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New clause: Providing for the Minister to prescribe additional regulations based on the proposed amendments in the Amendment Bill, as well as the proposed additional areas mentioned above. These regulations will include provisions for a 'fit and proper' test; a process to deregister a PDA; the duties, obligations and fees of Payment Distribution Agents and ADR Agents; assessment criteria to determine if an applicant's commitments to prescribed guidelines are sufficient; a formula for penalty for late renewal of registration; and termination of/withdrawal from debt review process.

**CBA:** The proposed power to be granted to the Minister to prescribe fees, which would presumably include the power to regulate fees for services rendered to consumers or clients, could be anti-competitive, and this power should be limited to the ability to prescribe maximum fees only.

Furthermore, the Minister's power to prescribe criteria for registration, as well as the duties and obligations of Registrants, should be limited to new applicants only, as existing Registrants are already bound by the NCA, its regulations and the conditions of registration placed upon them.

Section 171 should include the power for the Minister to categorise different types of credit bureau regarding the mandatory submission of data to all credit bureaus (including those which do not operate as traditional credit bureaus).

They recommend the following changes to the proposed amendments to section 171:

"Amendment of section 171 of Act 34 of 2003

38. Section 171 of the principal Act is hereby amended by the substitution in paragraph (d) of subsection (1) for subparagraph (i) of the following subparagraph:

"(i) any forms required to be used for the purposes of this Act; [and]

(iA) may prescribe the criteria for registration of **any new Registrants, including the Maximum as well as the duties, obligations and fees** that may be charged by a Registrant to a consumer;

(iB) may prescribe processes for de-registration of registrants that provides for the protection of the consumers involved;

(iC) may prescribe formulae for the calculation of penalties provided for in this Act, **provided that these are reasonable in the circumstances;**

(iD) **may prescribe the category of Registrants to which credit data shall be supplied;**

(iE) may prescribe processes for termination of debt review, debt re-arrangement or declarations of over-indebtedness; and".

**CGCSA:** Any such draft regulations should only be promulgated once a full and proper public consultation process has been followed, with adequate time being made available for consideration of the proposed draft regulations by all stakeholders and the submission of comments/objections where required.

**DCASA:** Regarding termination of the withdrawal from debt review, the different options should be clearly defined; namely: termination by debt counsellor, withdrawal by debt counsellor, termination by the consumer, withdrawal by debt counsellor, and transfer. Currently, the NCA does not make any provision for a consumer to terminate from the debt review process and limits the actions a debt counsellor may take.

They recommend that:

- Consumers should be prevented from taking several payment holidays and not paying credit providers and debt counsellors for the services rendered.
- Credit providers should not abuse the process by insisting that consumers terminate the Debt Review.
- Once a court order is obtained by the debt counsellor, the consumer may not withdraw without sourcing a replacement debt counsellor and first settling any arrears due in terms of approved fee structures.
- Voluntary exclusion of any debt from the debt review process should not be allowed in any amendment.

	<p><b>LNBLA:</b> The proposed empowering provisions as presented in the public hearings are too wide and may create uncertainty with stakeholders. It is important that any delegated legislative authority is specific regarding the powers and the scope of such authority.</p> <p><b>MFSA:</b> This clause needs to be fully unpacked and areas of jurisdiction need to be better explained and understood, especially in terms of regulations regarding PDAs.</p> <p><b>NCRF:</b> They are in favour of the Minister having powers to prescribe specific matters addressed in respect of PDAs and ADR agents but he should not be given a blank cheque to create regulations.</p> <p><b>theDCI:</b> They suggest providing the Minister with the power to prescribe processes for the resolution of complaints lodged with the NCR.</p>
<p>New Clause: Amending sections 40 and 42 so that all credit providers will be required to be registered.</p>	<p><b>AMC:</b> This requirement will be detrimental to employers who offer any employees loans at low rates. Employers will simply not offer loans, to the detriment of the employee, or will do so illegally, which will result in otherwise compliant entities contravening the law.</p> <p><b>DCASA:</b> They recommend that Section 40 be amended to make it an offence to operate as a credit provider if not so registered; as many active, unregistered credit providers operating below the radar charge fees and interest well in excess of the prescribed fees and interest and often approve reckless debt.</p> <p><b>MFSA:</b> They agree that all Credit Providers irrespective of their annual disbursements or number of contracts must be registered with the NCR. This will contribute to consumers becoming more aware of the difference between registered and underground and rogue operators.</p> <p><b>NCRF:</b> Although they agree on the need for the proposed changes, they are concerned with the inability of regulatory and enforcement agencies to close down non-registered credit providers.</p> <p><b>SBSA:</b> They suggest the following wording be included in section 40(1): "... , if that person, in the ordinary course of business provides credit...". This will capture all credit providers, while excluding individuals who occasionally loan money to their friends or family are excluded from the requirement to register.</p> <p><b>theDCI:</b> The failure to register must be stipulated as an offence.</p>
<p>New Clause: Amending section 52(4) so that a registration in terms of the Act remains in effect until cancelled.</p>	<p><b>MFSA:</b> Current arrangements do not enhance consumer protection as marketing and communications material is not date stamped. In practical terms a credit provider display marketing material which consumers trust as it is NCR branded, as the documentation is not date stamped de-registered illegal credit providers continue to masquerade as if they are registered and legal.</p>