

## Media Release

---

July 2018

### National Credit Regulator issues a public warning against fake loan scams

**[JOHANNESBURG]** The National Credit Regulator (NCR) has warned consumers to be wary of fake credit providers who attempt to entrap consumers in loan scams.

These scams typically target those who are in distressed financial circumstances and looking for a loan, using slogans such as “blacklisted” or “debt review clients welcome”, says Jacqueline Peters, Manager: Investigations and Enforcement at the NCR.

The increase in these types of scams comes at a time when credit approvals have decreased and consumers are finding themselves to be financially stretched. This is the time to be more vigilant as it is in the vulnerable times that we should make wise decisions. The National Credit Act prohibits all advertisements for credit from utilising these prohibited terms and consumers should avoid engaging with any credit provider who advertises in this manner, she added.

Below is general advise for consumers to avoid scams:

- Treat all unexpected calls, emails and sms messages with caution. Don't assume they're genuine, even if the person seems to know some basic information about you, such as your name;
- Look out for the name on all e-mails, in case it is a 'clone company' pretending to be a real credit provider.
- Do not pay any upfront fees to release your loans. The National Credit Act does not allow credit providers to request upfront payments for the release of a loan. If

the credit provider makes this request, do not engage further, report to the relevant authorities such as the NCR or the SAPS;

- Be aware of platforms and hidden fees included for sourcing a loan;
- Don't be pressured into acting quickly. A genuine credit provider won't mind waiting if you want time to think and compare the costs of credit by using a quotation;
- Do not engage with credit providers who do not conduct affordability assessments. Furthermore, never give false or incorrect information on a credit application about your financial affairs. Always disclose your financial obligations and living expenses fully;
- Never borrow from an unregistered credit provider.

"If a proposal is too good to be true, it usually is".

If a consumer is unsure or in doubt about the legitimacy of the credit provider or agreement, they should contact the NCR on (011) 554-2600/2700 or visit our website at [www.ncr.org.za](http://www.ncr.org.za).

Issued by: The National Credit Regulator

**ENDS**

---

**For more information contact:**

Media Office: [media@ncr.org.za](mailto:media@ncr.org.za)

Or

Lebogang Selibi  
(011) 554-2722  
E-mail: [lselibi@ncr.org.za](mailto:lselibi@ncr.org.za)