

CODE OF CONDUCT OF TRADE  
RECEIVABLES MANAGEMENT  
ASSOCIATION- AMCC

Preamble:

AMCC mission stands for representing its members by various specific methods, nationally as well as internationally, and also to represent, promote, safeguard and ensure compliance of the trade receivables management activity in terms of collecting non-performing receivables and in terms of such receivables procurement, with the legal, regulatory and conduct norms unanimously accepted by the company; AMCC also undertakes the mission to ensure by its own members one fair treatment in line with the legal norms in force for those consumers who are insolvent, as well as to educate Romanian consumers in view of ensuring one efficient management of financial resources.

AMCC shall conduct its business by co-opting other legal entities involved in the receivables management business and carrying out activities that are part of such receivables management field, so as to become a renowned leader of this type of business. AMCC goal is to set up high quality and legal compliance standards in the receivables collection and procurement field, to support and educate consumers regarding the reasonable loan, consumption and debts management practices, to recommend various trade methods for duly securing and guaranteeing the receivables, as well as some adequate methods for the legal entities solvency assessment.

AMCC shall also be able to provide consulting services to its members as well as to consumers, upon the latter's due request to this end, in terms of the legal and accurate methods and the latter's consequences, in view of collecting trade receivables and the trade receivables – specific business, as part of its management business.

All AMCC activities shall be carried out in compliance with the Romanian law in force, as well as with the provisions of the present Code and of FENCA Code of Conduct.

## **Chapter I**

### **Art. 1 General principles**

- (1) Accuracy and transparency principle – The association members shall conduct receivables collection and procurement activities in an honest, accurate, transparent and professional manner, while being constantly concerned with complying with consumers' rights and interests and with the effective legal provisions in force.
- (2) Compliance principle – the Association shall hereby undertake to act while complying with the legal provisions in force, with professional ethics, as well as with the highest standards in the field.

- (3) Accurate information principle – Within the process of conducting the activity carried out by the association members, the latter shall fully and accurately inform the consumer on a free of charge basis, on any and all legal, contractual information or on any such information regarding the material situation in fact. The Association members' activity shall also consider that information regarding the specific consumer's status and any specific requirement brought up by the latter, as well as the reasonable premises regarding the consumer status – specific risks.
- (4) Business launching – the receivables collection agencies shall fulfill one vital function, supporting the national economy by collecting some significant amounts of money regarding those receivables having failed to be reimbursed, of the clients in the bank sector, or as related to the contractual relations whose consequence has been represented by debts in terms of clients in the trade field. Otherwise, the said amounts would fail to be recovered.

## **Art. 2 Definitions**

Subject to their use within the present Code of Conduct, the following terms and phrases shall have the following meanings:

- (1) Receivables collection activities – such deeds carried out under the law, so as to ensure the payment of due debts by the debtors, either natural persons or legal entities.
- (2) Receivables collection agent – any employee, agent or other distinct natural person, conducting receivables collection activities, as duly authorized and licensed by the receivables collection company.
- (3) Assignor – Any creditor transferring its right of receivable to any natural person or legal entity duly appointed as assignee, by virtue of one receivable assignment agreement.
- (4) Assignee – Any individual acquiring from the assignor the due capacity of a creditor in a pre-existing legally binding relation, by means of a receivable assignment act.
- (5) Assignment – The receivable assignment stands for the convention by which an assignor – creditor shall transfer to the relevant assignee any given receivable against any third party (art. 1566 of the New Civil Code).
- (6) Receivables – The creditor's due right to ask the consumer to fulfill his obligation to give a specific amount of money.
- (7) Creditor – the natural person or legal entity holding in patrimony any due receivable against the consumer.

- (8) Consumer – any natural person or group of such natural persons established under the form of associations, acting for purposes outside the latter’s trade, industrial or manufacturing business, either self-established or liberal.
- (9) Entity conducting the receivables recovery business – any legal entity, other than the initial creditor, conducting the receivable recovery business, as well as the business of collecting receivables from natural person or legal entity debtors, which activities are carried out on its own behalf or on behalf of the latter’s clients.
- (10) Debt – the amount owed to any creditor, whether a natural person or a legal entity.
- (11) Debtor – any consumer having the due obligation to give an amount of money, or to perform any service to another legal entity or natural person holding the capacity of a creditor.
- (12) Principal – any individual who, by virtue of a specific mandate agreement, shall grant due power of attorney to the agent in view of conducting various deeds on his own behalf and account.
- (13) Agent - any individual who, by virtue of a specific mandate agreement, shall get due power of attorney and shall duly undertake to do something, on the agent’s behalf and account.
- (14) Contracting party – this concept generically appoints the natural person or legal entity concluding any agreement on its own behalf.
- (15) Operating staff – the employees or collaborators of any entity recovering due receivables, including any collecting agents, who literally handle the receivables recovery process.

**Art. 3 Consumer communication principles**

- (1) Any entity conducting the receivables recovery business shall conduct its activities while maintaining constant contact with the relevant consumer, acting under the law, duly abiding by the legal consumer’s rights and by the professional ethics principles.
- (2) Any entity conducting the receivables recovery business shall duly abide by at least the following general principles, while communicating with the consumer, namely:
  - a) No use of any techniques likely to harass or abuse any individual for receivables recovery purposes;
  - b) No use of any threats or other aggressive techniques, in view of bringing any physical or psychological prejudices to the consumer or to any of the latter’s relatives, or as aimed at disparaging the latter’s reputation or property;



- c) No contacting of the consumer, within the process of recovering any receivable deriving out of any loan agreement, at the latter's job place, namely no contacting of the consumer's employer, unless one has initiated the legal action in court against the latter in due compliance with the legal dispositions in force;
- d) No contacting within the process of recovering any receivable deriving out of any loan agreement of any other individual but the consumer, the latter's legal successors, attorney in fact or in law, or the lender, or the lender's attorney at law or in fact.

**Art. 4 Identifying consumers' contact details**

- (1) Within the process of duly identifying consumers' contact details, one shall use its best efforts so as to ensure the acquired data and information are accurate.
- (2) Members shall ensure that any and all practices used within the identification process are transparent and compliant with the legal specific regulations prior to initiating any collecting activities.
- (3) One shall take the duly required and reasonable actions so as to ensure that the identified contact details belong to the consumer or that the same are duly related to the latter.
- (4) One shall try to check the details acquired from the Assignor / Principal regarding the latter's debtors by using one or several information sources, which might include any public and reliable databases or any home visits.
- (5) If the contact details prove to be inaccurate, one shall duly update any and all records subject to the new information acquired from institutions and / or authorities.

**Art. 5 Correspondence**

- (1) Any correspondence sent to any given consumer shall be forwarded at the latter's residence and / or domicile address, and / or eventually at any of the latter's correspondence address, if known (as the same has been supplied by the consumer, or as identified in the public or organized databases under the law), in one sealed envelope, with no signs or writing on it that would indicate the fact that such letter refers to the addressee's debt.
- (2) The above described restriction regarding the writings on the envelope, shall not apply to the sign, mark or graphic signs for the due identification of the entity conducting the receivables recovery business.

- (3) The first letter by which a consumer is summoned to make the due payment shall include a description of such debt (with the indication of any of the following information, provided on its availability: the agreement whose consequence the debt is; the initial creditor and the assignee, depending upon case, the receivable – related accessories), unless the legal provisions require the due communication of other further types of such information. The subsequent summoning letters shall only include that information that is required for the purpose of identifying the case file and the latter's stage, as well as the due updated amount of such debt.
- (4) In the event of any assignment of the receivables deriving from any loans contracted by consumers, the notice on the receivable assignment shall be forwarded with the due contents stipulated by the law and within the legal deadlines.

#### **Art. 6 Phone conversations**

- (1) Phone calls shall be made in due compliance with the legal provisions in force.
- (2) If possible, one shall comply with the consumer's requirements regarding any appointment of such phone calls or collecting visits, at any other times than as stipulated by the due legislation in force, save for the cases when the consumer's intent is that of avoiding any contact / conversation.
- (3) Conversations should take place in a polite manner, ensuring the safeguarding and lack of disclosure to third parties of any information on the consumer's payment obligations and the latter's personal details. When initiating a conversation, the collecting agent shall introduce himself, telling the name of the entity conducting the receivables recovery business that he represents, as well as the name of the due creditor on whose behalf he acts. In the case of those mandates with no representation purposes where one has agreed upon such method with the creditor, the collecting agent may introduce himself as acting directly on the creditor's behalf.
- (4) While having such conversation, the collecting agent shall explain the reason why he's having such conversation with the consumer, and he shall duly clarify any of the latter's concerns or reasonable questions.
- (5) While conducting such conversation, the collecting agent should establish the consumer's personal and financial standing, and he should gather the information which would enable him to make a decision as to the completion of such collection and on any subsequent collecting procedure.



- (6) The frequency of such phone call conversations with the consumer should not stand for a disturbing factor nor should it take the form of any harassment. The maximum number of phone calls should be 2 such phone calls per consumer contact week, unless there occurs any active negotiation with the consumer and save for those events when the consumer asks for his being called at different times.
- (7) Contacting the consumers over the phone may be carried out in-between 8:00 a.m. and 9:00 p.m. By way of exception, contacting those consumers having debts deriving from loans, may be exclusively done in – between 09:00 a.m. and 8:00 p.m.

**Art. 7 Collecting receivables in the field**

- (1) Field collecting agents may pay consumers a visit at the right time, namely in-between 8:00 a.m. and 9:00 p.m. at the address duly mentioned, so as not to disturb the latter in any way, save for the cases when the consumer asks for his being contacted at distinct times. By way of exception, visits to those consumers holding debts deriving from loan agreements may be exclusively done within the time range 09:00 a.m. and 8:00 p.m.
- (2) Field collecting agents shall be properly dressed in line with the activity they carry out.
- (3) While conducting the activities relating to the collection of receivables and talking to consumers, field collecting agents shall always show their identity deed and the due power of attorney issued by the entity conducting the receivables recovery business, based upon the authorizations expressly issued by the contracting party to such end; the receivables collecting agents shall also show the debt acknowledgement deed duly signed by the consumer (if any), the power of attorney for the due collection of such receivables and a due request for payment having been previously sent to the consumer.
- (4) If there are any other individuals than the consumer attending the receivables collection activities, and the consumer wishes for the agent to be discreet about it, any such request may be met, unless after due assessment of circumstances, one finds that the consumer is trying to mislead the agent or to avoid any conversation with him.
- (5) Any debates regarding the collection of receivables shall be held in a duly polite manner.
- (6) While having such debates, the field collecting agents shall explain to the consumer the purpose of their conversation and they shall clarify any eventual unclear matters or questions he may have regarding the debt.
- (7) While conducting such visit for collection purposes, the field collecting agents may act within the scope of the purpose of the authorizations they hold. If the debt shall be

recovered in cash, the agent is to issue a receipt for such cash, which shall bear the due stamp of the entity conducting the receivables recovery business.

- (8) If the consumer may wish to get information on the present Code of Conduct, the field collecting agents shall provide him with one free of charge copy of the same.

#### **Art. 8. Collecting receivables having been assigned under enforcement procedures**

- (1) Collecting those receivables having been assigned under enforcement procedures shall be carried out in compliance with the Civil Procedure Code provisions and with the other legal applicable dispositions, as effective.
- (2) In the case of any enforceable titles regarding such receivables whose amount does not go beyond 30.000 lei, the sale under enforcement procedure of the immovable asset holding the destination of a debtor's dwelling may only be done if one meets one of the following conditions, namely:
- a) The consumer has no other immovable assets that can be pursued or if he has such immovable assets that can be pursued, the same may not be capitalized, and the insolvent consumer fails to take any actions so as to amicably settle his debt.
  - b) The insolvent consumer has another dwelling and takes no action whatsoever so as to amicably settle his debt;
- (3) In order to avoid any doubt whatsoever one shall deem as such insolvent consumer taking no action to amicably settle its debt, the case when the latter on a cumulative basis:
- a) Shall fail to enter any written payment engagement within 3 months as of the initiation of the enforcement procedure or, depending upon case, as of the becoming effective of the Code in updated version, despite of his having been informed to this end by the receivables collecting entity;
  - b) Any amounts deriving out of the enforcement procedure by any other forms or as a result of any attempt to amicably settle the debt payment issue shall be less than 5 % of the receivable amount, within 90 days, as calculated from the due undertaking of the payment engagement under the enforcement procedure by means of a written payment engagement.
- (4) The provisions of point (3) shall not impede the receivables recovery entity to be active in terms of recovering such receivable by means of the other enforcement methods duly stipulated under the legal provisions in force.

- (5) The duty as to bringing proof regarding the fulfillment of the conditions under point (2) shall belong to the insolvent consumer.
- (6) The above described provisions shall also apply to those cases pending enforcement upon the updated Code's becoming effective, with the amendments agreed upon by the Association members, yet where the immovable asset has not been adjudicated yet.
- (7) Each and every Association member shall be under the liberty to individually deal with the social cases and he shall have the freedom to apply more advantageous conditions to any given consumer, in due compliance with his own rules and procedures.
- (8) The present article provisions shall bear legal effects within 30 days as of the deed being adopted by the Association members.

#### **Art. 8 Consumers' suggestions / complaints**

- (1) While making its first contact with the consumer, the receivables collecting company shall duly inform such consumer on the latter's rights and it shall supply such information upon each consumer's request to this end.
- (2) The entity conducting the receivables collecting business shall ensure the protection of any and all consumers' rights in due compliance with the legal norms in force.
- (3) The entity conducting the receivables collecting business shall have the duty to clarify together with the creditor or with the receivables assignor, subject to the agreement duly signed for the transfer of receivables, any and all consumer's complaints, while considering the current evolution and effects of such complaint, the provisions of the agreement concluded with the consumer and the regulations and agreements in force.
- (4) Any and all consumer's complaints shall be settled by the entity conducting the receivables collecting business within 30 days as of the due receipt of such complaints, unless the legal dispositions require a shorter term, subject to the nature of the relevant complaint.
- (5) If any such complaint fails to be settled within 30 days or within the deadline stipulated under the law, the entity conducting the receivables collecting business shall duly inform the consumer in writing on any grounds of such delay and they shall propose another distinct date for settling such complaint, which shall be settled within maximum 60 days as of receiving the initial complaint or, under the legal deadline, subject to the existing case.

- (6) If the consumer's complaint or charges / claims shall be denied, the entity conducting the receivables recovery business shall forward a written reply to the consumer, where it shall mention the grounds for such denial, as well as any eventual subsequent actions.
- (7) If one deems that the consumer's complaint is fair and grounded, any deviations or irregularities shall be remedied and, where applicable, any subsequent collecting actions should be ceased.

#### **Art. 9 Penalty interest, penalties and other accessories**

- (1) In case of receivable portfolios assigned to entities conducting the receivables recovery business, the latter may charge penalty interests, penalties and / or other accessories allowed under the due Romanian legislation in force.
- (2) In case of those receivable portfolios for which the entities conducting the receivables recovery business shall operate as agents for the latter's clients, the said penalty interest, penalties and / or accessories shall be applied in due compliance with the instructions received from the principal and subject to strictly complying with the law in force.

### **Chapter II**

#### **Art. 10 Personal Data and Information Protection**

- (1) Entities conducting the receivables recovery business shall be under the due obligation to protect the confidentiality and ensure the technical and legal support for any and all information acquired from the contracting parties, in terms of the negotiation, performance and running of the relevant Agreements. Entities should not use any such information for any other purposes but those they have been supplied for, or as per which the information has been made available, they shall not disclose or provide the same to any third parties whatsoever, unless any such disclosure is required for conducting the collecting activities, within the limits duly stipulated by the law (authorities, attorney's and legal consulting practices, courts of law, legal executors, etc.), or the consumer shall expressly ask for such fact.
  
- (2) Entities conducting the receivables recovery business shall be under the duty to protect the confidentiality and ensure the full protection of the consumers' personal data, both such data that are supplied to them in terms of the transfer of receivables, and the details made available in view of providing the receivables recovery services, as per the legal provisions in force, namely the (EU) REGULATION 2016/679 OF THE EUROPEAN PARLIAMENT AND COUNCIL regarding the protection

of natural persons, as related to the processing of the latter's personal data and the free traffic of any such data, and for the due abrogation of Directive 95/46/CE (General Data Protection Regulation), as well as any other national or European legislative norms in the field, which are to become effective within the process of running the relevant collecting business.

### Chapter III

#### Art. 11 Forbidden and unacceptable practices

- (1) Within the process of conducting the receivables collecting business, entities carrying out such receivables recovery business and individuals acting on their behalf shall not make use of any methods that breach upon the law, professional ethics or rules of good conduct. The following shall be duly forbidden:
- a) Using force, threats by any inexistent sanctions or by any other sanctions that cannot stand for the consequence of the consumer's deeds / facts or of any other actions threatening to prejudice the consumer's dignity.
  - b) Using any vulgar language or any other such terms likely to prejudice the consumer's dignity; using any impolite tone of voice.
  - c) Using any other methods aimed at harassing the consumer.
  - d) Disclosing any information on the debt and on the evolution of the receivables collecting activities to any unauthorized third parties.
  - e) Submitting or using any documents or letters which would falsely suggest that the activities are carried out by a court of law, or by any other government institution, or using any characteristic information belonging to or being drawn up for any such institutions.
  - f) Wilful direct supply of forged information on the debt, as well as of such information relating to the character, amount and legal status of such debt.
  - g) Supplying any false information on the status, qualification, expertise and professional attributions of the collecting agent, including in particular any unauthorized actions, on behalf of another distinct receivables collection company or supplying any inaccurate information on the qualification and attributions relating to legal professions.
  - h) Supplying any inaccurate information on the consequences of failing to reimburse the debt, among which any arrest or detention.
  - i) Accepting money by the collecting agent from consumers, without the agent's issuing the due receipt to this end.

- j) Direct or indirect procurement by any employee or natural person collaborator of the entity collecting such receivables, including by any of the latter's relatives or kinship up to the fourth rank included (for example purposes, without limitation to: husband / wife, children, parents, brothers / sisters, parents in law) and / or concubine, of the assets managed by the entity conducting the receivables recovery business where such employee or collaborator is hired, without any limitation to assigned receivables or real estate properties.

## **Chapter IV**

### **Art. 11 Obligation to register**

- (1) Entities conducting the business relating to the recovery of receivables deriving from loan agreements granted by credit institutions or non-bank financial institutions, both in terms of the receivables recovery activities, and in terms of the portfolio procurement activities, shall be under the due obligation to register in the competent authorities' books, by following the procedure and the registration rules and for the due reporting purposes, as drawn up by the latter and stipulated under the law. No entity failing to comply with the present obligation may be AMCC member

## **Chapter V**

### **Art. 13 Final provisions**

- (1) Any and all present Code of Conduct provisions shall be duly adjusted with AMCC constitutive documents.
- (2) The present code is duly established so as to provide for one thorough and clear-cut understanding of the basic conduct expected from each entity conducting the receivables recovery business and that is one AMCC member and from the latter entity's employees as well.
- (3) The Code has not been drawn up as one synthesis of AMCC policies or as one set of rules for each and every single case that AMCC members may be dealing with. Accurate decisions and professional ethics may not be substituted.
- (4) Each member shall ensure that all its employees are aware of the norms and legal legislation in force that are incidental in terms of receivables collecting business, as well as of the basic principles included within the present Code of Conduct. Moreover, each member shall be fully accountable for its own staff's actions or omissions.
- (5) Each member shall be under the due obligation to use only such means that are permitted under the law while conducting the procedure relating to the due notification and

- negotiation with the consumers and it shall show one such conduct that shall be compliant with and which shall match the due legislation in force and the relevant professional ethics.
- (6) Each member shall be under the obligation to use only such means that are permitted under the law within the process of conducting the procedure relating to the collection of receivables from legal entities and from the consumers of other goods and services than the ones under loan category, and it shall not show any conduct that is breaching upon the law in force and upon the due professional ethics.
  - (7) Each member shall have defined its own policy in terms of approaching the cases which it may deem as social cases subject to its own criteria and it shall take any and all adequate measures in view of enforcing and complying with the same.
  - (8) Members shall display one positive image of the entities conducting the receivables recovery business and of the latter's organization within the Association, whose goals and duties they shall duly promote.
  - (9) Members shall not engage in any acts of corruption or in any other such activities leading to corruption and any conflict of interests, and they shall not use any unfair competition practices or any non-competition practices either.
  - (10) Some entities conducting the receivables recovery business may find it useful or necessary to draw up some additional policies to the present Code provisions. Such action is allowed. However, any entity conducting the receivables recovery business and which holds the capacity of AMCC member shall not accept any practices contravening with the present Code of Conduct in force.
  - (11) According to Art. 12 of AMCC Bylaws, AMCC Association members may be sanctioned at a disciplinary level provided they fail to abide by the obligations written down in such Bylaws, or as established by the General Meeting or by the Board of Directors.
  - (12) Professional standards regarding the conducting of trade receivables management business shall stand for cumulative and binding requirements for the entire length of AMCC membership.

## **Chapter VI**

### **Art. 14 FENCA General Provisions**

- (1) National associations and the latter's members shall have the following obligations:
  - a) Operating under the laws and regulations in the countries they conduct their business activity in.
  - b) Abiding by any and all European and national laws on data protection.



- (2) National associations shall duly ensure that:
- a) Any and all requests and applications addressed to the Associations are rapidly and objectively settled.
  - b) Only those duly authorized agencies shall be accepted in the association.
  - c) There is one code of good practices designed for all members, and that the same shall be duly complied with by all association members.
  - d) There are some fundamental rules on contact in-between agencies, as well as in-between agencies and the latter's clients.
  - e) Members' agencies shall keep the confidentiality of any and all information relating to clients and debtors.
  - f) There is one adequate procedure for the settlement of complaints within the relevant associations, as related to debtors and clients, and that the latter's complaints shall be rapidly and accurately solved.

**Art. 15 FENCA member capacity**

- (1) Upon due request, member associations shall forward to FENCA management one copy of the latter's national code of conduct, duly accompanied by the proof as per which the associations' members are duly aware of and adequately apply such code provisions.
- (2) FENCA stands for the federation of national associations. It's only the National Association that can display the FENCA symbol, and not the independent agencies. If any such independent agency shall be directly affiliated to FENCA, then the use of symbols shall be allowed.