



NCR DEBT COUNSELLING CIRCULAR

No. 1 OF 2008

Debt Control Management (DCM) has been appointed by the National Credit Regulator (NCR) to collect restructured payments from consumers and distribute them to credit providers. Some Debt Counsellors have already facilitated payments from their clients to credit providers through DCM.

CHALLENGES FACING DCM

DCM is facing challenges in distributing these payments to credit providers. These challenges are due to the following problems:

- DCM received payments from some Debt Counsellors and /or consumers, but cannot identify who made those payments;
- Some Debt Counsellors did not provide DCM with detailed instructions on how the payments should be distributed, i.e. how much should be distributed for which account;
- DCM has been provided with inaccurate banking details – e.g. credit providers cannot match the account numbers with the debtors' names. As a result, they reject those payments and deposit them back into DCM's account.

ADDRESSING THE CHALLENGES

The NCR believes that these problems can be alleviated by empowering Debt Counsellors through training. As a matter of urgency! The NCR has requested DCM to conduct workshops in provinces where there is a high density of Debt Counsellors, i.e. Gauteng, Western Cape, Kwa-Zulu Natal and Eastern Cape.

These workshops will be conducted during the month of February. They will take place at the following centres:

- Gauteng – Pretoria and Johannesburg
- Western Cape – Cape Town
- Kwa – Zulu Natal – Durban
- Eastern Cape – Port Elizabeth

Dates and venues for these workshops will be communicated to Debt Counsellors by the 1st week of February. Debt Counsellors are urged to attend if they are making use of DCM as Payment Distribution Agency – or intends using them in future.

NB: PAYMENT TO CREDIT PROVIDERS

Debt counsellors were advised to contact all their clients during December 2007 and January 2008 to advise them to make payments in accordance with the re-arrangement proposals in order to show their commitment to the debt review process. Continued payments will protect consumers from termination of the debt review by credit providers.

Debt Counsellors are advised to contact DCM by 30 January to ensure that the information they provided DCM is accurate and that their clients' payments (those who have paid) have reached the credit providers.

FOR MORE INFORMATION, CONTACT:

For more information, please contact Iris Monareng (011 554 2703) or Godfrey Megalane (011 554 2705) or Mpho Thekiso (011 554 2701).

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