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**REVENUE DISCOVERY SYSTEMS (RDS) AWARDS SMART
GOVERNMENT HONOR TO THE CITY OF BAYOU LA BATRE
Reducing total energy demand assures City that vital services will be
sustained**

BIRMINGHAM, Ala. – June 7, 2010 – Revenue Discovery Systems (RDS) announced today that its 2010 Smart Government Award recipient in the Small Municipality (population less than 15,000) category is the City of Bayou La Batre, Ala., for addressing a need for systematic energy conservation and fiscal responsibility. The awards recognize municipalities, counties and state agencies that are taking innovative steps to enhance growth, create cost savings and provide environmental benefits.

RDS is a wholly owned subsidiary of Portfolio Recovery Associates, Inc. (Nasdaq: PRAA). For more information, please visit www.revds.com.

Described as the “Seafood Capital of Alabama,” the small coastal city has taken many steps to create financial stability while reducing the total energy demand for the city. They have demonstrated their concern for the environment by creating a city-managed, efficient, solid waste collection and disposal program. The city also instituted a four-day work week and, with funding partially provided by energy conservation grant funds from the State of Alabama, will soon retro-fit the HVAC system at the 12,000-square-foot BLB Community Center.

Repeatedly devastated by damage from hurricanes and other weather-related events, the city has invested available federal recovery funds in replacement homes constructed to 140 mph wind load standards and elevation of two to four feet above storm surge levels. With support from FEMA, the city built 100 modular homes in the new “Safe Harbor” subdivisions. The Safe Harbor development is well above sea level and protected from destructive wind zones and storm surge areas.

“It’s great to see a city that has been through so much adversity not only come out of it stronger, but show other jurisdictions how to turn a negative into a positive,” said Kennon Wathall, president of RDS. “It is our pleasure to present the Smart Government award to the City of Bayou La Batre and its officials.”

The nominations for several different categories were approved and awarded by a committee comprised of educators, a policy researcher, an environmental conservationist, and a retired municipal employee. Those committee members included: Dr. Don-Terry Veal, executive director of the Center for Governmental Services, Auburn University; Tommy Pow, program manager at the University of Alabama College of Continuing Studies; Jim Williams, executive director of the Public Affairs Research Council of Alabama; Mike Moore, former revenue officer for the City of Opelika; and Adam Snyder, executive director for Conservation Alabama.

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“As a native son of the City of Bayou La Batre, I have seen these efforts provide extraordinary benefits to the citizens of this city,” said state Rep. Spencer Collier, who represents the 105th district in Mobile. “I am proud of the Mayor and City Council members for their tireless efforts to pursue the vision of a vital city with a zeal for a unique quality of life that is endowed by their diverse ancestral history of survival and emboldened by loving community spirit.”

About the Smart Government Awards:

The Smart Government Awards were developed by RDS to recognize innovative governments and efficient programs in Alabama. The Approval Committee evaluated nominees based on efforts to enhance growth and reduce waste in spending, time and resources, particularly in regards to the environment.

About RDS:

Based in Birmingham, Ala., RDS is a government services company providing revenue enhancement support services to state and local government in the areas of tax administration, revenue discovery & recovery, and compliance audit examination.

Each year RDS processes billions of dollars in business taxes, licenses and fees and has simultaneously discovered and recovered millions in unpaid revenues. For 30 years, RDS has been committed to delivering government solutions based on outstanding value, competitive pricing, exceptional customer service and compliance with the highest professional standards. RDS currently provides tax administration services for more than 450 state and local government clients and manages 700+ professional service contracts.

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