

MISSISSIPPI
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What is a Default Judgment?

A party bringing a lawsuit (called the plaintiff) may seek a default judgment when a defendant (the person being sued) does not respond to the complaint or appear at the court hearing. Because of the defendant's failure to respond to the complaint or appear at the court hearing, the judge decides the case for the plaintiff without hearing the defendant's side. The defendant is found legally responsible because of the failure to respond to the lawsuit.

What to do if you get sued for a bill or contract or for money damages?

Gather & Verify Information

- Make sure the amount in the complaint (the legal pleading the person suing you filed with the Court) is for a debt you actually owe and is the correct amount.
- Collect all the information you have including:
 - bills from the original creditor
 - notices from the debt collector (letters, emails, etc.)
 - checks or receipts showing payments you have made
 - court documents

Consult legal help

- A lawyer can help you figure out if you have any defenses or legal reasons for not paying the bill and can tell you your options.
- If the lawsuit or amount owed is incorrect, the lawyer can help you figure out how to defend it.

Attend all court hearings even if you cannot afford a lawyer.

- It is important for you to attend all court hearings so you can tell your side and also give your legal defenses to the lawsuit.
- This may be a good time to work out a payment plan if you owe the debt. A default judgment has very negative effects on your credit, but a payment plan will probably not hurt your credit.

What to do if a Default Judgment has been entered against you?

Consult legal help

- A judgment may be reversed or "set aside" if good cause is shown. A lawyer can help you figure out if you have any defenses or legal reasons to get the judgment set aside.
- Examples of "good cause" for setting aside a default judgment include:
 - if you were not properly served with notice of the lawsuit,
 - if you will be "unduly prejudiced" by the entry of the default judgment,
 - fraud, misrepresentation, or other misconduct of an adverse party,
 - accident or mistake (sometimes the wrong person is sued),
 - if you have a valid defense to the allegations, or
 - it appears to the court that there is some other legitimate reason why the judgment should be set aside or varied.
- If the judgment is set aside, then you will probably have to defend the case as you would any other lawsuit.

What options do you have if you have a Default Judgment for a debt you do owe?

Settle the judgment

- If you believe that the judgment is correct, then you should contact the creditor to discuss payment options or settlement with them.
 - A creditor may agree to settle for less than the judgment amount.
 - Make sure you get the settlement in writing.
 - How much you will pay and when and
 - That the agreed upon amount will settle the debt in full.
- If you have no way to pay the Default Judgment, you may want to talk to a lawyer about bankruptcy.

What are the negative effects of a Default Judgment?

A Default Judgment may:

- Negatively impact your credit;
- Discourage landlords from allowing you to rent a home in the future; and/or
- Affect your job options if employers look negatively on default judgments on your credit report.