

MEDIA RELEASE

August 2021

Looting mayhem has cost some consumers dearly

The recent looting mayhem in Gauteng and KwaZulu-Natal has, with no doubt, cost some employees and owners of the vandalised premises dearly as some are unable to make monthly repayments towards their debts. This is as a result of the job losses or salary reduction or temporary unemployment as some people will only be called back to work once businesses start functioning again. This means that when business owners are trying to rebuild, many people will be unable to make monthly repayments towards their debts, says Anne-Carien Du Plooy, Acting Manager: Education & Communication at the National Credit Regulator (NCR).

The destruction caused by the looters has left not only business owners, insurers and the government bearing the financial brunt, many others in the value chain such as employees of the vandalised and looted establishments, their families and surrounding small businesses are also affected financially. “If you are a consumer of credit affected by the looting activities that transpired in Gauteng and KwaZulu-Natal leaving you unable to meet your monthly obligations, please inform your credit providers for debt relief assistance”, advises Du Plooy. Missing repayments will, no doubt affect consumers’ credit reports at the credit bureaus, hence it is imperative for consumers to contact their credit providers soonest.

Du Plooy also reminds consumers that credit life insurance which covers the outstanding debt in the event of unforeseen circumstances such as death, retrenchment, unemployment, inability to earn an income, disability and others can be a debt relief measure for those who qualify for it. Consumers are urged to check if their credit agreements are covered by credit life insurance because in the event of the consumer becoming unemployed or unable to earn an income, the credit life insurance cover provides that credit providers must settle / pay the consumer’s debt for a period of twelve (12) months or for the remaining repayment period or until the consumer finds employment or is able to earn an income, whichever period is shorter. Consumers who would like to use this relief measure but battling to get assistance from their

credit providers can send a complaint to the National Credit Regulator. However, it is important for consumers to remember that in order to benefit from credit life insurance, all installments for the credit agreement covered by the credit life insurance must be up to date.

Consumers whose income has been reduced may consider debt counselling as a debt relief solution. Debt counselling is a debt relief measure intended to assist over-indebted consumers struggling with debt, through budget advice, negotiation with credit providers for reduced payments, extension of repayment term and restructuring of debt.

For further advice on other debt relief options available in terms of the National Credit Act or further explanation on the above, consumers are welcome to contact the National Credit Regulator on 0860 627 627 or www.ncr.org.za, concludes Du Plooy.

Ends

About The National Credit Regulator

The National Credit Regulator (NCR) was established in terms of the National Credit Act 34 of 2005 (the Act) and is responsible for the regulation of the South African credit industry. The NCR is mandated with the registration of Credit Providers, Credit Bureaus, Debt Counsellors, Payment Distribution Agents, and Alternative Dispute Resolution Agents; and monitoring their conduct in compliance with the National Credit Act as amended. The National Credit Regulator offers education and protection to consumers of credit in promotion of a South African credit market that is fair, transparent, accessible and dynamic.

For more information contact:

Media Office: media@ncr.org.za

Or

Didi Sebothoma – 064 752 3910

E-mail: dsebothoma@ncr.org.za

Or

Winnie Rabathata - 064 752 3923

E-mail: wrabathata@ncr.org.za

NCR Share call: 0860 627 627

Website: www.ncr.org.za