

Be careful of offers for a new credit card!

Last year I wrote about offers for credit cards that remove them from consumer protections provided by the "Card Act" of 2009 ([article](#)). This time I'm warning you about offers for credit cards that trick you into repaying debts that are older than the period for the statute of limitations.

Several companies are offering credit cards with all-but-hidden provisions that require you to pay all or part of an old debt, old enough that you're protected by the statute of limitations from being sued for it. These debt accounts are so old that the collection agencies involved probably bought them for pennies on the dollar and have now teamed up with a credit card issuer to get you to pay them, giving them a large profit. What's true about this?

- By agreeing to pay even a part of that old debt, you cause the period for the statute of limitations to start all over again. In California, the statute of limitations for credit card debt is four years (four years from the last action on the debt). If you sign that credit card application agreement, that period will start to run all over again, meaning that you can be sued for that debt just because you agreed to pay part of it.
- Paying an old debt, in part or in full, does not remove it from your credit report.
- Many of these cards also come with very high fees that are all but hidden.

So, as always, the rule is not to sign any credit agreement before reading it thoroughly and understanding the provisions.

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