

SCHAUM LAW OFFICES

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TO: MEMBERS OF THE LONG ISLAND JEWISH ORGANIZED MEDICAL STAFF

Welcome to the world of “ACCOUNT STATED-” an action at law which dates to medieval days and is still alive and flourishing in today’s everyday world of commerce and litigation.

A simple example – you agree to purchase a service or commodity from a party – you are displeased with the outcome – there is an oral confrontation – days or months later the bill arrives in the mail – you tear it up and throw it away. A word to the wise – you have a problem when you are sued and the simple words “ACCOUNT STATED” appears as the basis for the suit.

The law is well settled – and has been for literally hundreds of years – a bill which has not been challenged will be the successful basis for a victory in litigation. Yes – just one bill will suffice if you do not have proof that you have disputed the bill. Example – some years ago we were consulted by a preeminent architect who was shocked when he was sued by his former attorneys for an amount far in excess of what he believed to be reasonable. The complaint had merely stated the magic words we have been discussing. He was represented by counsel and had had a judgement returned against him in New York County. He insisted upon bringing an appeal and we did advise that he would lose, He would not back down and the appeal was unsuccessful. The Appellate Court asked us one question – do you have any proof you challenged the invoice?

In today’s world of commerce, it is not uncommon for items of debt to be rapidly sold to banks or other holders of paper. The holder in due course did not provide the service or item which was the foundation of the debt.

It is of vital importance to not only “voice: your complaint but put that “voice” in writing so that if and when you may be sued, you have a firm defense to the allegation of ACCOUNT STATED. A written proof of dispute will negate that portion of the complaint and deprive the party suing of an easy victory.

Respectfully submitted,
Schaum Law Offices