



News

David Schultz Analyzes in ARM Compliance Digest: Judge Grants MTD in FDCPA Class Action Over Settlement Offer in Letter

March 8, 2022

In the March 7, 2022 edition of the *ARM Compliance Digest*, Hinshaw partner David Schultz discusses the decision of a District Court judge in New Jersey to grant a defendant's motion to dismiss a Fair Debt Collection Practices Act class-action lawsuit after a plaintiff received a collection letter offering a 20 percent discount to settle a debt, but the discount applied to only one of the two payment plan options that were offered:

Pistone v Halsted reminds me of the quote – “No good deed goes unpunished.” This is another FDCPA case over a settlement letter. It seems a bit remarkable how many lawsuits are filed against collection agencies that offer discounts and flexible payment plans. In this instance, a fairly short settlement offer that included the *Evory* safe harbor language drew a class action lawsuit that alleged two 1692e claims, a 1692f claim and a 1692g claim.

The judge wrote a nice, tight twelve page opinion. For anyone who practices in the Third Circuit, it has an excellent discussion on how to analyze 1692e, f and g allegations. For instance, we've often seen plaintiffs allege that a letter is deceptive if it is subject to two interpretations, which was alleged in this instance. The court emphasized that those two interpretations must be “reasonable” and in this case the theory was not reasonable. This is a good Rule 12 victory.

[Read the full March 7, 2022 edition of the AccountsRecovery.net Compliance Digest.](#)

"Judge Grants MTD in FDCPA Class Action Over Settlement Offer in Letter," *ARM Compliance Digest*, March 7, 2022.

Attorneys

David M. Schultz

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