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Settling Payday Loan Debt by Julia Roger

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Nowadays more and more people are using the payday loan option for good effect to overcome their short-term monetary crisis. The process does have its own advantages in the sense that in using them, people can get loans within minutes without any sort of credit check.

However, the bad side of this form of transaction is the fact that they associate large annual percentage rates. Some ranges up to seven hundred percent of the borrowed sum. This often makes it more than difficult for borrowers to repay the money thereby trapping people in the tricky circle of credit defaults.

In such cases, the intelligent thing is to opt for a settlement rather than sitting and thinking what to do as with every single day, the problem is going to intensify. A short summary of the procedure of payday loan settlement has been listed below.

Firstly, inform the lender that you are presently not in a position to clear the payments. Unfortunately, with this notification, your account will be sent to some collection agency for verification.

Next, ask the collection agency to contact you only through writing. If they refuse, let them know that you are full aware of the consumer rights and therefore as par the national Federal laws, the agency is bound to follow a legal procedure in making transactions.

Inform the agency that you are willing to settle your payday debts. The agencies might try to threat you with necessary legal actions but does not panic as agencies generally never turn to the courts simply because it is not worth neither money nor time.

Hire a payday loan settlementcompany to negotiate with the collection agency. Hiring experts will not only make the task simpler for you but at the same time speed up the process.

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