



*Receivables Management Association International is the nonprofit trade association that represents the interests of companies that acquire distressed asset portfolios on the secondary market. Founded in 1997 by a small group of companies to provide a forum to advance best practices within the industry, today RMAI has grown to represent over 625 companies across the nation. RMAI maintains a code of ethics and a national certification program in order to promote uniform industry standards based on best practices. RMAI is headquartered in Sacramento, California.*

## You've Been Contacted by a Collector, Now What?

RMAI believes proactive communications between consumers and collectors would greatly benefit both parties. RMAI would like to offer the following tips for consumers who are contacted by a collections company about a past due debt.

**Do not ignore the call or letter.** We understand that hearing from a collector is uncomfortable. But ignoring the call or letter can create even bigger problems. If you ignore repeated calls and letters, the collector may have the right to file a lawsuit seeking a judgment against you. This can cost you more time and money over the long run.

**Get all the facts first.** When a collector first calls or writes, get as much information as possible about the debt you might owe. Ask for the name of the caller, the collection company, the creditor, and the address and fax number for sending correspondence. Also, verify the amount owed on the account.

**If it is your debt, work out a plan.** If you recognize that this is your debt obligation, you might have the opportunity to arrange a payment plan with the collection company *that is less than the face value of the debt owed*. If you negotiate a repayment plan over the phone, ask the collector to send you the terms in writing.

**If it is not your debt, take proper steps to fix the problem.** In some cases, you might be a victim of identity theft. If you are a victim, you should immediately write a letter to the collection company and explain that you are a victim of identity theft. You should also complete the FTC's *Identity Theft Victim's Complaint and Affidavit* ([www.ftc.gov/bcp/edu/resources/forms/affidavit.pdf](http://www.ftc.gov/bcp/edu/resources/forms/affidavit.pdf)). The FTC also provides other resources to assist you in dealing with identity theft ([www.consumer.ftc.gov/topics/privacy-identity](http://www.consumer.ftc.gov/topics/privacy-identity)).

**Keep detailed documentation.** Through this entire process, maintaining a detailed paper trail will help you resolve any situation, whether it is your debt or if you are an ID theft victim.

**Understand your rights under the Fair Debt Collections Practices Act.** Collectors do have rights to call and ask for payment on past due debts, but consumers also have rights under the Fair Debt Collections Practices Act (FDCPA), which sets the national standard for collection activity. The FDCPA prohibits abusive collection tactics against a consumer and prohibits tactics that might invade a consumer's privacy. For more information about your rights under FDCPA, RMAI recommends you read the FTC's *Debt Collection FAQs: A Guide for Consumers* ([www.consumer.ftc.gov/articles/0149-debt-collection](http://www.consumer.ftc.gov/articles/0149-debt-collection)), or the Consumer Financial Protection Bureau's "*Ask CFPB*" blog on debt collection ([www.consumerfinance.gov/askcfpb/search?selected\\_facets=category\\_exact:Debt%20Collection](http://www.consumerfinance.gov/askcfpb/search?selected_facets=category_exact:Debt%20Collection)).

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