

**June 2017**

**National Credit Regulator refers Mr Price Group Limited to the National Consumer Tribunal for breach of the National Credit Act**

The National Credit Regulator (NCR) has announced that it has referred Mr Price Group Limited (Mr Price) to the National Consumer Tribunal (Tribunal) following an investigation by the NCR which revealed Mr Price has charged consumers a club fee on credit agreements. The charging of a club fee on credit agreements is not permitted by the National Credit Act.

“The National Credit Act allows consumers to be given a quotation which sets out the cost of credit before signing credit agreements. Consumers should request this quotation from their credit providers so that they can properly check the cost of credit that is being offered”, says Nthupang Magolego, Senior Legal Advisor at the NCR.

The NCR is asking the Tribunal to:

- Order Mr Price to refund the affected consumers the club fees charged;
- Order Mr Price to conduct an independent audit into its loan book to determine the number of consumers to be refunded;
- Interdict Mr Price from charging consumers a club fee on credit agreements;
- Impose an appropriate administrative fine on Mr Price.

The NCR will continue to conduct industry-wide investigations on the cost of credit to root out illegal charges and fees that consumers are charged.

Ends

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