



**SOTTILE & BARILE**  
ATTORNEYS AT LAW

**6<sup>th</sup> Circuit Clarification on FDCPA's  
Requirement to Cease Collection  
Activities After Dispute (February 5, 2019)**

On January 11, 2019, The US Court of Appeals for the Sixth Circuit, in an unpublished opinion, held that, once a debt collector receives a dispute letter from a debtor, the debt collector must stop all debt collection activities, including activities by a third-party that were initiated by the debt collector prior to receiving the notice of dispute.

In *Scott v. Trott Law, P.C.*, the debt collector, Trott Law, P.C., attempted to foreclose on Kevin Scott's mortgage, non-judicially, in the state of Michigan. Under Michigan's foreclosure by advertisement law, the debt collector must publish a notice of mortgage foreclosure sale for four consecutive weeks in a newspaper in the county of residence, the same notice is also posted on the residence. During the foreclosure process, the debtor sent a letter to the debt collector disputing the validity of the debt. The debt collector, thereafter, ceased all communication with the debtor and contacted its client to confirm the validity of the debt.

However, the notice of mortgage foreclosure sale was posted on the premises after the dispute was received and was also published 3 additional times after the dispute was received. The debt collector argued that it did not have a duty to discontinue the newspaper publication or stop the posting of the notice on the debtor's residence as these were actions taken by a third party. The Court ruled that the debt collector had a duty to contact the third party to cancel the sale, so as to stop the publication and posting of the notice. Since the debt collector did not affirmatively cease communication, the debt collector violated the FDCPA.

This case puts into context what it means to cease communication with a debtor after receiving a dispute letter. The debt collector must affirmatively cease communication, including stopping activities that attempt to satisfy the statutorily required elements of the foreclosure process.

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