



AUSTRALIAN COLLECTORS &
DEBT BUYERS ASSOCIATION

31 July 2014

Mr Raj Venga
CEO & Ombudsman
Credit Ombudsman Service Limited
PO Box A252
Sydney South NSW 1235

By email: info@cosl.com.au

Dear Raj,

STAKEHOLDER CONSULTATION ON CREDIT REPAIR GUIDELINE

We refer to your email invitation dated 28 July 2014 inviting comment from stakeholders in relation to the proposal by Credit Ombudsman Service Limited (COSL) to limit access to its services by paid representatives acting on behalf of consumers.

Australian Collectors & Debt Buyers Association (ACDBA) was established in 2009 for the benefit of companies who collect, buy and/or sell debt. Our members represent the majority of the collection market in Australia. Membership is voluntary and open to all collectors and debt buyers. Of our members who are debt buyers and a holder of an Australian Credit Licence many are members of the External Dispute Resolution Scheme operated by COSL.

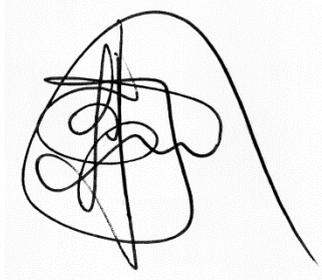
ACDBA fully supports the proposal of COSL to issue guidance such that it will no longer deal with a paid representative acting on behalf of a consumer, unless they are an exempt paid representative, being: a qualified legal practitioner; qualified accountant; specialist adviser (but only where the complaint is complex or involves a large sum of money warranting specialist representation); or guardian, trustee in bankruptcy or executor of the complainant.

We note this proposed prohibition would not prevent or affect access to COSL complaint processes by unpaid representatives of complainants such as community legal centres, financial counsellors and Legal Aid offices.

As we have previously discussed, there is a need for the proposed guidance to eradicate the abuse of the COSL complaint processes by “for profit” credit repairers. Without exception ACDBA members who are members of COSL report experience of spurious complaints being lodged by “for profit” credit repairers as a form of applying undue pressure upon the scheme member to agree to make changes to credit bureau records to amend/remove accurate listings on a consumer’s credit file so as to avoid the costs associated with a complaint proceeding.

Yours faithfully,

AUSTRALIAN COLLECTORS & DEBT BUYERS ASSOCIATION

A handwritten signature in black ink, appearing to be 'Alan Harries', written over a light grey grid background.

Alan Harries
CEO

Email: akh@imal.com.au