

Debt Collection Policy

Policy Statement

The purpose of this policy is to establish appropriate practices and procedures for employees, agents, and contractors involved in collecting student loan and other debt owed to Marywood University.

Federal and State Law

The federal government has adopted the Fair Debt Collection Practices Act (“FDCPA”). This Act creates guidelines under which debt collectors may conduct business, defines the rights of consumers involved with debt collectors, and provides penalties and remedies for violation of the FDCPA. The FDCPA applies to professional debt collectors only and not to creditors such as Marywood University.

Pennsylvania has adopted the Fair Credit Extension Uniformity Act (“FCEUA”). The FCEUA incorporates the provisions of the FDCPA, but, unlike the federal law, applies to both creditors and to debt collectors. Thus, the FCEUA establishes guidelines governing the debt collection activities of creditors, such as Marywood University.

The provisions of the FDCPA and the FCEUA establish good practices for debt collection activities which are incorporated into this Policy.

1. **Debt Collection Practices.** Marywood personnel and contracted agencies acting on behalf of the University shall conduct debt collection activities in a fair and reasonable manner and shall be entitled to use all lawful means in performing said duties. The following practices are required:
 - When calling for location information which includes place of abode, home telephone number, and place of employment, Marywood personnel and contracted agencies acting on behalf of the University must identify himself or herself, disclose his or her relationship with Marywood University, and state that he or she is attempting to confirm or correct location information. Marywood personnel and contracted agencies acting on behalf of the University may not state that the consumer owes any debt. Marywood personnel and contracted agencies acting on behalf of the University will not communicate with a person to secure location information more than once unless the person requested or Marywood personnel and contracted agencies acting on behalf of the University believes that the original information was mistaken and that the person now has correct location information. No communication may take place by post card, neither the envelope, nor letter, nor any other means of communication seeking location information may disclose that it is being sent for the purpose of collecting a debt. If the consumer has an attorney with regard to the debt, Marywood personnel and contracted agencies acting on behalf of the University may not communicate with anyone else concerning the debt unless the attorney fails to respond within a reasonable amount of time.
 - Identify themselves and notify the consumer, in every communication with the consumer, that the communication is from a debt collector, and in the initial communication that any information obtained will be used to effect collection of

the debt.

- Notify the consumer of their right to dispute the debt, in part or in full, with the debt collector within five (5) days of the initial communication with the consumer.
- Provide verification of the debt.
- File any lawsuit in a proper venue.
- Comply fully with all applicable provisions of the FDCPA and the FCEUA.

In its debt collection activities, Marywood personnel and contracted agencies acting on behalf of the University will not utilize any conduct the natural consequence of which is to harass, oppress, or abuse a person in connection with a debt collection. The following practices are prohibited:

- Contacting consumers by telephone outside of the hours of 8:00 a.m. to 9:00 p.m. local time.
- Failure to cease communication upon request: communicating with consumers in any way (other than litigation) after receiving *written* notice that said consumer wishes no further communication or refuses to pay the alleged debt, with certain exceptions, including advising that collection efforts are being terminated or that the collector intends to file a lawsuit or pursue other remedies where permitted.
- Causing a telephone to ring or engaging any person in telephone conversation repeatedly or continuously: with intent to annoy, abuse, or harass any person at the called number.
- Communicating with consumers at their place of employment after having been advised that this is unacceptable or prohibited by the employer.
- Contact consumer known to be represented by an attorney.
- Communicating with consumers after request for validation has been made: communicating with the consumer or the pursuing collection efforts *after* receipt of a consumer's written request for verification of a debt and *before* the consumer is provided with the requested verification or original creditor's name and address.
- Misrepresentation or deceit: misrepresenting the debt or using deception to collect the debt, including a debt collector's misrepresentation that he or she is an attorney or law enforcement officer.
- Publishing the consumer's name or address on a "bad debt" list.

- Seeking unjustified amounts, which would include demanding any amounts not permitted under an applicable contract or as provided under applicable law.
 - Threatening arrest or legal action that is either not permitted or not actually contemplated.
 - Abusive or profane language used in the course of communication related to the debt.
 - Contact by embarrassing media, such as communicating with a consumer regarding a debt by post card, or using any language or symbol, other than the debt collector's address, on any envelope when communicating with a consumer by use of mail or by telegram, except that a debt collector may use his business name if such name does not indicate that he is in the debt collection business.
 - Reporting false information on a consumer's credit report or threatening to do so in the process of collection.
 - Falsely implying that the Creditor is vouched for, bonded, or affiliated with the United States or any state.
 - Falsely representing that a sale, referral or transfer of any interest in the debt will cause the consumer to lose any claim or defense he or she may have.
 - Solicitation or acceptance of post-dated checks.
 - Depositing or threatening to deposit a post-dated check prior to the date on the check.
 - Charging any person for communications by concealing the purpose of the communication (for example, collect telephone calls).
 - Taking or threatening any non-judicial action such as seizure of property by Marywood personnel and contracted agencies acting on behalf of the University.
 - Communicating with a consumer regarding a debt by post card.
 - Using any language or symbol, other than the creditor's address on any envelope when communicating with a consumer by mail.
2. **Professional Debt Collectors.** Marywood, at its sole discretion, may choose to refer unpaid debt to professional debt collector(s). Before such action is taken, Marywood will enter into a written contract with said debt collector(s) setting forth the terms of the agreement between Marywood and said debt collector(s). Said contract shall require full compliance with the provisions of the FDCPA and the FCEUA by said debt collector(s).

3. **Training.** Marywood will provide appropriate training to all of its personnel engaged in debt collection activities. The training will include the requirements of the FDCPA and the FCEUA as well as this Policy.