

Press release

*Bucharest, November 2016*

**NBFI Employers' Organization (PCIFN) & statistic data as of June 30th, 2016**

The five founding members: Ferratum IFN S.A., IFN Extra Finance S.A., Telecredit IFN S.A., Viva Credit IFN S.A. and Zaplo IFN S.A. are announcing the foundation of the NBFI Credit Employers' Organization, a non-profit, private legal person, established on June 22nd, 2016, under the provisions of Law 62/2011 on Social Dialogue.

According to the Statute, the Employers' Organization is aimed to:

1. represent the interests of its members at national and international level, in order to increase the power of representation of the NBFI lending entities
2. promote co-operation relationships with public authorities, trade unions and other legal entities and individuals with whom the Organization interacts according to its goals
3. promote the activity developed by its members in order to improve their image and create a positive public opinion regarding their activities.

The NBFI Credit Employers' Organization represents the Non-Banking Financial Institutions from the General Registry, which sell as their main product the **short term, online credit** (offered through: phone, online, web etc.).

The members of the Employers' Organization propose building an action plan on the idea of assuming and promoting the Code of Best Practice, of principles such as: discipline, responsibility, accessibility, compliance, fairness, partnership and confidentiality, but especially on developing a consumer - lender partnership by supporting financial education programs. In order to implement a self-regulatory mechanism in applying the Code of Best Practice, PCIFN has initiated the establishment of the Consultative College - a structure with non-permanent character, without legal personality, aimed to make recommendations and non-binding opinions regarding the objectives and general directions of the PCIFN members' conduct in the consumer lending policy and in relationship with the Consumer. The

membership of the Consultative College is voluntary, thus it's members are not remunerated for their activity. The members of the Consultative College are Alin Iacob - President of AURSF (The Association of Romanian Users of Financial Services), Radu Rizoiu - Associate Professor at Law University in Bucharest, Ianfred Sielberstein - President of the Association of Legal Advisers within the Financial - Banking System.

From the **statistical point of view**, PCIFN members have financed during the first half of 2016 consumer credit contracts amounting 98 million Lei, granting a total of 180 048 contracts.

Taking into consideration the **loan amount**, 89% of the granted credits represent loans amounting up to 1,000 Lei, and 11% between 1001 and 2000 Lei.

„The NBFi Credit Employers' Organization was established due to the founders' need to consolidate the market within an entity that represents the consumer credit business, that defines and applies common principles of good practice by promoting responsible behaviour and discipline within NBFi consumer credit players. The Employers' Organization scope is to improve consumer's perception regarding the basic product which the members are offering: the short term, online credit. We live in a digital era where technology advances with faster steps than the legislative framework. Consequently, we aim to shape a self-regulatory framework, providing a normative adapting model to the economic reality. This is the essence of our Organization.” – said Ionut Stan, President of the NBFi Credit Employers' Organization.

PCIFN represents through its founder members approximately 5% of the total NBFi new financed NBFi consumer credit volumes and about 50% in terms of number of granted contracts.

Ionut Stan – President

The NBFi Credit Employers' Organization