

Rule 280.1. Definitions for Credit Card or Debt Buyer Collection Actions.

For purposes of a civil action subject to the requirements of this Part:

(a) “Affidavit” means an affidavit or a verification under Section 1-109 of the Code of Civil Procedure (735 ILCS 5/1-109).

(b) “Assignment” means a transfer of debt from the owner of the debt to the purchaser of the debt.

(c) “Charge-off balance” means an account principal and other legally collectible costs, expenses, and interest accrued prior to the charge-off date, less any payments or settlement.

(d) “Charge-off creditor” means the person or entity who extended credit to the natural persons involved in a consumer credit transaction on the charge-off date.

(e) “Charge-off date” means the date on which a receivable is treated as a loss or expense.

(f) “Consumer credit transaction” means a transaction between a natural person and another person in which property, service, or money is acquired on credit by that natural person from such other person primarily for personal, family, or household purposes.

(g) “Consumer debt” or “consumer credit” means money, property, or their equivalent, due or owing or alleged to be due or owing from a natural person by reason of a consumer credit transaction.

(h) “Credit card” means any instrument or device, whether known as a credit card, credit plate, charge plate or any other name, issued with or without fee by an issuer for the use of the cardholder in obtaining money, goods, services or anything else of value on credit or in consideration or an undertaking or guaranty by the issuer of the payment of a check drawn by the cardholder.

(i) “Debt buyer” means a person or entity that is engaged in the business of purchasing delinquent or charged-off consumer loans or consumer credit accounts or other delinquent consumer debt for collection purposes, whether it collects the debt itself or hires a third-party for collection or an attorney at law for litigation in order to collect such debt.

(j) “Debt buyer collection action” means a civil action in which the complaint seeks to recover on a consumer debt purchased by a debt buyer.

(k) “Original consumer debt” means the amount of the charge-off balance.

(l) “Payment” means any payment received by a charge-off creditor or a debt buyer, pre- or post-charge-off, that was not returned by the financial institution against which the payment was drawn.

(m) “Person” means any natural person or business entity of any kind, including but not limited to a corporation, partnership, limited partnership, limited liability partnership, or limited liability company.

(n) “Principal” means the unpaid balance of the amount borrowed in any consumer credit transaction, not including any interest, fees, or other charges.

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