic, a small emergency could blow up your budget.

Pay it off in one lump sum

Pros	Cons
Debt is gone in one payment.	Can be hard to pull together the money.
Paid-off debt helps your credit report and score.	Diverts money from other needs.

Settle the debt for less than you owe

Pros	Cons
You pay a lump sum that's less than originally owed.	Can be hard to strike a deal.
Faster than a payment plan.	Can look bad on credit report.
	Debt collectors might not hold up their end of the deal.