

When Do I need an Attorney for a Creditor Lawsuit?

Whether you made a large purchase or had an emergency situation, a credit card is the go-to method of payment to help you pay off a debt little by little; however, with surging interest rates and daily expenses, it is not uncommon for consumers to fall behind on making payments. If you find out that you are being sued by a creditor or debt collection lawsuit, don't panic; work with an experienced debt settlement attorney to sort it out and get you free of debt!

A Debt's Life Cycle

If your debt has gone to collections, it means that the original creditor stopped trying to collect. The ownership of your debt has moved to a debt collection agency, which holds the same rights as the original creditor to collect on the debt. If you are so past due that even they give up, your debt may be sent to a debt collection law firm, in which case you'll receive a letter from the firm. Sometimes, the original creditor pays a debt collection company a portion of the amount collected from delinquent accounts and remains the owner of the debt.

Prior to provoking a lawsuit, you will generally receive a letter from the law firm that received your debt. Various state and federal rules regulate what kind of information and documents you must receive along with the letter. The letter usually states that the creditor has retained the law firm to represent them in collecting your debt. There is also a demand for payment, and a grace period of 30 days for you to dispute the debt in question, as well as instructions on how to do so.

The Complaint

A lawsuit over a debt begins when the creditor's attorney files a complaint with the court. This marks you as a defendant and states why you are being sued, what the creditor demands (reimbursement for the money owed, plus interest and attorney's fees). It is at this stage in the debt's life cycle that you should act quickly to acquire your own legal defense.

A knowledgeable attorney provides several benefits, including vast knowledge and understanding of the legal process involving debtors and creditors. An attorney like Heather Benveniste comprehends creditor rights in Illinois, and will work to protect your rights from start to finish. Lawyers are known for their negotiation skills, and with an attorney on your side, you can work out a settlement that would be preferable to facing bankruptcy.

Call Benveniste Law Offices at 1-(800)-497-5358 for a [free case evaluation](#). Get started on the road to a debt free life!