



debt from the initial sale by the charge-off creditor to each successive owner that when reviewed in its totality provides a complete and unbroken chain of title documenting the name, address, and dates of ownership of the creditor and each subsequent owner up to and including the Certified Company.

- (2) **Require All Industry Contracts to Contain Boilerplate Representations & Warranties** – Bolster data and document integrity by requiring the following representations and warranties to be included in the contracts of all future sales transactions:
 - (i) Seller is lawful holder of the accounts;
 - (ii) Accounts are valid, binding, and enforceable obligations;
 - (iii) Accounts were originated¹¹ and serviced in accordance with law;
 - (iv) Account data is materially accurate and complete; and
 - (v) Any account that was the subject of a consumer dispute while owned by the seller has been responded to or validated.

- (3) **Require Originators to Implement Rigorous Contractual Conditions for the Resale of Receivables** – Bolster data and document integrity by requiring originators to implement rigorous contractual conditions for the resale of receivables whereby the purchasing company must:
 - (i) Be a “Certified Professional Receivables Company”,
 - (ii) Be on the originator’s current approved buyer list, and/or
 - (iii) Meet specific requirements outlined in the contract.

- (4) **Be Open to New Technologies** – Bolster data and document integrity by being open to new technologies as they develop that enhance security such as, by way of example, document and data repositories/registries. Such technologies should be reasonably priced and widely available.

SUMMARY

Federal and state regulatory agencies and legislative bodies should resist pressure from outside special interest groups to upend over two centuries of free market transferability of property rights. Specifically, the government should reject any attempt to prohibit the resale of an entire asset class (i.e. accounts receivables) and should adopt fair, reasonable, and rigorous market protections, similar to those advocated by RMAI, designed to equally benefit both the consumer and business communities.

ABOUT RMAI

Receivables Management Association International (RMAI) is the nonprofit trade association that represents the interests of more than 550 companies that purchase or support the purchase of performing and nonper-forming receivables on the secondary market. RMAI’s Receivables Management Certification Program and its Code of Ethics set the global standard within the receivables industry due to its rigorous

¹¹ Warranty on “originated . . . in accordance with law” is only applicable to sales transactions involving originating creditors.



uniform industry standards of best practice which focus on the protection of the consumer. RMAI provides its members with extensive networking, educational, and business development opportunities in asset classes that span numerous industries. RMAI continually sets the standard in the receivables management industry through its highly effective grassroots advocacy, conferences, committees, taskforces, publications, webinars, teleconferences, and breaking news alerts. Founded in 1997, RMAI is headquartered in Sacramento, California.

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