



5. We draw your attention to the consequences of non adherence to this Compliance Notice.

6. Should you have any queries in this regard, kindly contact Adv Jan Augustyn of the Investigations and Prosecution Department at 011-554 2662.

Yours faithfully

A handwritten signature in black ink, appearing to read 'G. Davel', written in a cursive style.

Gabriel Davel

Chief Executive Officer

## APPENDIX

**Contraventions as set out in Part A of the Notice to Comply occurred with respect to the following credit agreements entered into between yourself and consumers:**

1. CLIENT NO.: 355  
CONTRACT NO.: 7/9
2. CLIENT NO.: 355  
CONTRACT NO.: 9/9
3. CLIENT NO.: 1680  
CONTRACT NO.: 9/9
4. CLIENT NO.: 874  
CONTRACT NO.: 9/9
5. CLIENT NO.: 1084  
CONTRACT NO.: 9/9
6. CLIENT NO.: 1824  
CONTRACT NO.: 8/9
7. CLIENT NO.: 1989  
CONTRACT NO.: 8/9
8. CLIENT NO.: 1621  
CONTRACT NO.: 8/9
9. CLIENT NO.: 1814  
CONTRACT NO.: 3/3

10.CLIENT NO.: 1008

CONTRACT NO.: 3/3

11.CLIENT NO.: 1826

CONTRACT NO.: 4/3/09

**NOTICE TO COMPLY IN TERMS OF SECTION 55(1) a) OF THE NATIONAL CREDIT ACT, 34 OF 2005 ("the Act")**

NCR Form 13

**Name of Registrant**

Add X Trading 52 CC t/a Louhen Duiwelskloof 2  
Registration number: 2000/051667/23

**Address**

PO Box 2015  
TZANEEN  
0850

**Registration**

Registration Number: NCRCP3622

**A. In terms of section 55(1)(a) of the Act your attention is drawn to the fact that you have failed to comply with the provisions of the Act in that:**

1. You do not take reasonable steps before entering into credit agreements to assess proposed consumers' debt repayment histories under credit agreements or their existing financial means, prospects or obligations, in contravention of section 81(2) of the Act and/or
2. You do not provide consumers with pre-agreement statements and quotations, in contravention of section 92(1) of the Act, and/or
3. Your documents recording small credit agreements do not contain all the information as reflected in Form 20.2, in contravention of regulation 30(1) of the Act, and/or
4. You require payment by consumers of charges that are not permitted under the Act, in contravention of section 100(1)(a) read with section 101(1) of the Act.

**B. In terms of Section 55(3)(d) of the Act, you are required to with immediate effect take the following steps to address the areas of non-compliance as set out in A above:**

1. Perform affordability assessments as required by section 81 of the Act before entering into credit agreements with consumers;

2. Provide consumers with pre-agreement statements and quotations that comply both in form and content with Form 20 under the Act before entering into small credit agreements, ;
3. Ensure that your documents recording small credit agreements are filled in and contain all the information as reflected in Form 20.2 under the Act;
4. Cease to charge consumers a global fee of 30% on loan amounts and restrict the fees you charge to those categories of fees permitted by section 101 of the Act and at the rates prescribed by the Act;
5. Refund to all consumers whom you extended loans from date of registration with the National Credit Provider any fees charged and collected in excess of the limits permitted in terms of the Act;
6. Appoint a registered chartered accountant to assess your compliance with the requirements of this compliance notice, as well as whether you are using the bank cards and PIN codes of any consumers to enforce repayment of any loans granted, in contravention of section 91(b) (i) or (ii) or section 133(1) or (2) of the Act and to compile a report on his/her findings and
7. Submit the report of the chartered accountant to the National Credit Regulator within 4 months of date of receipt of this notice.

**C. As required in terms of Section 55(3)(e), we would like to bring to your attention that the following orders may be made and penalties imposed if the required steps are not taken to rectify the areas of non compliance:**

1. In terms of section 55 (6) (b) the National Credit Regulator may refer this matter to the National Consumer Tribunal, which in terms of sections 150 and 151 of the Act may make orders with respect to or impose penalties for each act of non compliance, including:
  - a. declaring any conduct to be prohibited;
  - b. interdicting any such prohibited conduct;
  - c. suspending or canceling your registration;
  - d. requiring repayment to consumers of any excess amounts charged;
  - e. making any other appropriate order;
  - f. imposing an administrative fine not exceeding the greater of 10% of your annual turnover during the preceding financial year, or R1 000 000.00 (One Million Rand).

2. The National Credit Regulator may further refer certain matters to the National Prosecuting Authority, which may result in criminal prosecution.

D. We further wish to bring to your attention that in terms of section 55(4) of the Act, this compliance notice remains in force until it is either

1. set aside by the National Consumer Tribunal, or a court upon an appeal or review of a Tribunal decision concerning the notice or
2. the National Credit Regulator issues a compliance certificate.

You may object to this Notice in terms of Section 56 of the Act and may request the National Consumer Tribunal to review this Notice, within 15 business days of receipt of this Notice.

Signed at Midrand on this <sup>th</sup> 4<sup>th</sup> day of June 2010.



Gabriel Davel  
Chief Executive Officer  
National Credit Regulator