



RMAI Consumer FAQ's:

The members of the Receivables Management Association International (RMAI) interact with consumers across the globe. We live in your communities; we support your local businesses; we employ your neighbors. We also manage the debts consumers owe for things they wanted to buy, things they had to buy and services they needed.

To that end, RMAI members want to help. If you are behind on your bills, wondering how to make ends meet, or being contacted by a debt collector, read on for answers to many of the most frequently asked questions (FAQs) by consumers.

FAQs

QUESTION: Can a debt collector show up at my home unannounced?

ANSWER: It's very uncommon and often unnecessary for a debt collector to visit your home. Most contact occurs through mail, phone, or electronic communications. However, in rare cases where a home visit is permitted under state or local law, collectors must follow all applicable rules, visit only during reasonable hours, and conduct themselves professionally. They are never allowed to enter your home without permission.

QUESTION: Are debt collectors trained professionals?

ANSWER: Yes. The receivables management industry includes a wide range of professionals, many of whom hold degrees, licenses, and certifications. Agencies often invest heavily in employee training to ensure compliance with federal and state laws, including the Fair Debt Collection Practices Act (FDCPA). Professional certification programs—such as RMAI's Certified Receivables Compliance Professional (CRCP)—require continuing education and uphold high ethical standards. Consumers benefit most when working with certified and reputable firms committed to fair and respectful interactions.

QUESTION: Why do creditors sell my account in the first place?

ANSWER: When an account becomes seriously past due, a creditor may choose to sell it to mitigate their loss. This practice allows the creditor to focus on servicing active accounts while transferring the ownership or management of the past-due balance to a third party. The debt itself

doesn't disappear—it simply means a new company now has the legal right to work with you to resolve it, often with more flexible repayment options than the original lender may have offered.

QUESTION: What rights do I have if a debt buyer contacts me?

ANSWER: Consumers have strong protections under federal and state laws. The Fair Debt Collection Practices Act (FDCPA) requires all collectors—including debt buyers attempting to collect—to treat you fairly, provide clear information, and avoid any behavior that's harassing or deceptive. You have the right to:

- Request written validation of the debt.
- Dispute the debt if it's incorrect or you do not recognize it.
- Request limited or no contact.
- Be treated respectfully and with transparency throughout the process.

QUESTION: How does a debt buyer have the right to collect my debt?

ANSWER: When a creditor sells your debt to a debt buyer, the debt buyer legally acquires the right to collect the debt as outlined in the original contract. This transfer is similar to someone buying a concert ticket from another person—they gain the legal right to use it. The debt buyer steps into the creditor's shoes to collect the owed amount.

QUESTION: Is it legal for a debt buyer to collect on a debt I didn't directly agree to with them?

ANSWER: Yes, it's legal. The debt can be sold if the original contract you signed with the creditor allows the transfer, sale, or assignment. State laws govern how these transfers occur, ensuring they comply with legal standards. Debt buyers are recognized as legitimate entities in the debt collection process.

QUESTION: Do I need to have an agreement directly with the debt buyer or collector?

ANSWER: No. The debt buyer assumes the right to collect when they purchase your account. What matters is that the debt buyer or collector provides you with a clear and complete validation notice—showing the current balance, the original creditor, and how to dispute the debt if necessary.

QUESTION: What if I don't remember the charges? Am I supposed to see a signed contract or charge slip?

ANSWER: No. A collector is not required to produce a signed contract or a copy of a charge slip. They must provide enough information to help you recognize the debt—typically including the name of the original creditor, the current amount owed, and the amount owed.

QUESTION: Can I negotiate a lower payment with a debt buyer?

ANSWER: Yes. Many reputable debt buyers offer flexible options and are open to negotiation. You can request a settlement for less than the full balance, a structured payment plan, or even a temporary hardship program. You can ask for the terms in writing before making any payments.

QUESTION: Are debt buyers just trying to take advantage of people?

ANSWER: No. Reputable companies in this industry operate under strict legal and ethical standards. In fact, their business depends on treating consumers fairly and resolving accounts in a way that benefits both parties.

QUESTION: Do debt collectors just want to sue consumers?

ANSWER: No, lawsuits are generally a last resort. Most collectors prefer to resolve accounts through communication and voluntary repayment. Regulatory agencies like the CFPB and FTC monitor the industry closely, and laws such as the FDCPA prohibit false or misleading threats of legal action.

QUESTION: Can a debt buyer sue me?

ANSWER: Yes, but only if the debt is valid, properly documented, and within the applicable statute of limitations. If you are sued, respond promptly—ignoring a court notice could result in a default judgment against you.

QUESTION: What happens if the statute of limitations has expired?

ANSWER: If the debt is outside the statute of limitations, the collector may still contact you—but they cannot sue or threaten legal action. Making a payment or acknowledging the debt could, in some states, restart the clock.

QUESTION: Can debt collectors report to credit bureaus?

ANSWER: Yes, provided the information is accurate and complies with federal laws such as the Fair Credit Reporting Act (FCRA). You have the right to dispute any item you believe is incorrect.

QUESTION: Can a debt collector call me at work?

ANSWER: Yes—unless your employer prohibits personal calls or you ask the collector not to contact you at work. Once notified, they must stop. Always put this request in writing if possible.

QUESTION: What if the collector keeps calling after I've asked them to stop?

ANSWER: This may be a violation of the FDCPA. Document all calls and consider submitting a complaint to:

- Consumer Financial Protection Bureau (CFPB)
- Federal Trade Commission (FTC)
- Your state attorney general's office

QUESTION: Why would a collector call my employer?

ANSWER: Only to verify your employment or locate you—not to discuss the debt. Discussing your debt with a third party, including coworkers or supervisors, is prohibited by law.

QUESTION: What if the debt is in collections, but I never agreed to a contract with the collector?

ANSWER: That's common. When a creditor sells a debt, the buyer obtains the legal right to collect based on the terms of the original agreement. A direct contract with the new company is not required. You still have the right to request debt validation and negotiate repayment terms.

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About RMAI

Receivables Management Association International (RMAI) is a nonprofit trade association representing more than 600 companies that purchase or support the purchase of performing and nonperforming receivables on the secondary market. More information about RMAI is available at www.rmaintl.org.