
GENERAL NOTICE

NOTICE 307 OF 2006

DRAFT NATIONAL CREDIT REGULATIONS, 2006

Draft National Credit Regulations to be published in terms of the
National Credit Act

FOR GENERAL PUBLIC COMMENT

Submissions to be submitted to

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Index

1. Draft National Credit Regulations
2. Credit Ministerial Notice in re thresholds in terms of the National Credit Act
3. Draft forms in terms of the National Credit Regulations

Published by the Department of Trade and Industry

NATIONAL CREDIT REGULATIONS, 2006

Index to Regulations

CHAPTER 1

INTERPRETATION AND APPLICATION OF ACT

1. Definitions
2. Application of Act

CHAPTER 2

REGISTRATION REQUIREMENTS, CRITERIA AND PROCEDURES

Part A

Registration requirements for all registrants

3. Application for registration
4. Disqualification of natural persons from registration
5. Conditions of registration
6. Review of conditions of registration
7. Certificate of registration

Part B

Cancellation of registration

8. Voluntary cancellation of registration

Part C

Debt Counsellor

9. Further criteria for registration as a debt counsellor

Part D

Compliance procedures

10. Appointment of inspectors and investigators
11. Notice to unregistered persons who are conducting registered activities
12. Compliance notice
13. Objection to notices
14. Administrative fines

CHAPTER 3

CONSUMER CREDIT POLICY

Part A

Credit Information

15. Retention periods for credit bureau information
16. Maintenance and retention of consumer credit information
17. Submission of consumer credit information to credit bureau

Part B

Consumer rights

18. Right to access and challenge credit records and information

Part C

Credit marketing practices

19. Required content for advertising practices
20. Required format for advertising practices

Part D

Over-indebtedness, reckless lending and debt counselling

21. Reckless lending
22. Application for debt review
23. Debt restructuring by court order
24. Clearance certificate

CHAPTER 4 CONSUMER CREDIT AGREEMENTS

Part A *Pre-agreement disclosure*

- 25. Pre-agreement disclosure for small agreements
- 26. Pre-agreement disclosure for intermediate or large agreements

Part B *Form of credit agreements*

- 27. Prescribed form for small agreements
- 28. Requirements for intermediate or large agreements
- 29. Unlawful provisions of credit agreement
- 30. Credit insurance
- 31. Disclosure of location of goods
- 32. Statement of account
- 33. Changes to interest
- 34. Consumer's right to rescind a credit agreement
- 35. Charges to other accounts

CHAPTER 5 INTEREST AND FEES

Part A *Interpretation*

- 36. Definitions

Part B *General stipulations*

- 37. Interest calculation
- 38. Levying and capitalisation of interest and fees

*Part C**Other fees, costs and charges*

- 39. Default administration charges
- 40. Collection costs
- 41. Other charges

*Part D**Interest applicable to different products*

- 42. Maximum rates of interest
- 43. Supplementary conditions on the application of the maximum initiation fee
- 44. Maximum service fee
- 45. Periodic review of limitation on fees and interest rates

CHAPTER 6**DISPUTE RESOLUTION**

- 46. Failed alternative dispute resolution
- 47. Initiating a complaint to the National Credit Regulator
- 48. Initiating application to the Tribunal
- 49. Notice of non-referral
- 50. Application for referral to a different consumer court or the Tribunal
- 51. Referral to the Tribunal

CHAPTER 7**RECORD- KEEPING AND REGISTERS***Part A**Record-keeping*

- 52. Records of registered activities
- 53. Time for keeping records of Credit applications and agreements

Part B
Registers

- 54. National record of registration
- 55. Register of marketing options
- 56. Register of agents
- 57. Identity card of agents

CHAPTER 8
COMPLIANCE AND REPORTING

Part A
Credit Provider compliance reports

- 58. Statutory reporting
- 59. Compliance report
- 60. Statistical return
- 61. Annual financial statements
- 62. Annual financial and operational return
- 63. Responsibility for assurance review
- 64. Assurance review

Part B
Debt counsellor compliance reports

- 65. Annual compliance report and statistical return by debt counsellor

Part C
Credit Bureau compliance reports

- 66. Annual compliance report by credit bureau
- 67. Quarterly synoptic report by credit bureau
- 68. Submission of periodic synoptic report by insurer

CHAPTER 9 TRANSITIONAL PROVISIONS

69. General preservation of regulations, rights, duties, notices and other instructions

CHAPTER 10 PRESCRIBED FORMS

70. Forms
71. Use of forms
72. Electronic submission of forms

Schedule 1

Schedule 2

Chapter 1 INTERPRETATION AND APPLICATION OF ACT

Definitions

1. In these Regulations, any word or expression defined in the Act bears the same meaning as in the Act and-
- “**debt counselling**” means performing the functions contemplated in section 86 of the Act;
- “**debt counsellor**” means a person who is required to be registered in terms of section 44 of the Act to perform the service of debt counselling;
- “**Ministerial Notice**” means a notice published by the Minister in the Government Gazette, in terms of the Act or these Regulations; and
- “**the Act**” means the National Credit Act, 2005 (Act No. 34 of 2005).

Application of Act

2. An application by the consumer in terms of section 4(1)(d) of the Act for approval of a credit agreement in terms of which the credit provider is situated outside the Republic, must be submitted to the Minister by completing Form 1.

CHAPTER 2**REGISTRATION REQUIREMENTS, CRITERIA AND PROCEDURES*****Part A******Registration requirements for all registrants*****Application for registration**

- 3.(1) A person who applies for registration in terms of section 45 of the Act must submit to the National Credit Regulator:
 - (a) A completed application in –
 - (i) Form 2, if applying for registration as a credit provider;
 - (ii) Form 3, if applying for supplementary registration as a provider of developmental credit;
 - (iii) Form 4, if applying for registration as a debt counsellor; or
 - (iv) Form 5, if applying for registration as a credit bureau.
 - (b) Any additional required documents, as set out in the relevant application Form; and
 - (c) The applicable filing fee as set out in Schedule 2.
- (2) A person who applies at the same time for registration as a credit provider and for supplementary registration as a provider of developmental credit must satisfy the filing requirements for both applications.
- (3) A person who applies for registration must provide any information required by the National Credit Regulator in terms of section 45(2) of the Act, within 15 business days after the request is delivered to the applicant.

Disqualification of natural person from registration

4. If a natural person who exercises general management or control over the registrant, whether alone or in conjunction with others, becomes disqualified from individual

registration in terms of section 46(3) of the Act, that person must provide the National Credit Regulator and the registrant with notification by completing Form 6 and submitting it within 30 business days of becoming disqualified.

Conditions of registration

5. The National Credit Regulator may propose any conditions on the registration of an applicant as contemplated in section 48(3) of the Act by delivering a notice contained in Form 7 to the applicant by hand or registered mail.

Review of conditions of registration

6. A registrant may request the National Credit Regulator in terms of section 49(1)(a) of the Act to review or vary any conditions of registration of the registrant by submitting:
 - (a) a completed Form 8.
 - (b) a required fee as set out in Schedule 2.

Certificate of registration

7. A registration certificate or duplicate registration certificate issued in terms of section 52(1) of the Act must be in Form 9 and must specify the information contained in section 52(2) as well as the following additional information:
 - (a) identity number of the registrant in the case of a natural person, or the registration number in the case of a juristic person; provided that in the case of a partnership, the words “trading in partnership” must be specified;
 - (b) registration number of the registrant issued by the National Credit Regulator;
 - (c) address of the premises in respect of which the certificate is issued;
 - (d) signature of the chief executive officer of the National Credit Regulator;
 - (e) certificate number;
 - (f) date on which the certificate was issued.

Part B
Cancellation of registration

Voluntary cancellation of registration

8. A registrant may voluntarily cancel its registration by submitting a completed Form 10 to the National Credit Regulator.

Part C
Debt Counsellor

Further criteria for registration as a debt counsellor

9. A person who applies for registration as a debt counsellor must meet the following further requirements-
- (a) Education:
 - (i) a Grade 12 certificate or equivalent Level 4 qualification issued by the South African Qualifications Authority; and
 - (ii) successful completion of a debt counselling course approved or accredited by the National Credit Regulator.
 - (b) Experience and Competence:
 - (i) a minimum of two years working experience in any of the following fields-
 - (aa) consumer protection, complaints resolution or consumer advisory service;
 - (bb) legal or para-legal services; or
 - (cc) accounting or financial services;
 - (ii) demonstrated ability to manage his/her own finances at the time of applying for registration.

Part D
Compliance procedures

Appointment of inspectors and investigators

10. The Chief Executive Officer of the National Credit Regulator must issue an inspector/investigator appointed in terms of section 25 of the Act with a certificate prescribed in Form 11.

Notice to unregistered persons who are conducting registered activities

11. A notice in terms of section 54(1) of the Act must be in Form 12 and contain the following information in addition to the requirements set out in section 54(3):

- (a) the provisions contained in the Act which require that the person or association be registered to engage in that activity;
- (b) the date of the notice;
- (c) the section of the Act in terms of which the notice has been issued, together with a description of the section; and
- (d) a statement of the right to object to the notice in terms of section 56 of the Act.

Compliance notice to registrants

12. A compliance notice issued in terms of section 55 of the Act must be in Form 13 and contain the following information in addition to the information set out in section 55(3):
- (a) the section of the Act in terms of which the notice has been issued, together with a description of the section;
 - (b) the date of the notice.
 - (c) a statement of the right to object to the notice in terms of section 56 of the Act.

Objection to notices to registrants

13. An application to review a notice issued in terms of section 54 or 55 of the Act must be in Form 14.

Administrative fines

- 14 (1) For the purposes of section 151(4)(b) of the Act:
- (a) the annual turnover of a credit bureau is the total amount of fees and income generated during the immediately preceding financial year in respect of activities relating to the National Credit Act undertaken by the credit bureau;
- (2) for the purpose of calculating the annual turn over of the previous financial year in respect of subsection 1 above, the National Credit Regulator will require the following information:
- (a) audited financial statements in the case of a juristic person;
 - (b) in cases where no such financial statements are available, the chief executive officer of the registrant is required to provide a statement to the Tribunal certifying the annual turnover of the registrant based upon all information available at the time that such a statement is made;
 - (c) in cases where no such financial statements are required by law, the statistical returns as set out in Regulation 60 will be used;

CHAPTER 3

CONSUMER CREDIT POLICY

Part A *Credit Information*

Retention periods for credit bureau information

15 (1) The consumer credit information to which the Table refers may be retained and displayed for a maximum period as indicated:

	Categories of Consumer Credit Information	Description	Period for which Information must be retained from date of commencement of the event
1.	Details and results of disputes lodged by consumers	Number and nature of complaints lodged and whether complaint was upheld, rejected or partially upheld	18 months
2.	Inquiries	Number of inquiries made on a consumer's record, including the name of the entity / person who made the inquiry and a contact person if available	3 years
3.	Payment Profile	Factual information pertaining to the payment profile of the consumer	5 years
4.	Adverse information	Qualitative information on consumer behaviour	1 year
5.	Debt Re-arrangement	As per section 86 of the Act, an order given by the Court or Tribunal	The earlier of 3 years or until a clearance certificate is issued
6.	Civil court judgments	Civil court judgments including default judgment	The earlier of 5 years or until the judgment is rescinded by a court or

			abandoned by the credit provider in terms of section 86 of the Magistrates' Court Act, 32 of 1944.
7.	Administrations Orders	As per the court order	The earlier of 10 years or until order is rescinded by a court
8.	Sequestrations	As per the court order	The earlier of 10 years or until rehabilitation order is granted
9.	Liquidations	As per the court order	Unlimited period
10.	Rehabilitation Orders	As per the court order	5 years

- (2) The date of commencement of the event for purposes of items 1 - 4 is the date of listing;
- (3) The date of commencement of the event for purposes of items 5 – 10 is the date on which the relevant order was given.

Maintenance and retention of consumer credit information

16.(1) Records of consumer credit information must be maintained in accordance with the following standards:

- (a) be identified by the consumer's identity number or passport number, or where no identity number or passport number is available for a particular person, any other reasonable method to identify the record;
 - (b) be collected, processed and distributed in a manner that ensures that the records remain confidential and secure;
 - (c) be protected against accidental, unlawful destruction and unlawful intrusion;
 - (d) be protected against loss or wrongful alteration, and
 - (e) be protected against unauthorised disclosure or access by any unauthorised person.
- (2) The credit bureau must take all reasonable steps to ensure that all records are kept up to date.

- (3) Consumer credit information relating to the following subjects may not be contained on the records of the credit bureau:
- (a) political affiliation;
 - (b) medical status or history;
 - (c) religion or thought, belief or opinion;
 - (d) sexual orientation, except to the extent that such information is self-evident from the record of the consumer's marital status and list of family members; and
 - (e) membership of a trade union, except to the extent that such information is self-evident from the record of the consumer's employment information.
- (4) The prescribed purposes for which a report may be issued in terms of section 70(2)(g), include:
- (a) an affordability assessment in respect of a consumer, other than an affordability assessment as required by section 79 of the Act, provided that the consumer has consented to such an enquiry being made;
 - (b) a credit assessment in respect of a consumer provided that the consumer has consented to such an enquiry being made;
 - (c) an investigation into fraud, corruption or theft, provided that the South African Police Service or any other statutory enforcement agency conducts such an investigation;
 - (d) fraud detection and fraud prevention services;
 - (e) considering a candidate for employment in a position that requires trust and honesty and entails the handling of cash or finances, provided that the specific consent of the candidate has been obtained in writing for an enquiry for such purpose to be made;
 - (f) an assessment of the debtors book of a business for the purposes of:
 - (i) providing insurance;
 - (ii) the sale of the business; or
 - (iii) any other transaction that is dependent upon determining the value of the debtors book;
 - (g) setting a limit of service provision in respect of any continuous service;
 - (h) assessing an application for insurance;
 - (i) verifying qualifications and employment;
 - (j) obtaining consumer information to distribute unclaimed funds, including pension funds and insurance claims;

- (k) tracing of a consumer by a credit provider in respect of a credit agreement entered into between the consumer and the credit provider, provided the consumer consented to such tracing at inception of the agreement;
 - (l) developing of a credit scoring system by a credit provider or credit bureau.
- (5) In addition to the consumer credit information contemplated in section 70(1) of the Act, a registered credit bureau may receive, compile and report only the following information in respect of a consumer:
- (a) payment history and status in respect of continuous services;
 - (b) information that is relevant for the purpose of credit fraud detection and prevention;
 - (c) payments made by a consumer in respect of a debt, where the debt has been ceded or sold by the credit provider to another party;
 - (d) information that is not related to the provision of consumer credit, provided that the consumer's consent has been obtained for the submit, compile and reporting of such information.
- (6) In addition to the sources of consumer credit information contemplated in section 70(2), a registered credit bureau may receive consumer credit information in respect of a consumer from any person, provided the originating source of the information is one of the following persons:
- (a) An organ of state, a court or judicial officer;
 - (b) Any provider of a continuous service as defined in the Act;
 - (c) A person providing long term and short term insurance;
 - (d) Entities involved in fraud investigation;
 - (e) Educational institutions;
 - (f) Debt collectors to whom book debt was ceded or sold by a credit provider.
- (7) The maximum fees that may be charged for assessing and inspecting any file or information as contemplated in section 72(1)(b)(ii) of the Act is set out in Schedule 2.

Submission of consumer credit information to credit bureau

- 17.(1) The information submitted to a credit bureau must contain information in respect of a consumer:
- (a) Initials, full names and surname;
 - (b) SA identity number or passport number and date of birth;

- (2) In as far as it is available, the following information should also be submitted to the credit bureau in respect of a consumer:
 - (a) Residential address and telephone number;
 - (b) Details of employer and place of work, if self employed or unemployed, a statement to that effect.
- (3) A credit provider must take reasonable steps to ensure that the information reported to the credit bureau is accurate, up-to-date, relevant, complete, not duplicated and valid.
- (4) A credit provider must give the consumer at least 20 business days notice of its intention to submit the following adverse information concerning that person to a credit bureau:
 - (a) classification of consumer behaviour, including classifications such as 'delinquent', 'default', 'slow paying', 'absconded' or 'not contactable';
 - (b) classifications related to enforcement action taken by the credit provider, including classifications such as handed over for collection or recovery, legal action, or write-off.

Part B ***Consumer rights***

Right to access and challenge credit records and information

- 18.(1) When a consumer requests a credit report it must disclose the same information that will be displayed to other parties when such report is provided;
- (2) If the accuracy of the consumer credit information has been challenged by a consumer in terms of section 72(3)(a) and (b) of the Act the person to whom the challenge has been made must take the steps set out in paragraph (a) and (b) within 20 business days after the filing of the challenge.
- (3) If the information is removed in terms of section 73(2)(b), the credit bureau must inform all parties to whom the information has been reported in the previous 20 business days about the inaccuracy as well as all other credit bureaus.

Part C ***Credit market practices***

Required contents for advertising practices

- 19.(1) If an advertisement refers only to the availability of credit, and no reference is made to costs, interest rates or monthly repayment, no further disclosure of cost of credit, interest rate percentage or monthly repayment is required.

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- (2) If an advertisement discloses only the interest percentage or the maximum and minimum rates where a range is applicable, and no reference is made to other costs of credit, no further information needs to be disclosed in cases of intermediate and large agreements, in cases of small agreements, service fees and initiation fees must be disclosed;
 - (3) If an advertisement, other than an advertisement referred to in sub-regulation (2), discloses a monthly repayment, or any other cost of credit, the advertisement must also disclose the following:
 - (a) amount payable;
 - (b) number of repayments;
 - (c) deposit payable, if any; and
 - (d) interest rate percentage;
 - (e) residual or final amount payable (if any)
 - (3) A statement of comparison of credit cost, as described in section 76(4)(d) of the Act must contain all the information as set out in sub-regulation (3), for each alternative being compared.
 - (4) If an advertisement discloses only the interest rate percentage or amount available that may apply to a transaction, and no other information set out in sub-regulation (3) is disclosed, and in the case of a differential interest rate being available, both maximum and minimum interest rates must be disclosed.
 - (5) If an advertisement is for specific goods to be purchased on credit, services to be rendered on credit or a specific amount of credit obtainable and reference is made to repayment amounts or cost of credit, all the information as contained in sub-regulation (3) must also be disclosed.
 - (6) Any of the following statements or phrases, or any wording that has substantially the same meaning, may not form part of any advertisement or direct solicitation for credit -
 - (a) "no credit checks required";
 - (b) "blacklisted consumers welcome";
 - (c) "free credit"
 - (7) If any of the following qualitative statements to the cost of credit or any wording that has substantially the same meaning, is made:
 - (a) "cheap credit";

(b) “affordable credit”;

(c) “low cost credit”

specific information as required in sub-regulation (3) or a range of interest rate credit as set out in sub-regulation (4), must be made.

- (8) A direct solicitation may not contain the expressions “loan guaranteed”, “pre-approved” or similar statements except when the credit granted is not subject to any credit assessment after acceptance by the consumer.

Required format for advertising practices

20.(1) The information required to be disclosed in terms of regulation 20(2) and 20(4) must be:

- (a) of no smaller font size than the average font size used in the advertisement;
 - (b) displayed together;
- (2) The disclosure of the information in terms of regulation 20(2) for purposes of television advertisements may be a combination of visual and audio disclosure provided that equal prominence is given to all the information required equivalent to the prominence given to all other elements of the advertisement.
- (3) Audio advertisements must provide prominence to all the information to be disclosed in terms of regulation 20(2) equivalent to the prominence given to all other elements of the advertisement.

Part D

Over-indebtedness, reckless lending and debt counselling

Reckless lending

21. Any credit extended in terms of –

- (a) a school loan or a student loan;
- (b) an emergency loan;
- (c) a public interest credit agreement;

must be reported by the credit provider to the National Credit Regulator within 30 days of signature thereof by completing and submitting Form 15

Application for debt review

22.(1) A consumer who wishes to apply to a debt counsellor to be declared over-indebted must:

- (a) Submit to the debt counsellor a completed Form 16; or

-
- (b) Provide the debt counsellor with the following information:
- (i) personal details, including:
 - (aa) name, initials and surname;
identity number;
 - (bb) postal and physical address;
 - (cc) contact details.
 - (ii) all income, inclusive of employment income and other sources of income (specify)
 - (iii) monthly expenses, inclusive of, but not limited to:
 - (aa) taxes;
 - (bb) unemployment insurance fund;
 - (cc) pension;
 - (dd) medical Aid;
 - (ee) insurance;
 - (ff) court orders;
 - (gg) other (specify).
 - (iii) List of all debts, disclosing monthly commitment, total balance outstanding, original amount and amount in arrears (if applicable) inclusive of, but not limited to:
 - (aa) home loans;
 - (bb) furniture retail;
 - (cc) clothing retail;
 - (dd) personal loans;
 - (ee) credit card;
 - (ff) overdraft;
 - (gg) educational loans;
 - (hh) business loans;
 - (ii) car finances and leases;
 - (jj) sureties signed;
 - (kk) other (specify).
 - (v) Living expenses, inclusive of, but not limited to:
 - (aa) groceries;
 - (bb) utility and continuous service;
 - (cc) school fees;

- (dd) transport costs;
 - (ee) other (specify).
 - (vi) A declaration and undertaking to commit to the debt restructuring.
 - (vii) A consent that a credit bureau check may be done.
 - (viii) Confirmation that the information is true and correct.
 - (c) Submit to the debt counsellor the documents specified in Form 16.
 - (d) Pay the debt counsellor's fee, if any, provided that such fee may not exceed the maximum fee prescribed in Schedule 2.
- (2) Within five business days after receiving an application for debt review in terms of section 86(1) of the Act, a debt counsellor must send a completed Form 17 to all credit providers that are listed in the application and every registered credit bureau;
- (3) The debt counsellor must verify the information provided in terms of subsection (1) above by requesting documentary proof from the consumer, contacting the relevant credit provider or employer or any other method of verification.
- (4) In the event that a credit provider fails to provide a debt counsellor with verification information within five business days of such verification being requested, the debt counsellor may accept the information provided by the consumer as being correct;
- (5) A notice contemplated in sub-regulation (3) must be sent by fax, registered mail or e-mail provided that the debt counsellor keeps a record of the date, time and manner of delivery of the notice;
- (6) Within 30 business days after receiving an application in terms of section 86(1) of the Act, a debt counsellor must make a determination in terms of section 86(6);
- (7) Any arrangement made by the debt counsellor with credit providers must be reduced to writing and signed by all credit providers mentioned, the debt counsellor and the consumer.
- (8) In determining whether any of the consumer's credit agreements are reckless, as defined in section 80, the debt counsellor must consider the following, in addition to the matters set out in that section:
- (a) any guidelines published by the National Credit Regulator proposing evaluative mechanisms, models and procedures in terms of section 82 of the Act; and
- (9) When making a determination in terms of sections 79(3)(b)(ii) and 80(3)(b)(ii), the value of a credit guarantee is 70% of the settlement value of the guaranteed debt, alternatively a credit provider may use a factor based upon the likelihood of the realisation of the obligation and the size of the potential obligation.

Debt restructuring by court order

- 23 An application to the Magistrates' Court in terms of section 86(9) will be done in Form 18.

Clearance Certificate

- 24 A debt counselor must issue a clearance certificate in Form 19 if the consumer has fully satisfied all the debt obligations under every credit agreement that was subject to the debt re-arrangement order or agreement, in accordance with that order or agreement

Chapter 4

CONSUMER CREDIT AGREEMENTS

Part A

Pre-agreement disclosure

Pre-agreement disclosure for small agreements

25. The pre-agreement statement and quotation given to a consumer in terms of section 92 (1) of the Act must comply with the following requirements:
- (a) The pre-agreement statement and quotation may be contained in one document or in two separate documents, provided that if they are contained in one document, the quotation must be on the first page of that document.
 - (b) The quotation must be headed "Quotation" and contain the information set out in Part A of Form 20.
 - (c) The quotation must be substantially similar to Part A of Form 20 provided that the summary information must be contained in a bordered text box, and the order of the information disclosed must not be changed.
 - (d) The pre-agreement statement must be headed "Pre-Agreement Statement" and contain the information set out in Part B of Form 20.
 - (e) The pre-agreement statement must be substantially similar to the Part B of Form 20, provided that the order of the information disclosed must not be changed.

Quotation and Pre-agreement disclosure for intermediate or large agreements

26. The quotation given to the consumer in terms of section 92(2) of the Act must comply with the following requirements and be in the format set out in Form 20 Part A:
- (a) the quotation may be contained in the same document as the pre-agreements statement or in a separate document, provided that if the quotation is included in the same document as the pre-agreement statement, the quotation must be on the first page of that document.
 - (b) the quotation must be in a bordered text box and headed "Quotation".
 - (c) the information required to be disclosed in the quotation must be disclosed in the following order:
 - (i) principal debt;
 - (ii) proposed distribution of principal debt with reference to items listed in section 102(1)(b) to (f) of the Act and specify any other
 - (iii) other ongoing credit costs;
 - (iv) service fee and whether it is paid monthly, annually or on any other basis as prescribed in section 101(1)(c) of the Act;
 - (v) initiation fee;
 - (vi) rand value of interest;
 - (vii) residual or final amount payable (if any)
 - (viii) total cost of the proposed agreement;
 - (ix) annual interest rate;
 - (x) state the basis for any costs payable under section 121(3)(b)(i) of the Act if applicable;
 - (xi) state the reasonable rental to be charged in terms of section 121(3)(b)(ii) of the Act if applicable;
 - (d) Number on installments to be paid;
 - (e) Installment amount.

Part B
Forms of credit agreements

Prescribed form for small agreement

27. A document that records a small credit agreement must contain all the information as reflected in Form 20.

Requirements for intermediate or large agreements

- 28.(1) The following requirements are prescribed in terms of section 93 of the Act in respect of all categories of intermediate and large agreements including developmental credit agreements:
- (a) All the information that is disclosed in a credit agreement must be comprehensive, clear, concise and in plain language.
 - (b) The credit agreement may be set out in one or more documents, provided that if it is set out in more than one document, the document signed by the consumer must include a reference clearly identifying each of the other documents.
 - (c) The lettering of the credit agreement must be legible and clear enough to ensure that it remains legible and clear if photocopied or faxed.
 - (d) The lettering of the matters that are required to be disclosed in terms of sub-regulation (2) must be given equal prominence to the body of the remainder of the document.
 - (e) If the quotation does not form part of the credit agreement, the information that is required to be disclosed in the quotation must be disclosed in the credit agreement on the first page of the agreement in a bordered tabular format titled "Cost of Credit".
 - (f) In the Cost of Credit table, the credit provider must also disclose the information prescribed in sub-regulation (2)(j) and (k).
- (2) Intermediate and large agreements must contain the following information, if applicable:
- (a) The type of agreement.
 - (b) The credit provider's name, contact details and registration number with the National Credit Regulator.
 - (c) Cost of credit reflecting the following:
 - (i) The amount of the principal debt, including the amount deferred in terms of the credit agreement as well as the nature and amount of the following fees and charges where they have been included in the principal debt in terms of the credit agreement:
 - (aa) the cost of an extended warranty agreement;
 - (bb) delivery, installation and initial fuelling charges;

- (cc) connection fees, levies or charges;
- (dd) taxes, license or registration fees.
- (ii) If the amount deferred in terms of the credit agreement is not ascertainable, the maximum amount deferrable.
- (iii) The proposed distribution of the principal debt and to whom each amount is to be paid.
- (iv) If the distribution of the amount deferred in terms of the credit agreement is subject to certain conditions, such conditions.
- (v) If the credit is provided by the supplier of goods, land or services, the cash price of such goods, land or services.
- (vi) The amount of any initiation fee;
- (vii) The option of having the fee paid upfront;
- (viii) Manner in which the fee will be recovered, whether lump sum, upfront or monthly.
- (ix) The amount of any service fee;
- (x) The basis upon which service fee is payable, if annual, a indication that it will be added to the outstanding balance
- (xi) The annual rate at which interest is levied in respect of the agreement expressed as a percentage and calculated in accordance with Regulation 37;
- (xii) In the case of a variable interest rate, the rand amount of interest charges over the term of the agreement
- (xiii) Whether the interest rate is fixed or variable, and if variable, the reference rate to which the interest rate is fixed;
- (xiv) The nature of any insurance contract entered into pursuant to section 106 of the Act;
- (xv) The cost to the consumer of the insurance supplied,
- (xvi) The amount of any fee, commission, remuneration or benefit receivable by the credit provider or any other person in relation to the insurance;
- (xvii) The consumer's right to waive a policy proposed by the credit provider and substitute a policy of the consumer's own choice, subject to section 106 of the Act;
- (xviii) If the consumer exercises the right to substitute a policy in terms of section 106, the amount of any administration fee payable;

- (xix) The nature of any additional insurance contract entered into pursuant to section 106 of the Act;
- (xx) The costs of such additional insurance and whether such costs are charged by monthly or annual premiums.
- (xxi) The amount of any default administration charges which may be imposed on default by the consumer or the manner in which such charges will be calculated;
- (xxii) The circumstances in which such default administration charges will be imposed;
- (xxiii) The amount of any collection costs which may be charged in respect of the enforcement of a consumer's monetary obligations in terms of the credit agreement or the manner in which such costs will be calculated;
- (xxiv) The circumstances in which such collection costs will be charged.
- (d) All fees levied by the credit provider must be disclosed in the agreement together with the date on which they will be levied and any other information relating to the charging of such fees;
- (e) If the amounts that have to be disclosed are not ascertainable, the credit provider must disclose such amounts based on estimated information, provided that such estimates are reasonable in the circumstances of the proposed credit agreement;
- (f) If the amounts disclosed are based on estimated information, the credit provider must clearly disclose this to the consumer by indicating which amounts are based on estimated information and disclosing such estimated information;
- (g) The sum of the amounts disclosed in respect of the initiation fee, service fee, interest and cost of credit insurance, provided that, to the extent that any amount is not ascertainable, the credit provider must clearly indicate the method of calculating the amount;
- (h) The sum of the principal debt, initiation fee, service fee, interest and cost of credit insurance, provided that, to the extent that any amount is not ascertainable, the credit provider must clearly indicate the method of calculating the amount;
- (i) If the interest rate or credit fees and charges that are payable in terms of the agreement may be changed in terms of the Act, a statement to that effect must be disclosed together with the manner and the timeframes within which the consumer must be notified of any changes to the interest rate or credit fees and charges in accordance with section 104 of the Act;

- (j) The amount of the repayment(s) or if not ascertainable, the method of calculating the repayment amount;
- (k) If ascertainable -
 - (i) the number of repayments;
 - (ii) the frequency of the repayments;
 - (iii) when the first repayment is due;
 - (iv) if all repayment amounts are not equal, how will they differ;
 - (v) the total amount of all repayments;
 - (vi) the term or duration of the agreement;
- (l) The frequency with which the consumer will be provided with a statement of account;
- (m) The manner in which the statement will be provided;
- (n) If the credit provider has taken any form of security or mortgage in respect of the repayment of the loan, a description of the security or asset mortgaged;
- (o) Details of the implications of default by the consumer;
- (p) Details of the process that will be followed on default;
- (q) A statement notifying the consumer as comprehensively as reasonably possible about the information sharing practices in credit reporting, which must contain the following information:
 - (i) confirmation by the consumer that the credit provider may transmit to the credit bureau data about the application, opening and termination of an account;
 - (ii) the fact that information on non-compliance with terms and conditions of the credit agreement is transferred to the credit bureau;
 - (iii) the name and contact details of the credit bureau or credit bureaux to which the information is transferred;
 - (iv) the fact that the credit bureau provides a credit profile and possibly a credit score on credit worthiness of the person subject to the record;
- (r) A statement of the consumer's right to:
 - (i) contact the credit bureau,
 - (ii) have the credit record disclosed; and
 - (iii) correct inaccurate information;

- (s) If applicable, the consumer's right to rescind the credit agreement in terms of section 121 of the Act
- (t) A statement of the consumer's or guarantor's right to settle the agreement together with an explanation of the manner in which the amount required to settle the credit agreement is calculated in terms of section 125 of the Act.
- (u) The right of the consumer to terminate the credit agreement in terms of section 122 of the Act and the right of the credit provider to terminate the credit agreement in terms of section 123 of the Act.
- (v) A statement of the consumer's rights to:
 - (i) resolve a complaint by way of alternative dispute resolution;
 - (ii) file a complaint with the National Credit Regulator; or
 - (iii) make an application to the Tribunal;
- (w) If applicable, the consumer's obligations to disclose the location of goods in terms of section 97 of the Act;
- (x) If applicable, the consumer's right to surrender goods in terms of section 127 of the Act together with a description of the process to be followed in surrendering goods in terms of section 127 of the Act;
- (y) If applicable and as prescribed in terms of section 94 of the Act, the contact number at which a consumer may report the loss or theft of a card, personal identification number or other device and the extent of the consumer's liability for purchases charged to that facility after the card, personal identification code or number or other device has been lost or stolen;
- (z) A statement of the consumer's right to prepay any amount under a credit agreement in terms of section 126 of the Act.
- (AA) A statement of the consumer's right to apply to a debt counsellor to be declared over-indebted in terms of section 86 of the Act, and the process to be followed;
- (BB) Contact details of the National Credit Regulator and the Tribunal, and in the case of the credit provider being a regulated financial institution, the contact details of the adjudicator responsible for that institution.

Unlawful provisions of a credit agreement

29. The following common law rights or remedies that are available to a consumer may not be waived in a credit agreement:

- (a) *Exceptio erroris calculi*;

- (b) *Exceptio non numerate pecuniae.*

Credit Insurance

30. (1) If a credit provider proposes the purchase a particular policy as envisaged in section 106(4), such credit provider will disclose to the consumer the information set out in Form 21;
- (2) If a consumer exercises the right under section 106(4)(a) to substitute an insurance policy of the consumer's choice, the credit provider may require the consumer in terms of section 106(6)(a) and 106(6)(b) to complete Form 22 and Form 23.

Disclosure of location of goods

- 31.(1) In respect of a credit agreement to which section 97 of the Act applies, the consumer must disclose any changes concerning the matters listed in section 97(2) in writing to the credit provider within 10 business days after the change, either by registered mail, e-mail or fax.
- (2) When disclosing change, the consumer must complete Form 24 or provide the following information to the credit provider:
- (a) name of the consumer;
 - (b) a reference number or account number provided by the credit provider;
 - (c) the date upon which the change was effective; and
 - (d) the date of the disclosure.
- (3) On request by the credit provider, messenger of the court or the deputy sheriff, as contemplated in section 97(3), the consumer -
- (a) must provide the information in writing, if so requested, by completing Form 25;
 - or
 - (b) may other wise provide the information orally.

Statement of account

32. A statement of account in respect of a small agreement must be in Form 26 and must contain the following information:
- (a) The details of the credit provider, including:
 - (i) the name of the credit provider;

- (i) the trading name of the credit provider, if any
 - (ii) the credit provider's registration number issued by the National Credit Regulator
 - (iii) the physical address and postal address of the credit provider
 - (iv) the telephone number of the credit provider
 - (v) where relevant the details of the bank account into which consumer's payment must be made, including name of bank, account number, branch code and reference number.
- (b) The details of the consumer, including
 - (i) the consumer's name;
 - (i) the consumer's account number or reference number
 - (ii) the consumer's address
- (c) The date of the statement
- (d) The period covered by the statement
- (e) Details of the loan, including:
 - (i) the principal debt
 - (ii) the annual rate of interest
 - (iii) the installment amount
 - (iv) the frequency of the installment
 - (v) the balance outstanding at the date of statement
 - (vi) whether the account is in arrears, and if so, the amount of such arrears.
- (f) A summary of the transactions that occurred during the period of the statement, including the total amount debited or credited to the account in respect of the following:
 - (i) payments received
 - (ii) fees levied
 - (iii) interest accrued
 - (iv) insurance costs levied
 - (v) collection costs levied
 - (vi) default administration costs levied
 - (vii) legal fees incurred
- (g) A detailed statement of each transaction that occurred during the period of the statement including the following:
 - (i) opening balance from the previous statement

- (ii) the date of each transaction
- (iii) a description of the transaction
- (iv) the amount of the transaction and whether it is a debit or credit on the account
- (v) a running total
- (vi) the closing balance

Changes to interest

33. A notice by the credit provider to the consumer of a change in a variable interest rate as contemplated in section 104(3)(a) of the Act, must also provide the following information:

- (a) the date on which the change took effect, or will take effect;
- (b) total interest payable under the agreement in Rand value, if ascertainable;
- (c) monthly interest payable in Rand value, if ascertainable.

Consumer's right to rescind a credit agreement

34. A notice by the consumer to the credit provider to terminate a credit agreement in terms of section 121(2) must be given in writing and delivered by hand, fax, e-mail or registered mail to an address specified in the agreement.

Charges to other accounts

35. A notice to a consumer of a charge or series of charges to be made to another account as contemplated in section 124(2) must be given to the consumer in writing five business days before the charge, or first charge of the series, will be made, in Form 27 and must include the following information:

- (a) a reference to the written direction by the consumer authorising the charge or series of charges, as contemplated in sections 124(1) and 90(2)(n) of the Act;
- (b) the account against which the charge or series of charges will be made;
- (c) the obligation that the charge or series of charges is intended to satisfy;
- (d) the account to which that obligation relates;
- (e) whether the charge is a single charge or a series of charges;
- (f) the amount or amounts of the charge, and the method of calculation; and
- (g) the date on which the charge or first charge in the series will be effected.

CHAPTER 5 INTEREST AND FEES

Part A Interpretation

Definitions

36. In this Chapter-

“**capitalisation**” means the inclusion of any interest, charges or fees as part of the amount deferred in terms of a credit agreement from the date on which such interest, fees and charges become due ;

“**short-term credit transaction**” means a credit agreement in respect of a principal amount not exceeding R5 000.00 in terms of which the whole amount is repayable within a period not exceeding 4 months.

“**unsecured credit transaction**” means a credit transaction in respect of which the debt is not supported by any pledge or other right in property or suretyship or any other form of personal surety.

Part B General Stipulations

Interest calculation

37.(1) The rand amount of interest must be calculated according to the following formula:

$$(a) \quad Ri = \frac{\text{Deferred amount} \times \text{interest rate} \times \text{number of days from the date of capitalisation to date of payment}}{\text{Number of days in the year}}$$

(b) Where:

(i) Ri = Rand amount of interest

(ii) Deferred amount is the total amount owing by the consumer to the credit provider including the principal debt and any amounts due and payable by the consumer to

the credit provider in terms of section 101(1)(b) to (g) and section 102(1)(b) to (e) of the Act.

- (iii) The rate of interest must not exceed the maximum prescribed rate applicable to the category of credit agreement concerned.
- (2) The deferred amount will increase every time that a further amount of credit is advanced to the consumer, or when an amount of interest or fees falls due; and
- (3) The deferred amount will reduce every time when a payment is made into an account, or an amount is credited to an account.

Levying and capitalisation of interest and fees

- 38.(1) Initiation fees may be levied on the date stipulated in the agreement, but not earlier than the date of approval of the credit application;
- (2) Monthly service fees may be levied at the end of the month to which they relate;
- (3) Annual service fees may be levied at the earlier of -
 - (a) the end of the year to which they relate, or an annual date specified in the contract, or
 - (b) the termination of the agreement;
- (4) Transaction based service fees may be levied at the end of the month in which the transaction was made;
- (5) Interest may be calculated daily or otherwise periodically but may be capitalised only on the day on which the payment to which it relates is due and payable.

Part C ***Other fees, costs and charges***

Default Administration Charges

- 39. The credit provider may require payment by the consumer of default administration charges in respect of each letter necessarily written in terms of Part C of Chapter 6 of the Act equal to the amount payable in respect of a registered letter of demand in undefended action in terms of the Magistrates' Courts Act, 1944 in addition to any reasonable and necessary expenses incurred to deliver such letter.

Collection Costs

40. For all categories of credit agreement, collection costs may not exceed the costs incurred by the credit provider in collecting the debt -
- (a) to the extent limited by Part C of Chapter 6 of the Act, and
 - (b) in terms of -
 - (i) the Supreme Court Act, 1959,
 - (ii) the Magistrates' Court Act, 1944,
 - (iii) the Attorneys Act, 1979; or
 - (iv) the Debt Collector's Act, 1998,
 which ever is applicable to the court approached by the credit provider to enforce the credit agreement.

Other Charges

41. If the credit provider is entitled to charge an amount referred to in s102(1)(b) to (e) of the Act, the credit provider must not charge the consumer a higher price for any goods or services provided to or arranged for the consumer than the price charged by that credit provider for the same or substantially similar goods or services provided or arranged in the ordinary course of business on the basis of a cash transaction.

Part D***Interest applicable to different products*****Maximum rates of interest**

42. The following maximum rates of interest will apply:

Table A:

Sub-sector	Interest limit	Initiation fee
Mortgage agreements	$(RR \times 1.3) + 5\%$	(a) R1,000 per credit agreement, plus, 5% of the amount of the credit agreement in excess of R10,000 (b) But never to exceed R5,000.
Credit facilities	$(RR \times 1.3) + 10\%$	(a) R150 per credit agreement, plus, 5% of the amount of the credit agreement in excess of R1,000 (b) But never to exceed R500.
Unsecured credit transactions	$(RR \times 1.3) + 20\%$	(a) R150 per credit agreement, plus, 5% of the amount of the credit agreement in excess of R1,000 (b) But never to exceed R500.
Developmental credit agreements		

	for the development of a small business	$(RR \times 1.3) + 20\%$	a) R250 per credit agreement, plus, 5% of the amount of the credit agreement in excess of R1,000 (b) But never to exceed R2,500.
	for low income housing (unsecured)	$(RR \times 1.3) + 20\%$	a) R500 per credit agreement, plus, 5% of the amount of the credit agreement in excess of R1,000 (b) But never to exceed R2,500.
	Short term loans	48% (4% pm)	a) R150 per credit agreement, plus, 5% of the amount of the credit agreement in excess of R1,000 (b) But never to exceed R350.
	Other credit transactions	$(RR \times 1.3) + 10\%$	a) R150 per credit agreement, plus, 5% of the amount of the credit agreement in excess of R1,000 (b) But never to exceed R500.

Where,

C% indicates the maximum annual rate of interest that may be charged on the particular type of credit agreement;

RR indicates the reference rate, being the ruling SA Reserve Bank Repurchaser Rate, as at the time that the credit agreement is entered into;

Supplementary conditions on the application of the maximum initiation fee

43 The following supplementary conditions shall apply on the application of the maximum initiation fee:

- (1) An initiation fee may be charged at the registration of an replacement mortgage in respect of a transfer from one credit provider to another, without there being a transfer of ownership of the mortgaged property, only if –
 - (i) the transfer is done at the request of the consumer; and
 - (ii) the levying of the fee and the amount of the fee has been disclosed to the consumer by the acquiring credit provider before the consumer has agreed to the transfer.
- (2) No initiation fee may be charged on loans as envisaged in section 101(2).
- (3) Initiation fee may never exceed 15% of the loan amount.

Maximum service fee

- 44 The maximum monthly service fee, prescribed in terms of Section 105(1), is R50.
- (1) Where the period to which a service fee relates is shorted than a calendar month, the limit on the service fee must be reduced in proportion to the length of period to which it relates.
 - (2) Where an annual service fee is levied, the applicable limit will be the monthly limit on the service fee multiplied by 12.
 - (3) If a service fee is charged on a transaction basis, or on a combination of periodic and transaction bases, the total of those fees may not exceed the monthly or annual limit.

Periodic review of limitation on fees and interest rates

45. The National Credit Regulator must –
- (a) perform a review of interest rates and cost factors at intervals of no more than 3 years and advise the Minister of any changes that may be required;
 - (b) consider any factors that may indicate that competition is not effective in any category of credit providing and advise the Minister either to:
 - (i) refer such a category to the Competition Commission for an investigation; or
 - (ii) set limits at a lower level, reflective of the finding that competition is not effective in constraining pricing.
 - (c) when making recommendation to the Minister in terms of this regulation, consider:
 - (i) ruling interest rates and fees on unsecured personal loans;
 - (ii) cost of providing such loans; and
 - (iii) level of competition on the price of such loans.

CHAPTER 6

DISPUTE RESOLUTION

Failed alternative dispute resolution

- 46 If an alternative dispute resolution agent fails to resolve a dispute as envisaged in section 134(5), a certificate in Form 28 must be completed by the alternative dispute resolution agent.

Initiating a complaint to the National Credit Regulator

- 47(1) A consumer may lodge a complaint against a credit provider by:
- (a) submitting a completed Form 29 to the National Credit Regulator by fax, mail or e-mail; or
 - (b) contacting the National Credit Regulator telephonically;
- (2) Telephonic and e-mail originated complaints may be lodged only by the complainant, not by another person on behalf of the complainant.
- (3) If a person completes and submits Form 29 on behalf of complainant, the complaint must be accompanied by a written consent signed by the complainant.
- (4) A third party may act on behalf of a complainant only if the complainant has consented in writing.
- (5) A consent contemplated in sub-regulation (4) must contain the following:
- (a) name of the third party;
 - (b) name of the credit provider;
 - (c) date of signing of the agreement to which the complaint relates; and
 - (d) details of the complaint.

Initiating applications to Tribunal

48. An application initiated by the National Credit Regulator to the Tribunal in terms of section 137 must be in Form 30 and accompanied by -
- (a) the documents specified in Form 30; and
 - (b) any additional information that the Tribunal considers appropriate in the circumstances.

Notice of non-referral

49. A notice of non-referral issued in terms of sections 139(1)(a) or 140(1)(a) of the Act must be in Form 31.

Application for referral to a different consumer court or the Tribunal

50. An application to the Tribunal for an order that a matter be referred to a different consumer court or to the Tribunal in terms of section 140(4) of the Act must be in Form 32 and accompanied by -
- (a) the documents specified in Form 32; and
 - (b) any additional information that the Tribunal considers appropriate in the circumstances.

Referral to the Tribunal

- 51.(1) An application to the Tribunal for an order in terms of section 141(2) of the Act must be in Form 33 and accompanied by –
- (a) the documents specified in Form 33; and
 - (b) any additional information that the Tribunal considers appropriate in the circumstances.
- (2) A referral to the Tribunal, whether by the National Credit Regulator in terms of section 140(1) of the Act or by a complainant in terms of subsection 141(1), must be in Form 32.

Chapter 7

RECORD KEEPING AND REGISTERS

Part A

Record-keeping

Records of registered activities

- 52.(1) In addition to any records that must be kept in terms of the Act, a registrant must maintain the following records relating to its registered activities in a register, which register may be kept in electronic format:
- (a) Applications for debt review;
 - (b) Reasons for rejection of credit.

- (2) Records that are required to be maintained in terms of the Act must be –
 - (a) maintained in paper or electronic format;
 - (b) readily accessible for a period of three years, subject to regulation 53.
- (3) A record that is kept in electronic format must be reproduced in paper form within a period of five business days after a request by the National Credit Regulator.
- (4) If a person has appointed a third party to maintain the person's records, as required by this Act –
 - (a) that appointment does not absolve that person of any responsibility to maintain the records in accordance with the Act; and
 - (b) that person must ensure that any records maintained by the third party will be available without any undue delay.

Time for keeping records of credit applications and agreements

53. The records required to be kept in terms of section 170 must be maintained for three years –
- (a) from the date of termination of the credit agreement; or
 - (b) in the case of an application for credit that is refused or not granted for any reason, from date of receipt of the application.

Part B ***Registers***

National record of registration

- 54.(1) The register maintained by the National Credit Regulator as required in terms of section 53 must include the following information as set out in Form 34:
- (a) the registrant's registration number with the National Credit Regulator
 - (b) the registrant's full name
 - (c) the registrant's trading name, if applicable
 - (d) the registrant's identity number or registration number
 - (e) the activities which the registrant is permitted to engage in
 - (f) date of registration
 - (e) conditions of registration, if any
 - (f) whether the registration has been altered, and details thereof, if applicable
 - (g) the registrant's contact details, including:
 - (i) physical address;
 - (ii) telephone number;

- (iii) fax number;
 - (iv) e-mail address;
 - (v) contact person
- (2) The National Credit Regulator must maintain a register of all persons whose registration has been cancelled, which register must include the following information:
- (a) the person's registration number with the National Credit Regulator
 - (b) the person's full name
 - (c) the person's trading name, if applicable
 - (d) the person's identity number or registration number;
 - (e) date of registration
 - (f) date of cancellation of registration
 - (g) reasons for cancellation of registration
 - (h) any conditions of registration, if applicable
 - (i) whether the registration had been altered, and details thereof, if applicable; and
 - (j) the person's contact details, including
 - (i) physical address;
 - (ii) telephone number;
 - (iii) fax number;
 - (iv) e-mail address; and
 - (v) contact person.
- (3) The National Credit Regulator must permit any person to inspect the registers, whether at the office of the National Credit Regulator, or on its website, at no cost.
- (4) Any person may obtain copies of permitted information as provided for in section 14(c)(ii) upon completing Form 35 and making payment of the fees set out in Schedule 2.

Register of marketing options

- 55.(1) The register maintained by a credit provider as required in terms of section 74 (7) must contain the following records as set out in Form 36:
- (a) the consumer's name and account number;
 - (b) the consumer's contact details;
 - (c) the options selected by the customer; and
 - (d) the date upon which the consumer selected the options;

- (2) The register must be maintained in written or electronic format, provided that the format is accessible for inspection by the National Credit Regulator;
- (3) The records contained in the register must be maintained in the register until the consumer account is closed;
- (4) If the consumer re-elects any of the options provided for in section 74(6), the records of earlier selections may not be retained.

Register of Agents

56.(1) The register maintained by a credit provider as required in section 163(1) (c) must reflect the following records as set out in Form 37:

- (a) the name of the agent;
 - (b) the identity number of the agent, alternatively CIPRO or other official registration number;
 - (c) the date of appointment of the agent; and
 - (d) a description of the activities which the agent is authorised to conduct.
- (2) The register must be maintained in written or electronic format, provided that the format is accessible for inspection by the National Credit Regulator.
 - (3) If an agent's appointment has been terminated, the credit provider must:
 - (a) retain the records relating to that agent for a period of not less than 12 months from the date of termination of appointment;
 - (b) allow the public to have access to that records either by way of an internet enquiry or as a printed electronic list to be mailed on enquiry;
 - (c) ensure that the reason for termination is stated on the record.

Identity card of agents

57. An identification card provided to an agent in terms of section 163(2) of the Act must be in Form 38.

CHAPTER 8

COMPLIANCE AND REPORTING

Part A

Credit provider compliance reports

Statutory Reporting

- 58.(1) A credit provider must submit the following to the National Credit Regulator -
- (a) Compliance Report
 - (b) Quarterly Statistical Return
 - (c) Annual Statistical Return
 - (d) Annual Financial and Operational Return
 - (e) Assurance Review
- (2) Any information that is required to be reported to the National Credit Regulator must be accurate and complete, and must fairly present the activities and status of the credit provider.
- (3) Any financial information that is required to be reported to the National Credit Regulator must be prepared in accordance with generally accepted accounting practice or meet the prescribed reporting requirements.
- (4) If requested by the National Credit Regulator, an analysis of any item contained in the forms prescribed in these regulations must be furnished to the National Credit Regulator within 20 business days after such request

Compliance Report

- 59.(1) A credit provider must complete and submit a compliance report to the National Credit Regulator on an annual basis within 6 months after the financial year-end of the credit provider;
- (2) The National Credit Regulator must issue guidelines on the format and contents of the report.

Statistical Return

- 60.(1) A credit provider whose annual disbursements exceed R 15 million (or per fee category) must complete and submit the statistical return in Form 39 to the National Credit Regulator in respect of the quarters and by the due dates set out in the table below;
- (2) All other credit providers must complete and submit the statistical return in Form 39 to the National Credit Regulator by the 15th of February each year for the period 1 January to 31 December.

Quarters	Reporting period	Due Date for Statutory Reporting
Quarter 1	1 January – 31 March	15 May
Quarter 2	1 April – 30 June	15 August
Quarter 3	1 July – 30 September	15 November
Quarter 4	1 October – 31 December	15 February

Annual Financial Statements

61. A credit provider must submit its annual financial statements including the auditor or accounting officer's report to the National Credit Regulator, within 6 months after the credit provider's financial year-end;

Annual Financial and Operational Return

62. A credit provider must submit an annual financial and operational return in Form 40 to the National Credit Regulator, within 6 months after the credit provider's financial year-end.

Responsibility for Assurance Review

63. (1) A credit provider's auditor must conduct an assurance review in terms of regulation 64;
- (2) If a credit provider is not required by statute to appoint an auditor, the credit provider must appoint a member of one of the following professional bodies:
- (a) South African Institute of Chartered Accountants (SAICA)
 - (b) Commercial and Financial Accountants (CFA)
 - (c) South African Institute of Secretaries and Administrators (ICSA)
 - (d) Institute of Administration and Commerce (IAC)
 - (e) Chartered Institute of Management Accountants (CIMA),
- to report on the credit provider's financial statements and to conduct the assurance review in terms of Regulations 64.

Assurance Review

- 64.(1) A person appointed in terms of regulation 63 must perform an assurance review and issue a report based on that person's findings with regard to compliance with the Act over the review period.

- (2) A credit provider must submit the report contemplated in (1) to the National Credit Regulator within 6 months after the credit provider's financial year-end.
- (3) The report contemplated in (1) must comment on the compliance of the credit provider with the National Credit Act;
- (4) The National Credit Regulator must issue guidelines in respect of –
 - (a) the procedures which the person must follow in performing such assurance review, and
 - (b) the format and content of the report which must be compiled based on the review.

Part B
Debt counsellor compliance reports

Annual compliance report and statistical return by debt counsellor

- 65.(1) A compliance report submitted by a registered debt counsellor must be submitted in Form 41 to the National Credit Regulator by the 15th of February each year for the period 1 January to 31 December.
- (2) Statistical returns submitted by a registered debt counsellor must be submitted in Form 42 to the National Credit Regulator by the due dates as set out in the Table below:

Quarters	Reporting period	Due Date for Statutory Reporting
Quarter 1	1 January – 31 March	15 May
Quarter 2	1 April – 30 June	15 August
Quarter 3	1 July – 30 September	15 November
Quarter 4	1 October – 31 December	15 February

Part C
Credit bureau compliance reports

Annual compliance report by credit bureau

- 66.(1) A compliance report submitted by a registered credit bureau in terms of section 52(6) must be submitted in Form 43 to the National Credit Regulator within 90 business days after the credit bureau's financial year-end;
- (2) The compliance report must address the following matters in addition to those matters set out in section 52(6):

- (a) the adequacy of operational resources, procedures employed and systems in place to ensure that the credit bureau-
 - (i) accepts the filing of consumer credit information from credit providers on payment of the credit bureau's filing fee, if any;
 - (ii) accepts without charge the filing of consumer credit information from the consumer concerned for the purpose of correcting or challenging information otherwise held by that credit bureau concerning that consumer;
 - (iii) complies with prescribed retention periods;
 - (iv) maintains its records of consumer credit information in a manner that satisfies the prescribed standards;
 - (v) promptly expunges from its records any prescribed consumer information, that, in terms of the regulation is not permitted to be entered in its records or is required to be removed from its records;
 - (vi) takes reasonable steps to validate the accuracy of any consumer credit information reported to it, rectifies such data and ensures that the inaccurate data is not repeatedly reflected on the credit bureau;
 - (vii) conducts business in compliance with the Act and these Regulations;
 - (viii) certifies that the consumer credit information is only used for the prescribed purposes as set in Regulation 16(4).

Quarterly synoptic report by credit bureau

67.(1) A credit bureau must submit a quarterly report on:

- (a) The total number of complaints received;
- (b) The nature of the complaint, classified as defined by the National Credit Regulator;
- (c) Number of complaints that were found to be valid, partially valid and invalid, respectively;
- (d) Number of complaints resolved and outstanding; and
- (e) The nature and validity of complaints, in categories such as:
 - (i) inaccurate or incorrect information
 - (ii) insufficient or incomplete information
 - (iii) outdated information

- (iv) double listing
 - (v) incorrect merging of information
 - (vi) consumer withdrew complaint
- (2) In terms of section 70(5) of the Act, a registered credit bureau must submit to the National Credit Regulator periodical synoptic reports in Form 44 in respect of the quarters and by the due dates set out in the table below:

Quarters	Reporting period	Due Date for Reporting
Quarter 1	1 January – 31 March	15 May
Quarter 2	1 April – 30 June	15 August
Quarter 3	1 July – 30 September	15 November
Quarter 4	1 October – 31 December	15 February

Part D
Insurers' Periodic Synoptic Report

Submission of periodic synoptic report by insurers

- 68 Submission of period synoptic reports by insurers shall be done by completing Form 45 and submitting it to the National Credit Regulator

Chapter 9

TRANSITIONAL PROVISIONS

General preservation of regulations, rights, duties, notices and other instructions

69. A registration issued in terms of section 15A of the Usury Act, 1968 (Act No. 73 of 1968) remains valid until the anniversary of the registration next following the effective date.

Chapter 10

PRESCRIBED FORMS

Forms

70. Forms prescribed for purposes of these Regulations are set out in Annexure A to the Regulations.

Use of Forms

- 71.(1) If a prescribed form of words or expression is used in conjunction with other information in a document, the document must be designed in such a manner that the prescribed form of words or expression are:
- (a) clearly distinguishable from the other information in that document; and
 - (b) at least as prominent, in respect of size and legibility, as the other information in that document.
- (2) If a prescribed form is used in conjunction with another prescribed form, each must clearly be distinguishable from the other.
- (3) A registrant may include its logo or letterhead on a prescribed Form, subject to sub-regulation (4).
- (4) If a form of document is prescribed by these regulations –
- (a) it is sufficient if a person required to prepare such a document does so in a form that satisfies all the substantive requirements as to content and design of the prescribed form; and
 - (b) any deviation from the prescribed form does not invalidate the document unless the deviation –
 - (i) fails to satisfy the requirements set out in paragraph (a);
 - (ii) negatively affects the substance of the document; or
 - (iii) is deceptive or misleading.

Electronic submission of Forms

72. Any Form that has to be submitted to the National Credit Regulator may be submitted electronically.

Schedule 1

PRESCRIBED FORMS

Form No.	Section	Description
1	4(1)(d)	Application for approval by the Minister
2	45(1)	Application for registration as credit provider
3	41(1)	Application for supplementary registration
4	44(1)	Application for registration as debt counsellor
5	43(1)	Application for registration as credit bureau
6	47(3)(a)	Notice when registrant becomes disqualified
7	48(3)	National Credit Regulator imposing conditions of registration
8	49(1)(a)	Registrant requesting new conditions
9	52(1)	Certificate of registration
10	58	Notice to cancel
11	25(1)(b)	Certificate to inspectors / investigators
12	54(1)	Notice of non-compliance to unregistered entities
13	55(1)	Compliance notice to registrants
14	56(1)	Objection notice
15	78(2)	Reporting to National Credit Regulator on loans excluded from reckless provisions
16	86(1)	Application for debt review
17	86(4)(b)	Notification to credit provider by debt counsellor
18	86(9)	Application to court for debt review
19	71(2)(b)(i)	Clearance certificate
20	92(1)	Small agreement quotation
20	92(1)	Pre-agreement statement for small agreements
20	92(2)(b)	Intermediate and Large agreement quotation
20	93(2)	Small agreement
21	106(5)(b)	Disclosure to consumer in respect of insurance
22	106(6)(a)	Authorisation by consumer to credit provider in respect of insurance
23	106(6)(b)	Notification to insurer by consumer
24	97(2)	Notification of change to credit provider
25	97(3)	Notification of change
26	109(2)	Statement of account for small agreements
27	124(2)	Notice of charge to other account to consumer by credit provider
28	134(5)	Failed Alternative Dispute Resolution certificate
29	136(1)	Complaint form
30	137(1)	Application by National Credit Regulator to National Consumer Tribunal
31	139(1)(a)	Notice of non-referral
32	140(4)	Application to National Consumer Tribunal
33	141(2)(a)	Application to National Consumer Tribunal
34	53(1)	National Credit Regulator's register of registrant
35	14(c)(ii)	Request for info in registries
36	74(7)(a)	Register of marketing selection made by consumer
37	163(2)(b)	Register of Agents
38	163(2)(a)	Agents' Identity card
39		Credit provider's statistical return
40		Credit provider's annual financial and operational return
41		Compliance return for debt counselors

42		Statistical return for debt counselors
43		Credit bureaus' annual compliance
44	70(5)(a)	Credit bureaus' synoptic report
45	16(2)(a)	Insurers' periodic synoptic report