



UPDATES FROM THE CREDIT INDUSTRY FORUM

CIRCULAR NO. 13 OF 2016 – UPDATES FROM THE CREDIT INDUSTRY FORUM

The objective of this Circular is to provide the industry with the latest update regarding the projects undertaken by the Credit Industry Forum (CIF).

In May 2016 the CIF held its 14th meeting and the following sub-committees were established to address identified operational difficulties that come with implementation of the National Credit Act as amended (“the Act”):

SUB-COMMITTEE	TERMS OF REFERENCE
National Credit Amendment Act	<p>The sub-committee was established to address operational difficulties that come with the following sections of the Act:</p> <ul style="list-style-type: none">• Section 71 (i.e. end balance disputes, classification of long-term agreements, whether court orders must be rescinded or not and others).• Section 86(10) (i.e. what should happen if the matter is in court and the consumer is not making payments).• Section 126B (i.e. process on how to indicate whether the credit agreement has prescribed or not. This is a requirement by various magistrates).• Any other matter you would like to raise, which poses operational difficulties since implementation of the Act.
Reckless lending	<p>The sub-committee was established to clarify and review the process to be followed in terms of Section 136(1) of the Act when lodging complaints alleging reckless lending with the National Credit Regulator (“the NCR”).</p>

Disclaimer:

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SUB-COMMITTEE	TERMS OF REFERENCE
Joint bonds	<p>The sub-committee was established to address operational difficulties that comes with joint bonds in debt review applications, considering the following:</p> <ul style="list-style-type: none"> • The inclusion or exclusion of joint bonds in an application for debt review with reference to the applicable marital regime governing the consumers. • The effect of inclusion or exclusion on consumers who are not married. • The effect of inclusion or exclusion on the signatory who has not applied for debt counselling. • The effect of inclusion or exclusion on a Debt Counselling Rules System (DCRS) proposal. • Any other matter you would like to raise, which poses operational difficulties on joint bonds.
Court order template	<p>The sub-committee was established to develop a standard and uniform debt review court order template for the industry.</p>
Data	<p>The sub-committee was established to:</p> <ul style="list-style-type: none"> • Deal with data challenges relating to the Debt Help System (DHS). • Develop the credit reporting framework for credit providers in line with Regulation 19(13).

Therefore, the NCR hereby invites all registrants to forward written submissions detailing proposed solutions on any of the above-mentioned for consideration by the relevant sub-committees.

All written submissions should be forwarded to Xoliswa Mahlangu at cif@ncr.org.za on or before **15 July 2016**.

FOR MORE INFORMATION PLEASE CONTACT

Xoliswa Mahlangu on 011 554 2607.



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