

#D-300

7/23/80

Memorandum 80-71

Subject: Study D-300 - Enforcement of Judgments (Satisfaction of Judgment)

Attached is a redrafted version of Division 5 (Satisfaction of Judgment) of the comprehensive statute.

The material has been worked over to make it consistent with other provisions of the statute. The material in Chapters 2 (acknowledgment of partial satisfaction of judgment) and 3 (acknowledgment of satisfaction of matured installments under installment judgment) is new and not previously considered by the Commission. The material needs careful study by Commissioners prior to the meeting.

Respectfully submitted,

John H. DeMouilly  
Executive Secretary

## SATISFACTION OF JUDGMENT

When a judgment is satisfied, the satisfaction needs to be brought to the attention of the court so that it can be noted in the court records. If the satisfaction is pursuant to a writ, the levying officer reports the satisfaction to the court when the writ is returned.<sup>1</sup> If the satisfaction is obtained other than pursuant to a writ,<sup>2</sup> the judgment creditor must file an acknowledgment of satisfaction with the court.<sup>3</sup> The proposed law continues this scheme.

In some cases an abstract of a money judgment will have been recorded with the county recorder to create a judgment lien on the judgment debtor's real property.<sup>4</sup> When the judgment is satisfied, the satisfaction needs to be made a matter of record with the county recorder in order to eliminate the cloud on title created by the judgment lien. For this reason, if an abstract of judgment has been recorded, existing law requires the judgment creditor to file with the court and deliver to the judgment debtor an acknowledgment of satisfaction within 30 days after satisfaction.<sup>5</sup> The acknowledgment lists the counties where an abstract has been recorded and advises the judgment debtor that the acknowledgment must be recorded in each such county in order to release the judgment lien.<sup>6</sup> The proposed law continues these provisions but requires the judgment creditor to file and deliver the acknowledgment immediately upon satisfaction rather than within 30 days.<sup>7</sup>

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1. See Sections 675(a), 683.
  2. The judgment may be satisfied, for example, through some other enforcement procedure, by full payment, or by acceptance of partial payment in full satisfaction.
  3. Section 675(a).
  4. Section 674. A certified copy of certain types of money judgments payable in installments may be recorded with the county recorder to create a judgment lien on real property. See Sections 674.5, 674.7.
  5. Section 675(b).
  6. Section 675(b).
  7. This change is consistent with the comparable provision of the small claims court law. Section 117.9 ("Immediately upon receipt of payment of the judgment, the judgment creditor or his assignee shall file with the court an acknowledgment of satisfaction of judgment.").

The existing law also includes a procedure that may be used where the judgment creditor fails or refuses to file or deliver an acknowledgment of satisfaction as required under the provisions outlined above.<sup>8</sup> Within 15 days after actual receipt of a demand from the judgment debtor or the owner of property upon which the judgment has become a lien, the judgment creditor must deliver an acknowledgment of satisfaction to the person making the demand.<sup>9</sup> The proposed law continues this provision. The proposed law also expands the provision to permit a demand that the judgment creditor file an acknowledgment of satisfaction with the court.

Existing law imposes a statutory sanction if the judgment creditor fails to comply with the demand within the 15 days allowed: The judgment creditor is liable to the person making the demand for all damages sustained by reason of the failure and also forfeits one hundred dollars to such person.<sup>10</sup> The same sanction also applies if the judgment creditor fails to file and deliver an acknowledgment of satisfaction as required in cases where an abstract of judgment has been recorded.<sup>11</sup> The proposed law limits the statutory sanction to the case where the judgment creditor fails to file or deliver the acknowledgment within 15 days after actual receipt of a demand in writing. The requirement that the judgment creditor fail to comply with a demand before the sanction is imposed is consistent with the comparable provision of the small claims court law<sup>12</sup> and will protect against imposition of the sanction where the judgment creditor inadvertently fails to file or deliver the

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8. The procedure may also be used where the judgment is satisfied pursuant to a writ. Existing law also permits the judgment debtor to apply to the court on noticed motion for an order requiring the judgment creditor to give an acknowledgment of satisfaction or requiring the court clerk to enter satisfaction without an acknowledgment. See Section 675(a). The recommended legislation permits such a motion only after failure of the judgment creditor to comply with a demand for the delivering or filing of an acknowledgment.
  9. Section 675(c).
  10. Section 675(c).
  11. Section 675(b). No statutory sanction is imposed under existing law for failure to file an acknowledgment of satisfaction with the court clerk as required by Section 675(a) in a case where no abstract of judgment has been recorded.
  12. Code Civ. Proc. § 117.9.

acknowledgment. The proposed law contains a provision to make clear that the elimination of the statutory sanction where no demand has been made will not affect the right to recover any damages or penalty the injured person is entitled to recover under other provisions of law.<sup>13</sup> The proposed law also adds a new requirement that the demand for the filing or delivery of an acknowledgment of satisfaction of judgment contain a warning of the consequences of failure to comply with the demand.<sup>14</sup>

The proposed law adds a new provision to permit a demand for delivery of an acknowledgment of partial satisfaction of judgment and to obtain a court determination of the issue if necessary. This provision will be useful where there is uncertainty or a dispute as to the amount remaining unpaid on the judgment. The provision also makes clear that the judgment debtor may obtain an acknowledgment that all payments that have become payable on an installment judgment have been paid.<sup>15</sup> Existing statutory law contains no provision for an acknowledgment of partial satisfaction, but there is some recognition in the judicial

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13. This provision is drawn from Section 675(h). The proposed law also continues the existing provision of Section 675(g) that the prevailing party is entitled to recover reasonable attorney's fees in a court proceeding brought to enforce the statutory requirements.

14. This warning will advise the judgment creditor that the law requires compliance with the demand within 15 days of receipt, that the judgment creditor will be required to pay the reasonable attorney's fees of the person making the demand if a court proceeding is necessary to compel compliance with the demand, and that the judgment creditor will be liable for all damages sustained by reason of the failure to comply and will also forfeit one hundred dollars if the judgment creditor fails without just cause to comply with the demand within the 15 days allowed.

15. Acknowledgment of satisfaction of matured installments will permit the judgment debtor to transfer real property free of the judgment lien created by the recording of a certified copy of certain types of installment judgments, such as a support judgment payable in installments, where the lien extends to matured installments but not to unmatured installments. For further discussion, see "Judgment Lien on Real Property" supra.

decisions of the right of the judgment debtor to obtain an acknowledgment of partial satisfaction.<sup>16</sup>

The provisions of the proposed law relating to satisfaction of judgment have been drafted to reflect the introduction in the proposed law of the new judgment lien on personal property. For example, the proposed law requires that an acknowledgment of satisfaction of judgment indicate whether a notice of judgment lien was filed in the office of the Secretary of State to create a judgment lien on personal property. This information will permit the judgment debtor to terminate the lien on personal property if it is has not already been terminated.

The proposed law does not continue the provisions of the existing statute dealing with judgments discharged in bankruptcy.<sup>17</sup> These provisions are unnecessary in view of the provisions of the federal Bankruptcy Act.<sup>18</sup>

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16. See *Campbell v. Southern Pacific Co.*, 22 Cal.3d 51, 583 P.2d 121, 148 Cal. Rptr. 596 (1978); *Kaplan v. Hacker*, 113 Cal. App.2d 571, 248 P.2d 464 (1952). See also Partial Satisfaction form for Municipal Court, Los Angeles County.

17. See Sections 675b, 675c.

18. See 11 U.S.C. § 514.

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DIVISION 5. SATISFACTION OF JUDGMENT

## CHAPTER 1. SATISFACTION OF JUDGMENT

§ 724.010. Satisfaction of money judgment

724.010. A money judgment may be satisfied by payment of the full amount required to satisfy the judgment or by acceptance by the judgment creditor of a lesser sum in full satisfaction of the judgment. The amount required to satisfy the judgment includes the accrued interest and the costs that are added to the judgment pursuant to Chapter 5 (commencing with Section 685.010) of Division 1.

Comment. Section 724.010 is drawn from language that was contained in subdivision (a) of former Section 675. See also *Yost-Linn Lumber & Finance Co. v. Bennet*, 116 Cal. App. 155, 2 P.2d 488 (1931) (part payment in full satisfaction); *Schwartz v. California Claim Service*, 52 Cal. App.2d 47, 125 P.2d 883 (1942) (part payment). Section 724.010 is not an exclusive statement of the methods for satisfying a money judgment. See, e.g., Section 431.70 and *Murchison v. Murchison*, 219 Cal. App.2d 600, 33 Cal. Rptr. 486 (1963) (use of judgment as setoff); *George S. Nolte Consulting Civil Engineers, Inc. v. Magliocco*, 93 Cal. App.3d 190, \_\_\_ Cal. Rptr. \_\_\_ (1979) (entry of satisfaction ordered where trial court determined that \$4,000 contingent liability could be disregarded since contingency would not occur); *Yanchor v. Kagan*, 22 Cal. App.3d 544, 99 Cal. Rptr. 367 (1971) (covenant not to enforce judgment).

## CROSS-REFERENCES

## Defined terms

Judgment creditor § \_\_\_\_\_

Money judgment § \_\_\_\_\_

§ 724.020. Entry of satisfaction of judgment

724.020. The court clerk shall enter satisfaction of a money judgment in the register of actions in the following cases:

- (a) When a writ is returned satisfied.
- (b) When an acknowledgment of satisfaction of judgment is filed with the court.
- (c) When the court orders entry of satisfaction of judgment.

Comment. Section 724.020 continues the substance of portions of subdivision (a) of former Section 675.

CROSS-REFERENCES

Acknowledgment of satisfaction § 724.060  
Court clerk's certificate of satisfaction § 724.100  
Court order that satisfaction of judgment be entered § 724.050  
Filing of acknowledgment of satisfaction §§ 724.030, 724.040  
Return of writ satisfied § \_\_\_\_\_

405/417

§ 724.030. Judgment creditor or assignee to file acknowledgment of satisfaction of judgment

724.030. When a money judgment is satisfied, the judgment creditor or assignee of record immediately shall file with the court an acknowledgment of satisfaction of judgment. This section does not apply where the judgment is satisfied in full pursuant to a writ.

Comment. Section 724.030 continues what appears to have been required under the second sentence of former Section 675(a). The requirement that the filing be made "immediately" upon the satisfaction of the judgment is drawn from Section 117.9 (small claims court). Section 724.030 does not apply where the judgment is satisfied pursuant to a writ because in that case the court clerk is required to enter satisfaction. See Section 724.020. For an additional requirement when an abstract of the judgment has been recorded to create a lien on real property, see Section 724.040. See also Section 697.640 (termination statement where lien on personal property created). As to the duty to file an acknowledgment of satisfaction of a small claims court judgment, see Section 117.9.

CROSS-REFERENCES

Acknowledgment of satisfaction  
Attorney's authority to give § 283  
Contents and manner of execution § 724.060  
Demand for filing § 724.050  
Defined terms  
Money judgment § \_\_\_\_\_

405/450

§ 724.040. Judgment creditor's or assignee's duty where abstract of judgment recorded

724.040. If an abstract of a money judgment has been recorded with the recorder of any county and the judgment is satisfied, the judgment creditor or assignee of record shall immediately do both of the following:



(a) File an acknowledgment of satisfaction of judgment with the court.

(b) Serve personally or by mail on the judgment debtor an acknowledgment of satisfaction of judgment.

Comment. Section 724.040 generally continues what appears to have been required under subdivision (b) of former Section 675. However, the former requirement that the acknowledgment be filed and served within 30 days after the judgment is paid in full has been replaced by the requirement that such filing and service be made immediately upon satisfaction of the judgment. The former 30-day period apparently was provided because the failure without just cause to file and serve within the time allowed resulted in liability for damages and forfeiture of \$100. See former Section 675(b). Under this chapter, the sanction is imposed only for failure to file or serve after a demand by the judgment debtor. See Section 724.050. This change makes Section 724.040 consistent with Section 724.030 and conforms to the procedure provided in Section 117.9 (small claims court). Section 724.040 applies whether the judgment is satisfied pursuant to a writ or by other means.

Section 724.040 requires service of an acknowledgment of satisfaction of judgment on the judgment debtor for two reasons: (1) To give the judgment debtor a list of the county or counties where the abstract of the judgment has been recorded and (2) to give notice to the judgment debtor that the acknowledgment of satisfaction of judgment or a certificate of satisfaction of judgment (see Section 724.100) must be recorded in each such county in order to release the judgment lien. See Sections 697.400 (release of judgment lien on real property) and 724.060 (execution of and information required to be included in acknowledgment of satisfaction of judgment). See also Section 697.640 (duty of judgment creditor to send termination statement to judgment debtor to terminate judgment lien on personal property).

CROSS-REFERENCES

Attorney's authority to give acknowledgment § 283

Defined terms

Money judgment § \_\_\_\_\_

Manner of service §§ 684.010-684.080

405/464

§ 724.050. Demand for filing or delivery of acknowledgment of satisfaction of judgment

724.050. (a) If a judgment has been satisfied, the judgment debtor or the owner of real or personal property subject to a judgment lien created under the judgment may serve personally or by mail on the judgment creditor or assignee of record a demand in writing that the judgment creditor or assignee do one or both of the following:

(1) File an acknowledgment of satisfaction of judgment with the court.

(2) Execute, acknowledge, and deliver an acknowledgment of satisfaction of judgment to the person who made the demand.

(b) The demand shall include the following statement: "Important warning. If this judgment has been satisfied, the law requires that you comply with this demand not later than 15 days after you receive it. If a court proceeding is necessary to compel you to comply with this demand, you will be required to pay my reasonable attorney's fees in the proceeding if the court determines that the judgment has been satisfied and that you failed to comply with the demand. In addition, if the court determines that you failed without just cause to comply with this demand within the 15 days allowed, you will be liable for all damages I sustain by reason of such failure and will also forfeit one hundred dollars to me."

(c) If the judgment has been satisfied, the judgment creditor or assignee of record shall comply with the demand not later than 15 days after actual receipt of the demand.

(d) If the judgment creditor or assignee of record does not comply with the demand within the time allowed, the judgment debtor or the owner of the real or personal property subject to a judgment lien created under the judgment may apply to the court on noticed motion for an order requiring the judgment creditor or assignee to comply with the demand. The notice of motion shall be served personally or by mail on the judgment creditor or assignee. If the court determines that the judgment has been satisfied and that the judgment creditor or assignee has not complied with the demand, the court shall either (1) order the judgment creditor or assignee to comply with the demand or (2) order the court clerk to enter satisfaction of the judgment.

(e) If the judgment has been satisfied and the judgment creditor or assignee of record fails without just cause to comply with the demand within the time allowed, the judgment creditor or assignee is liable to the person who made the demand for all damages sustained by reason of such failure and shall also forfeit one hundred dollars (\$100) to such person. Liability under this subdivision may be determined in the proceedings on the motion pursuant to subdivision (d) or in an action.

Comment. Section 724.050 provides a means whereby the judgment creditor or assignee of record can be compelled to file an acknowledgment of satisfaction of judgment in any case where the judgment has been satisfied, whether pursuant to a writ, by payment, offset, or other means. The other provisions of this chapter which require the filing of an acknowledgment of satisfaction of judgment are limited in scope. See Sections 724.030 (judgment creditor or assignee to file an acknowledgment of satisfaction of judgment if judgment satisfied other than pursuant to a writ), 724.040 (judgment creditor or assignee to file an acknowledgment of satisfaction of judgment if abstract of judgment recorded). Subdivision (e) provides a sanction if the judgment creditor or assignee fails without just cause to file within the time allowed after actual receipt of the demand.

Section 724.050 also provides a method whereby a judgment debtor may obtain an acknowledgment of satisfaction of judgment, whether or not one is required to be served on the judgment debtor under Section 724.040. In addition, the section provides a method whereby the owner of real or personal property subject to a judgment lien may obtain an acknowledgment of satisfaction of judgment.

Subdivisions (a) and (c) of Section 724.050 are drawn from the first portion of subdivision (c) of former Section 675. Subdivision (b) is new. Subdivision (d) of Section 724.050 supersedes the last portion of the second sentence of subdivision (a) of former Section 675. Subdivision (e) is drawn from the last sentence of subdivision (b) and subdivision (c) of former Section 675.

Section 724.050 continues the substance of subdivision (c) of former Section 675 and expands that provision--which provided for a demand for delivery of an acknowledgment of satisfaction of judgment to the person making the demand--to provide also for a demand for the filing of an acknowledgment of satisfaction of judgment and extends the provision to permit a demand to be made by the owner of personal property subject to a judgment lien. Section 724.050 also supersedes the last sentence of subdivision (b) of former Section 675 which imposed a sanction without the need for the judgment debtor to make a demand. A sanction is imposed under subdivision (e) of Section 724.050 only if a demand is made and the judgment creditor or assignee fails without just cause to comply with the demand within the 15-day period allowed. This change adopts the procedure provided in Section 117.9 (small claims court). The requirement that a demand be made protects against imposition of the sanction where, for example, the failure to file or deliver the acknowledgment is the result of an oversight on the part of the judgment creditor or assignee. But see Section 724.090 (other remedies preserved).

Section 697.640 (demand for termination statement to terminate judgment lien on personal property) adopts the enforcement-of-demand procedure provided by Sections 724.050-724.090. The remedy provided by Section 697.640 is in addition to the remedy provided by Section 724.050. See Section 697.640 and Comment thereto.

CROSS-REFERENCES

Acknowledgment of satisfaction of judgment § 724.060  
Attorney's authority to give acknowledgment §§ 283, 724.060  
Attorney's fees § 724.080  
Demand for acknowledgment of:  
    Partial satisfaction of judgment § 724.110  
    Satisfaction of matured installments § 724.220  
Demand for removal of erroneous judgment lien on:  
    Personal property § 697.660  
    Real property § 697.410  
Liability for requiring additional performance or payment § 724.070  
Manner of service §§ 684.010-684.080  
Other remedies preserved § 724.090

405/363

§ 724.060. Contents and manner of execution of acknowledgment of satisfaction of judgment

724.060. (a) An acknowledgment of satisfaction of judgment shall contain the following information:

- (1) The title of the court.
- (2) The cause and number of the action.
- (3) The names of the judgment creditor and the judgment debtor. If an abstract of the judgment has been recorded in any county, the judgment debtor's name shall appear on the acknowledgment of satisfaction of judgment as it appears on the abstract of judgment.
- (4) The date of entry of judgment and where it was entered in the records of the court.
- (5) A statement either that the judgment is satisfied in full or that the judgment creditor or assignee of record has accepted payment or performance other than that specified in the judgment in full satisfaction of the judgment.
- (6) A statement whether an abstract of the judgment has been recorded in any county.
- (7) If an abstract of the judgment has been recorded in any county:
  - (A) A statement of each county where the abstract of judgment has been recorded and the book and page of the county records where the abstract of judgment has been recorded; and

(B) A statement that the acknowledgment of satisfaction of judgment (or a court clerk's certificate of satisfaction of judgment) will have to be recorded with the county recorder of each county where the abstract of judgment has been recorded in order to release the judgment lien on the judgment debtor's real property in that county.

(8) A statement whether a notice of judgment lien has been filed in the office of the Secretary of State and, if such a notice has been filed, the file number of the notice and a statement that the acknowledgment of satisfaction of judgment (or a termination statement or a court clerk's certificate of satisfaction of judgment) will have to be filed in that office to terminate the judgment lien on personal property.

(b) The acknowledgment of satisfaction of judgment shall be made in the manner of an acknowledgment of a conveyance of real property.

(c) The acknowledgment of satisfaction of judgment shall be executed and acknowledged by one of the following:

(1) The judgment creditor.

(2) The assignee of record.

(3) The attorney for the judgment creditor or assignee of record unless a revocation of the attorney's authority is filed.

Comment. Section 724.060 supersedes portions of subdivisions (a) and (b) of former Section 675. The required contents of the acknowledgment of satisfaction of judgment are drawn from the official form approved by the Judicial Council. See Form for Acknowledgment of Full Satisfaction of Judgment (Form Approved by the Judicial Council of California, effective July 1, 1975). The reference to a notice of judgment lien on personal property filed in the office of the Secretary of State is new and will alert the judgment debtor as to the need to take action to terminate the judgment lien on personal property. As to the effect of an acknowledgment of satisfaction executed by the attorney, see *Wherry v. Rambo*, 97 Cal. App.2d 569, 218 P.2d 142 (1950).

#### CROSS-REFERENCES

Attorney's authority to give acknowledgment § 283  
Title of action, validity of paper if title is omitted or defective  
§§ 196, 1046

§ 724.070. Liability for requiring additional performance or payment

724.070. (a) If a judgment creditor or assignee intentionally conditions delivery of an acknowledgment of satisfaction of judgment upon the performance of any act or the payment of an amount in excess of that to which the judgment creditor or assignee is entitled under the judgment, the judgment creditor or assignee is liable to the judgment debtor for all damages sustained by reason of such action or two hundred fifty dollars (\$250), whichever is the greater amount.

(b) Subdivision (a) does not apply if the judgment creditor or assignee has agreed to deliver an acknowledgment of satisfaction of judgment to the judgment debtor prior to full satisfaction of the judgment in consideration for the judgment debtor's agreement either to furnish security or to execute a promissory note, or both, the principal amount of which does not exceed the amount to which the judgment creditor or assignee is entitled under the judgment.

Comment. Section 724.070 continues the substance of subdivision (d) of former Section 675.

## CROSS-REFERENCES

Attorney's fees § 724.080

Other remedies preserved § 724.090

§ 724.080. Attorney's fees

724.080. In an action or proceeding maintained pursuant to this chapter, the court shall award reasonable attorney's fees to the prevailing party.

Comment. Section 724.080 continues the substance of a portion of subdivision (g) of former Section 675.

§ 724.090. Other remedies preserved

724.090. The damages recoverable pursuant to this chapter are not in derogation of any other damages or penalties to which an aggrieved person may be entitled by law.

Comment. Section 724.090 continues the substance of former Section 675(h).

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§ 724.100. Certificate of satisfaction of judgment

724.100. (a) If satisfaction of a judgment has been entered in the register of actions, the court clerk shall issue a certificate of satisfaction of judgment upon application therefor and payment of a fee of three dollars (\$3).

(b) The certificate of satisfaction of judgment shall contain the following information:

- (1) The title of the court.
- (2) The cause and number of the action.
- (3) The names of the judgment creditor and the judgment debtor.
- (4) The date of entry of judgment and where it was entered in the records of the court.
- (5) The date of entry of satisfaction of judgment and where it was entered in the register of actions.

Comment. Section 724.100 is new. The certificate of satisfaction of judgment serves the same function as an acknowledgment of satisfaction of judgment and can be used, for example, where an acknowledgment of satisfaction of judgment cannot be easily obtained.

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CHAPTER 2. ACKNOWLEDGMENT OF PARTIAL SATISFACTION OF JUDGMENT

§ 724.110. Demand for delivery of acknowledgment of partial satisfaction of judgment

724.110. (a) The judgment debtor or the owner of real or personal property subject to a judgment lien created under the judgment may serve personally or by mail on the judgment creditor or assignee of record a demand in writing that the judgment creditor or assignee execute, acknowledge, and deliver an acknowledgment of partial satisfaction of judgment to the person who made the demand. If the judgment has been partially satisfied, the judgment creditor or assignee of record shall

comply with the demand not later than 15 days after actual receipt of the demand.

(b) If the judgment creditor or assignee of record does not comply with the demand within the time allowed, the judgment debtor or the owner of the real or personal property subject to a judgment lien created under the judgment may apply to the court on noticed motion for an order requiring the judgment creditor or assignee to comply with the demand. The notice of motion shall be served personally or by mail on the judgment creditor or assignee. If the court determines that the judgment has been partially satisfied, the court shall make an order determining the amount of the partial satisfaction and may make an order requiring the judgment creditor or assignee to execute, acknowledge, and deliver an acknowledgment of partial satisfaction of judgment in that amount to the person who made the demand.

Comment. Section 724.110 is a new provision that provides a procedure whereby the judgment debtor or owner of property subject to a judgment lien may obtain an acknowledgment of partial satisfaction of judgment or a court determination of the amount of partial satisfaction if the judgment creditor or assignee does not comply with a demand for an acknowledgment of partial satisfaction. Former statutory law did not provide for a similar procedure, but such a procedure was apparently allowed. See *Campbell v. Southern Pacific Co.*, 22 Cal.3d 51, 583 P.2d 121, 148 Cal. Rptr. 596 (1978); *Kaplan v. Hacker*, 113 Cal. App.2d 571, 248 P.2d 464 (1952). See also *Dallman v. Dallman*, 179 Cal. App.2d 27, 3 Cal. Rptr. 383 (1960) (motion to compel plaintiff to acknowledge partial satisfaction of terms of interlocutory divorce decree). Unlike the procedure for compelling the judgment creditor or assignee of record to deliver an acknowledgment of full satisfaction of judgment, Section 724.110 does not provide a sanction for failure to comply with the demand (compare subdivision (e) of Section 724.050) or for attorney's fees to the prevailing party (compare Section 724.080).

CROSS-REFERENCES

- Acknowledgment of partial satisfaction § 724.120
- Attorney's authority to give acknowledgment §§ 283, 724.060, 724.120
- Demand for acknowledgment of:
  - Full satisfaction of judgment § 724.050
  - Satisfaction of matured installments § 724.220
- Manner of service §§ 684.010-684.080



§ 724.120. Contents and manner of execution of acknowledgment of partial satisfaction of judgment

724.120. An acknowledgment of partial satisfaction of judgment shall be made in the same manner and by the same person as an acknowledgment of satisfaction of judgment and shall contain the following information:

(a) The title of the court.

(b) The cause and number of the action.

(c) The names of the judgment creditor and the judgment debtor. If an abstract of the judgment has been recorded in any county, the judgment debtor's name shall appear on the acknowledgment of partial satisfaction of judgment as it appears on the abstract of judgment.

(d) The date of entry of judgment and where it was entered in the records of the court.

(e) A statement of the amount received by the judgment creditor or assignee of record in partial satisfaction of the judgment.

(f) If an abstract of the judgment has been recorded in any county, a statement of each county where the abstract of judgment has been recorded and the book and page of the county records where the abstract of judgment has been recorded.

(g) If a notice of judgment lien has been filed in the office of the Secretary of State, the file number of the notice and a statement that such a notice has been filed.

Comment. Section 724.120 is adapted from Section 724.060 which prescribes the contents and manner of execution of an acknowledgment of full satisfaction of judgment.

CROSS-REFERENCES

Attorney's authority to give acknowledgment § 283

Manner of acknowledgment § 724.060

Persons who may execute § 724.060

Title of action, validity of paper if title is omitted or defective

§ 1046

CHAPTER 3. ACKNOWLEDGMENT OF SATISFACTION OF MATURED  
INSTALLMENTS UNDER INSTALLMENT JUDGMENT

§ 724.210. Definitions

724.210. As used in this chapter:

(a) "Installment judgment" means a judgment which has become a lien on an interest in real property under Section 697.320.

(b) "Matured installments" means the sum of all of the following:

(1) All amounts and installments that have matured under an installment judgment on or before the date specified in the demand for an acknowledgment of satisfaction of matured installments under an installment judgment.

(2) The interest that has accrued on the judgment on the date specified in the demand.

(3) The costs that have been added to the judgment on or before the date specified in the demand pursuant to Chapter 5 (commencing with Section 685.010) of Division 1.

Comment. Section 724.210 is included to provide a convenient reference to the installment judgments that constitute a judgment lien on real property under Section 697.320 (judgment for periodic spousal or child support, judgment against health care provider requiring periodic payments, and worker's compensation award judgment payable in installments).

§ 724.220. Demand for delivery of acknowledgment of satisfaction of matured installments

724.220. (a) The judgment debtor or the owner of real property subject to a judgment lien created under an installment judgment may serve personally or by mail on the judgment creditor a demand in writing that the judgment creditor execute, acknowledge, and deliver to the person who made the demand an acknowledgment of satisfaction of matured installments under an installment judgment.

(b) The demand shall include the following statement: "Important warning. If the matured installments on this judgment have been satisfied as of date specified in this demand, the law requires that you

comply with this demand not later than 15 days after you receive it. (The 'matured installments' are all amounts and installments that are due and payable on or before the date specified in this demand together with the accrued interest to that date and costs added to the judgment on or before that date.) If a court proceeding is necessary to compel you to comply with this demand, you will be required to pay my reasonable attorney's fees in the proceeding if the court determines that the matured installments have been satisfied and that you failed to comply with the demand. In addition, if the court determines that you failed without just cause to comply with this demand within the 15 days allowed, you will be liable for all damages I sustain by reason of such failure and will also forfeit one hundred dollars to me."

(c) If the matured installments have been satisfied as of the date specified in the demand, the judgment creditor or assignee of record shall comply with the demand not later than 15 days after actual receipt of the demand.

Comment. Section 724.220 is adapted from subdivisions (a)-(c) of Section 724.050. If real property is subject to a judgment lien, the acknowledgment of satisfaction of matured installments permits the judgment debtor or other owner to transfer the property free of the lien. See Section 697.400(b).

#### CROSS-REFERENCES

Acknowledgment of satisfaction of matured installments § 724.250  
 Attorney's authority to give acknowledgment §§ 283, 724.050, 724.260  
 Attorney's fees § 724.260  
 Damages and penalty for noncompliance § 724.240  
 Defined terms  
     Installment judgment § 724.210  
     Matured installments § 724.210  
 Demand for acknowledgment of:  
     Full satisfaction of judgment § 724.050  
     Partial satisfaction of judgment § 724.110  
 Effect of recording certificate § 697.400(b)  
 Manner of service §§ 684.010-684.080  
 Proceeding to compel compliance with demand § 724.230

§ 724.230. Proceeding to compel compliance with demand

724.230. If the judgment creditor or assignee of record does not comply with the demand within the time allowed, the judgment debtor or the owner of the real property subject to a judgment lien created under the installment judgment may apply to the court on noticed motion for an order requiring the judgment creditor or assignee to comply with the demand. The notice of motion shall be served personally or by mail on the judgment creditor or assignee. If the court determines that the matured installments have been satisfied as of the date specified in the demand, and that the judgment creditor or assignee has not complied with the demand, the court shall either (1) order the judgment creditor or assignee to comply with the demand or (2) make an order determining that the matured installments as of the date specified in the demand have been satisfied.

Comment. Section 724.230 is drawn from subdivision (d) of Section 724.050.

## CROSS-REFERENCES

Attorney's fees § 724.260

Defined terms

Installment judgment § 724.210

Judgment debtor § \_\_\_\_\_

Matured installments § 724.210

Determination of liability for damages and penalty § 724.240

Manner of service §§ 684.010-684.080

§ 724.240. Damages and penalty for failure to comply with demand

724.240. (a) If the matured installments on the judgment have been satisfied as of the date specified in the demand and the judgment creditor or assignee of record fails without just cause to comply with the demand within the time allowed, the judgment creditor or assignee is liable to the person who made the demand for all damages sustained by reason of such failure and shall also forfeit one hundred dollars (\$100) to such person. Liability under this subdivision may be determined in the proceedings on the motion pursuant to Section 724.230 or in an action.

(b) The damages recoverable pursuant to subdivision (a) are not in derogation of any other damages or penalties to which an aggrieved person may be entitled by law.

Comment. Section 724.240 is drawn from subdivision (e) of Section 724.050 and from Section 724.090.

CROSS-REFERENCES

Attorney's fees § 724.260

Defined terms

Matured installments § 724.210

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§ 724.250. Contents and manner of execution of acknowledgment of satisfaction of matured installments

724.250. (a) An acknowledgment of satisfaction of matured installments under an installment judgment shall be made in the same manner and by the same person as an acknowledgment of satisfaction of judgment and shall contain the following information:

(1) The title of the court.

(2) The cause and number of the action.

(3) The names of the judgment creditor and the judgment debtor.

The judgment debtor's name shall appear on the acknowledgment of satisfaction of matured installments as it appears on the certified copy of the judgment that was recorded to create the judgment lien.

(4) The date of entry of the judgment and where it was entered in the records of the court.

(5) A statement that the matured installments under the installment judgment had been satisfied as of a specified date.

(6) A statement of each county where the certified copy of the judgment has been recorded and the book and page of the county records where the certified copy of the judgment has been recorded.

(b) If any amount of child support provided in a support order has been directed to be made to an officer designated by the court pursuant to Section 4702 of the Civil Code or any other provision of law and such directive is set forth in the copy of the judgment that was recorded to create the judgment lien, or in a similarly recorded certified copy of

an amended or supplemental order, the acknowledgment of satisfaction of matured installments on the installment judgment is not effective and does not affect the judgment lien unless the acknowledgment is approved in writing by such designated officer.

Comment. Subdivision (a) of Section 724.250 is adapted from Section 724.120 which prescribes the contents and manner of execution of an acknowledgment of partial satisfaction of judgment. Subdivision (b) continues the substance of a portion of the second paragraph of former Section 674.5. Section 724.060 specifies the manner of execution and the persons who may execute.

CROSS-REFERENCES

Attorney's authority to give acknowledgment §§ 283, 724.060  
Defined terms  
    Installment judgment § 724.210  
    Judgment debtor § \_\_\_\_\_  
    Matured installments § 724.210  
Title of action, validity of paper if title is omitted or defective  
    §§ 196, 1046

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§ 724.260. Attorney's fees

724.260. In an action or proceeding maintained pursuant to this chapter, the court shall award reasonable attorney's fees to the prevailing party.

Comment. Section 724.260 is drawn from Section 724.080.