



Receivables Management Association International (RMAI) and the Credit and Collections Industry Introduce Hardship Provisions for Consumers After COVID-19

Member companies will suspend collections activities for impacted consumers

Receivables Management Association International (RMAI), the nonprofit trade association that represents more than 550 companies that purchase or support the purchase of performing and nonperforming receivables on the secondary market, today announced new hardship provisions for consumers affected by the COVID-19 outbreak. PRA Group, Inc., Encore Capital Group, Inc., Cavalry Portfolio Services, LLC, Second Round, Plaza Services, The Bureaus, Inc., Razor Capital, Absolute Resolutions Corporation, Velocity Investments, Unifund, Crown Asset Management, Security Credit Services, FAM 360, and TrueAccord have agreed to support consumers using these terms.

In this time of uncertainty, the policies RMAI is adopting, and recommending others to adopt, include provisions to ensure we work appropriately and compassionately with consumers who are experiencing difficult life situations. To that end, we have committed to:

- Work with and be sensitive to consumers who encounter unforeseen circumstances.
- Temporarily suspend collection activities when a consumer demonstrates that he or she is experiencing significant financial hardship due to job loss or medical issues related to COVID-19. We do not require these requests be made in writing; we will honor oral requests in the same manner.
- Cease collection activities when we receive documentation indicating that the consumer's only source of income is from exempt sources, such as Social Security or

Supplemental Security Income benefits, and that the consumer has access to no other assets.

- Place collection holds with respect to the consumer, not only the account. In other words, all of the consumers accounts would be suspended, not just on an account by account basis.

The credit and collections industry would like to reassure you that prior to the COVID-19 health crisis, hardship programs were in place. Temporary and permanent suspension of collection activities are available for consumers because they are experiencing hardship. For example, consumers who are unemployed, seriously ill, or experience other life emergencies can be subject to a temporary or permanent hold on collections.

During the COVID-19 crisis, the credit and collection industry will continue to treat our consumers with empathy, dignity, and respect during this difficult time. We are taking significant measures to ensure that our businesses remain able to assist consumers with their needs. We are strongly encouraging all participants to adopt or enhance their current hardship policy to provide temporary hardship relief from collections for consumers who advise that they are impacted by COVID-19. These hardship programs allow consumers facing short-term setbacks to recover and stop continued collections for those facing permanent setbacks.

Consumer Hardship Contact Information

- If any consumer is experiencing a financial hardship due to the recent COVID-19 outbreak, we ask that they reach out to the consumer support departments of the creditor, collection agency or collection law firm engaged with them to report that they are impacted by COVID-19 and request a temporary cessation of collection activities.
- This early contact is important as it is critical to help consumers in need who are directly impacted by COVID-19 - through illness or job loss - and that this communication between debt collectors and consumers remains open, so that flexible repayment plans can be worked out, and consumers who need temporary hardship assistance can obtain that help.