

Fear the Reaper: Don't Ignore Your Lawsuit

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I see it all the time. You get served with a [lawsuit](#) by one of the big debt buyers, [Midland Funding, Portfolio Recovery, or LVNV Funding](#). You have no idea who “[Midland Funding](#)” even is, so you brush it off. Maybe they have the wrong guy. So you do nothing.

Then, things are going well...a month goes by, you don't hear from anyone...maybe they dropped it. Then you get another legal document, this time in the mail. It says something about a “default”. Not sure what it is, but you ignored the last one and nothing happened. You decide to ignore it.

Then, you wake up one morning and your bank account has been drained or your go to work only to find out that 25% of your paycheck is being [garnished](#).

If you get sued, you must respond in writing or you risk the above scenario happening to you. Often when people are sued by debt buying companies they don't respond because they don't recognize the company suing them. They figure it must be a mistake and decide to do nothing. The problem is if you don't submit a response the court takes your silence as acquiescence. Essentially, the court thinks, “the allegations must be true, otherwise this person getting sued would have objected!”. So, they give companies like [Midland Funding](#) everything they ask for – whether you owe it or not, whether [Midland](#) can prove that it is owed or not.

When it comes to the lawsuits initiated by these companies that buy old debts, statistics show that more than 90% result in a default judgment. This means that the person being sued did not respond and the court gave them everything they asked for. Many times the creditor will sit on the judgment for a period of time -sometimes years – before they will try and collect. Once you get to that point it is very difficult to undo what has already been done.

What If a Default Judgment Has Already Been Entered?

If you are in a position where a default judgment has already been entered against you it is still worth your time to have an attorney look at your case. Depending on several factors it may be possible to have the judgment set aside and allow you to present your defense. This can be difficult to do, and it is always easier to present your defenses when the lawsuit is initially filed, but if you are dealing with a default judgment on a debt you don't owe you may be able to get the court to set it aside.

The main point of this article is, if you have been sued reach out to an attorney as soon as you can. You must act. The sooner you get the information you need to adequately defend the lawsuit the better. The sooner you react the better chance you may be able to defeat the lawsuit altogether. I offer a free consultation to those being sued in Arizona where we can evaluate your options and determine how my office can help you. Give me a call at (480) 420-4028 or shoot me an email at john@skibalaw.com .