



ESTABLISHMENT OF THE NCR DEBT COUNSELLOR PANEL

Circular 08 of 2020

The National Credit Regulator (NCR) would like to establish a panel of debt counsellors (DCs) to implement a rotational transfer approach of consumers affected by the lapsing and/or deregistration of their debt counsellor on record.

The purpose of this circular is to invite DCs to express interest to form part of the NCR DC panel by sending a written submission responding to the following:

- 1 The willingness of the DC to take over transferred consumers on a rotational basis as and when the need arise (i.e. consumers paying the credit providers directly and those paying through the Payment Distribution Agent (PDA)).
- 2 The willingness of the DC to make an assessment of the transferred consumers to determine the correct status of the consumers' application.
- 3 The infrastructure and capacity of the DC practice to take over more consumers.
- 4 The number, location and details of the DC branches and how they are maintained to ensure compliance.
- 5 If trading with a group of DCs, disclose the operating model of the practice from end to end. (i.e. Disclosure on information such as the role of each DC within the company, which DC profile is used to process DC applications, whose banking details are used at the PDAs and others)
- 6 How DC restructuring fees and payments to credit providers are made (i.e. directly or through a PDA).
- 7 The DC's willingness to submit periodic progress reports to the NCR.

Disclaimer:

While the NCR has taken reasonable care to ensure the factual accuracy of this circular, it cannot guarantee such accuracy especially with regards to future events. Accordingly, NCR does not accept any liability for damages incurred by any party as a result of decisions or actions taken on the basis of information supplied in this Circular.

- 8 The DC's willingness to sign a memorandum of understanding as to the NCR's expectations with regards to the services to be rendered, means of reporting and fee structure arrangements.
- 9 The willingness to take reasonable steps to collect consumer files from the inactive DC where feasible. The NCR will assist with making the arrangement.

The NCR will evaluate the written submissions and further take into account the following factors (list not exhaustive):

- 1 The experience, infrastructure and capacity of the debt counsellor to handle volumes;
- 2 Compliance status of the DC with regards to submission of the quarterly statistical returns and the annual compliance report;
- 3 Compliance status of the DC with regards to the NCR compliance monitoring activities;
- 4 That the DC is managing the DHS profile updates and maintenance efficiently;
- 5 The complaints lodged against the DC;
- 6 That the DC is not under investigation by the NCR;
- 7 That the DC is not employed by a company owned by an unregistered debt counsellor.

Please send written submissions to dcinfo@ncr.org.za by no later than 17 July 2020 together with a company profile of the debt counsellor setting out material details of his/her practice.

Your participation herein is greatly appreciated.

FURTHER INFORMATION

Please contact **Timmy Van Der Grijp** on **011 554 2802**, tvandergrijp@ncr.org.za should you have any queries.