**NBBC Background**

Having been founded in 1993 after the famous Mopani 1 meeting of over 200 black business delegates, the National Black Business Caucus (NBBC) is a membership-based organization that is affiliated to the Black Business Council (BBC). Our purpose is to collectively lobby government and private sector on behalf of our members who are Black Owned Businesses (BOBs), as well as participate with the BBC and all its other affiliates on true black economic empowerment policy generation.

As NBBC we further focus on the monitoring and enforcement of the existing BBBEE legislation in an effort to find practical ways for the participation of BOBs in the mainstream economy. We believe that it is high time that we as BOBs stop asking permission to participate in the mainstream economy; we ought to be creating our own black owned conglomerates and take over our countries economy.

Our Mission

Our mission as the NBBC is to make sure that this whole topic of black economic empowerment seizes to just be a talking point and becomes a reality. We achieve this by relentlessly promoting black-to-black trade, banking, insurance and retail. Teach our people to buy black.

Our Vision

To empower BOBs from all sectors to become conglomerates that can be able to produce locally and export to the rest of Africa and beyond. All under strong and purposeful leadership Of the professionally run NBBC.

The NBBC has a number of concerns regarding the way that the financial sector of South Africa is currently conducting itself.

**Repossession Procedures of Banks**

The process of repossession is as follows:

After your first default, the credit provider will contact you to find out why you haven’t paid.

They then have to send you a Section 29 letter that you have to accept.

Then only can they start legal proceedings.

They then have to issue summons.

Then a court order follows and then and only then can they request a sheriff to come and pick up your property.

The problem we have is that the credit act is silent on how long till they can issue a Section 29 letter.

It is up to the bank to decide when to send you a Section 129.

To avoid all these rules and regulations, the banks send thugs, usually two white guys in a Bakkie to come and illegally take what belongs to you.

They are sent to you to intimidate you and scare you into handing over your property then the paper they make you sign is a Section 127, which stipulates a voluntary handover of your property to the FSP.

The Section 127 clause is supposed to be voluntary… NOT implemented under MAFIA style duress.

NCR communicated to us at the NBBC that the above practice of the thugs that come to intimidate people is not part of the National Credit Act but is rather an abuse of the act.

**Banks illegally sending thugs to bully clients into handing over their property**

The fact that a client has been paying constantly for an asset over the last three years then a bump in the clients finances occurs for one month the on the second month of non payment, the bank sends thugs… usually heartless, rude and aggressive white guys in a pick up truck to illegally collect the vehicle.

**Banks repossessing incapacitated client’s property**

An incapacitated client who can not earn money to continue paying in the time that he/she is down will still experience a bank sending the same types of people to harass the ill person into giving up their asset for the bank’s benefit.

**Low Price Resale of Clients Property “Fire Sales”**

After repossession has happened and the client has lost the asset, the bank then proceeds to sell the asset at a price that has not been discussed through any type or form of consultation with the client by the bank.

The bank just sells the asset at approximately 10% of its book value and does not even bother to cover its own costs.

The bank after selling the property for a pittance then comes after the client who entered this contract in good faith with the bank for the balance of the total amount owing on the contract.

**Ownership Percentages and Forced Sale of Property**

It is our belief that a shareholder or stakeholder in any property, may it be a piece of real estate or a vehicle, a business, etc. must be consulted, agree upon a direction and the price in which the property of interest will be sold at before any one shareholder or stakeholder can sell it.

This is not what the banks are doing.

The banks act as if they are alone in the contract. You obviously start of with a minor stake in the property that you are in a contract (partnership) with the bank in. You then continue to pay your share of the contract till you are an equal partner in the property with the bank, then after more payments you become a major stakeholder above the bank.

So why then is it that even if you own and have legally paid off 80% of your contract value, the bank still feel it has the right to do as it pleases with your property of which they are just a minor stakeholder?

This is insane because it does not comply with any other capitalistic practice.

**The Courts Collusion with FSPs**

How is it that the courts in this country can take a decision on a case without hearing both sides of the story?

The banks and other FSPs currently go to court and obtain a judgment against a client without the client being afforded their constitutional right to put forward their side of the story.

This means that the bank has a privilege under law than no other entity under law enjoys. They are the only ones who are allowed to participate in a court of law hearing without the other party.

It is unconstitutional; it deprives our people of their right to a fair trial, their right to freedom of speech, their right to human dignity, their right to equality under the law.

**Bank’s collusion resulting in hardship for South Africans**

As South Africans worriedly watched the rand rise and [dip against the dollar](https://qz.com/596693/how-to-explain-why-the-south-african-rand-keeps-falling/), more than a dozen banks were illegally profiting from the volatility, according to local antitrust agency, [Competition Commission](http://www.compcom.co.za/%22%20%5Ct%20%22_blank). It says it found evidence 17 banks were colluding on the rand to dollar exchange rate.

The commission’s two-year investigation found that the banks were involved in price fixing and market allocation regarding the South African rand and the US dollar since April 2015.

The commission found that the banks all had a gentleman’s agreement dating back to at least 2007 to collude on prices for bids, offers and bid-offer spreads for spot trades on rand-to-dollar exchanges. The banks were said to have manipulated the bids by stepping back from certain bids and even creating fictitious bids and offers, a statement by the commission said.

The collusion was a global effort as banks across four continents worked together. They allegedly used the Reuters currency trading platform and the Bloomberg instant messaging service to organize their deals, at times also using the more traditional channel of a telephone call.

The banks worked together by discussing desired prices, coordinating trading times and taking turns to transact, hold or pull bills. These colluded trades would have affected anyone else buying rands or using dollars to buy rands.

The banks named in the investigation are:

ABSA Bank Limited

Australia and New Zealand Banking Group Limited

Bank of America Merrill Lynch International Limited

Barclays Bank

Barclays Capital Inc.

BNP Paribas

Commerzbank AG

Credit Suisse Group

HSBC Bank Plc.

Investec Ltd.

JP Morgan Chase & Co.

JP Morgan Chase Bank N.A.

Macquarie Bank Limited

Nomura International Plc.

Standard Chartered Bank

Standard Bank of South Africa Ltd.

Standard New York Securities Inc.

The commission, which is South Africa’s official antitrust agency, has referred the matter to a tribunal for formal prosecution. If found guilty, the commission wants the banks to pay a penalty of 10% their annual turnover. The banks are expected to respond at the tribunal hearing.

(News insert from qz.com)

The punishment for illegally making billions at the expense of South Africans by these cartels is said to be R60million. Its ridiculous.

**Banks Holding R 50 Billion of Stokvel money but wont lend to stokvel members**

The banks have been holding billions of rands that are collected and banked by black people through the stokvels. Banks use that very money to lend out to their white counterparts yet the very owners of that R50billion are individually not allowed any business finance or any other type of finance.

**Why are the FDA’s not presenting as they are developmental**

Why are all the state funding bodies such as IDC, DBSA, SAFA not presenting at the Standing Committee for Transformation of the Financial Sector as they are developmental stakeholders of the sector and we as South Africans would like to hear from them in regard to the NEF as well as understand why they seem to be more interested in security and making a profit rather than development of the Black Owned Businesses?

**NCR not doing enough to educate community of their rights**

As it stands today, a vast majority of South Africans who are engaged in a contract with any FSP has no idea of the actual and legal procedures that an FSP has to follow at the point where there is a dispute or disagreement regarding the contract they entered into with any FSP.

**NCR not doing enough to protect community from contracts of non-equals**

The banks make contractual agreements with their clients that are contracts of non-equals from the very beginning. The bank in those contracts is the only entity that is protected. The fine print on the back of a loan contract is non negotiable and must be agreed to by the client and its binding.

The client must adhere to the rules set out by the FSP which is standard across the board and is identical from one FSP to the other, which means that, the FSPs by their very operational nature are united to collude against the community of South Africa

**The use of third party collection agencies.**

These agencies are rude, abusive in the way they communicate, they call people at very bad hours of the day, they make arrangements and don’t keep to them, they try to get the client of the FSP to owe more money so they can make a profit, they charge the clients of FSPs a premium for the abusive calls they make to them and all this under the pretense of collecting a debt on behalf of the FSP.

These agencies all lie to the FSPs clients by claiming that they are a law firm appointed by the bank, when actually they are just an agency that is as parasitical in the way that they make money as its employer.

There is a difficulty resolving any dispute or finding an amicable solution with the bank of which a client actually has an agreement with if the client must now negotiate with an entity that was not there when the agreement began and has no interest in what happened or why.

The bank should not hand over to a third party that is not agreed upon by both parties as a mediator.

**Banks acting on laws that have not been promulgated with defiance**

**Re- assessment of the FICA bill**

Please see the insert of the letter to the Honorable President of the Republic Of South Africa

**Easy and lenient consequences on banks when they break the law**

The banks break the law every time and when they do it is against their clients who do not have the adequate amount of money to pursue the FSP through the legal system.

The FSPs know that by being awarded the FSP license, you have the right to loan people money so that you may then bully them.

When Vodacom offered a client a post paid contract that includes 600 minutes of talk time and 3gigs of data for R400 p/m with a usage protection that cuts off after the said amounts are reached respectively. The client specifically makes it clear that; he wishes to take them up on the usage protection part of the contract, meaning that as soon as the amount is reached in usage the will stop any further usage till the next calendar month.

Vodacom fails to do so and R400 p/m now becomes R3000 from the first month. Then the contract is in dispute when payment time comes up, Vodacom sends the client from pillar to post and blames the client for everything.

Then the client is blacklisted and has a judgment against he’s name because Vodacom has been before a judge in the absence of the client and won the case.

Who is punishing the FSPs for their gross misconduct against our community because this type of behavior is destructive to our countries development as it negatively impacts the development of SMMEs and community members at large, to say the least.