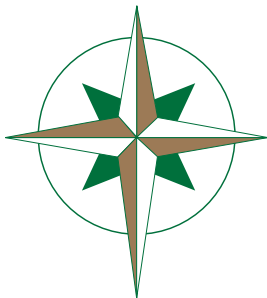




## UTILITY ACQUISITIONS



### Portfolio Recovery Associates, Inc.



*BY SELLING TO PRA, YOU  
CAN RECEIVE HIGHER  
VALUE, REDUCED COST,  
AND PEACE OF MIND  
FROM KNOWING YOUR  
CHANGE-OFFS WILL  
NEVER BE RESOLD.*

PORTFOLIO RECOVERY ASSOCIATES OFFERS A GREAT SOLUTION FOR UTILITIES CHALLENGED WITH MAXIMIZING THE VALUE OF THEIR CHARGED-OFF CONSUMER DEBT. WE UNDERSTAND YOUR RECEIVABLES MANAGEMENT NEEDS: CREATE A STRONG AND PREDICTABLE REVENUE STREAM FROM BAD DEBT, MINIMIZE COLLECTION COSTS, AND AVOID REGULATORY COMPLAINTS—ALL AT THE SAME TIME. SELLING YOUR DEBT TO PRA PROVIDES A SOLUTION FOR ALL OF THESE NEEDS. IF YOU'RE SEARCHING FOR A WAY TO MAKE A PROFOUND IMPACT TO YOUR BOTTOM LINE WITHOUT POST SALE STRESS, TALK TO PRA FIRST.

#### **Sell your charged-off accounts to PRA.**

We've been in the debt collection business since 1996, and since then we've purchased and collected nearly \$1.8 billion of utility and utility-related debt. Moreover, we've built a reputation for buying and collecting bad debt in a professional and highly compliant manner. Our specialized utility purchasing division is headed by a former utility executive with over 30 years of extensive experience in utility credit and collections. He also pioneered the purchase of utility debt from some of the largest utilities in the U.S. With our utility collection personnel who are well versed in the collection of utility accounts, our state-of-the-art collection systems, our compliant operations, and our financial strength, we've made it our mission to deliver a worry-free transaction from start to finish.

#### **Why sell charged-off accounts?**

- **Impact Bottom Line.** Selling your low value charged-off accounts results in cost-free revenue that enhances your earnings, provides working capital, and can ultimately have a positive influence on your stock value.

- **Surpass Goals.** Achieve departmental and corporate recovery goals while lowering costs. In most cases, recovery goals are met with a net reduction in expense budget.
- **Increase NPV.** By selling your debt, your recovery is obtained confidently, immediately, and inexpensively.
- **Administrative Savings.** Unlike a traditional collection agency, PRA will own the accounts, and will fully service them after purchase. Therefore, all issues related to the ownership of the accounts, i.e., customer inquiries, complaints, post-sale bankruptcies, etc., will be our responsibility—not yours. Personnel resources you previously assigned to this task can be reassigned to more productive work, or you can benefit from FTE reductions.
- **Improve Customer Relations.** By selling, you'll avoid having to deal with prior charged-off accounts when new service is requested, and will eliminate redundant charge-off's if a new service account for the same customer is not paid. Recovery and charge-off reporting statistics will no longer be skewed by multiple charge-off's for a debtor.



## UTILITY ACQUISITIONS

AT PRA, THE  
MINIMIZATION OF  
COMPLAINTS IS JOB  
ONE. WE WILL NEVER  
SACRIFICE YOUR  
CREDIBILITY FOR OUR  
PROFITABILITY.

### We offer price points for every situation.

PRA pricing is straightforward and is usually provided in a week or less, depending on information quality and deal size. We will provide you with an encrypted Internet file upload interface that assures the safeguarding of client information provided us. Purchases are non-recourse for all valid accounts, which ensures you'll receive the full value of the purchase price. And since we accept virtually any type of file of accounts, your work is kept to a minimum. Sale timing options include:

- **At charge-off**, in lieu of outsourcing accounts to a collection agency. Generally, at this point, our price will substantially exceed the value returned to the provider by a collection agency.
- **Post collection agency**—our most widely used price point. PRA will price accounts after your collection agency (or multiple agencies) has concluded its work. We purchase accounts up to ten years from date of charge-off.
- **Forward flow**. After mutually agreeing upon a predetermined price, PRA will purchase future accounts for a set period of time as long as the portfolio profile of accounts is relatively consistent to the base set of accounts. Bankrupt accounts may be purchased separately if there is a sufficient volume, in which case, the purchase price may in some circumstances be significantly higher than the purchase price for non-bankrupt accounts.

### We'll treat your reputation like it was our own.

At PRA, we take pains to treat your customers with the same respect you treat them with yourself. We also understand the absolute necessity of minimizing the potential for regulatory agency complaints. All PRA debt collectors must complete a six week training program and pass a comprehensive exam before being assigned to the collections team. Our collectors have been trained in utility collection protocols and have

been taught to use an empathetic approach to resolve account issues. In addition, each collector is monitored to ensure compliance with all federal and state laws regulating the collection of bad debt accounts. Any disputes over the validity of an account are handled by a separate unit that has received further specialized training in resolving these types of accounts. Additionally, our client relations team will immediately address any post sale issue or concern you may have.

### You won't find a more reputable firm to buy your utility bad debt accounts.

- PRA is publicly-traded on NASDAQ (PRAA), and was listed among *Forbes Magazine's* 2006 "Five Nasdaq Growth Stock Stars."
- *Business Week* magazine ranked PRA 63rd and 16th among the 100 Best Small Public Companies in America for 2007 and 2005, respectively.
- PRA is fully compliant with all debt recovery laws. Bankstocks.com named PRA's management team "Management Team of the year" in 2006.

### CONTACT INFORMATION

#### Joel Lewis

VP, Utility Acquisitions

Portfolio Recovery Associates, LLC  
140 Corporate Blvd.  
Norfolk, VA 23502  
Phone: 804-364-0195  
Fax: 804-360-1418  
jslewis@portfoliorecovery.com