

10. Statements of account

Credit providers must give you statements of account, usually once per month (once every two months for instalment sale agreements).

Credit providers must also give you statements of account **on request**, at **no charge**. Consumers may choose how the statement must be delivered:

- orally in person, or by phone; or
 - in writing (in person, by sms, mail, fax or email – provided the credit provider has these facilities).
- Credit providers do not need to give written statements on demand more than once every three months.

11. Duty to report location of goods

In the case of instalment agreements, you get **ownership ONLY** when **all instalments** are paid. Consumer must inform credit provider of changes in :

- business or residential address
- the premises where the goods are kept
- the name and address of any other person who has possession of the goods

If requested, you must also give to the credit provider or Sheriff the address where the goods are kept and the name and address of the landlord of the premises.

12. Duty to pay credit providers

This is the consumer's MOST IMPORTANT duty. It will prevent legal action being taken against you.

Also, maintaining a good credit rating will make it easier for you to get credit in future



YOUR MONEY

Consumer rights & duties



The last provisions of the National Credit Act of 2005 came into effect on 1 June 2007. All consumer credit law is contained within this Act and it applies to all credit agreements and all credit providers.

1. Right to pre-agreement disclosure

- Before entering into a credit agreement the credit provider **MUST** give you a statement and quotation for **FREE**.
- At this stage there is **NO AGREEMENT**: you do not have to sign anything or pay any fee
- The statement and quotation must tell you:
 - the amount of credit provided the number and amount of instalments payable
 - interest and other fees
 - deposit required
 - credit insurance

You have 5 days to accept or reject the quote. This gives you time to look around for better or cheaper credit.



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Only when you accept the quotation is the credit agreement concluded and you are bound by it.

DO NOT PAY ANY FEES BEFORE CONCLUDING YOUR AGREEMENT!

2. Right to apply for credit and non-discrimination

- Every adult can apply for credit, but no-one has the right to be granted credit.
- A credit grantor can refuse to give you credit for **reasonable** business reasons, **but**
 - may **not** refuse to give you credit because of your race, religion, marital status, ethnic or social origin, gender, sexual orientation, age, disability, culture, language etc.
 - you **MAY** ask for reasons why you were refused credit. The credit provider should give you these reasons in writing.

3. Right to understandable language

You have the right to be given a quotation and credit agreement in an **official language** you understand, if this is reasonable. If documents don't have a set form they should be in plain language that an average person can understand.

4. Right to information held by credit bureaux

When you apply for credit, the credit provider will check your credit report before deciding whether or not to give you credit.

- You have the right to access information held by credit bureaux about your credit worthiness.
- You can dispute the correctness of this information
- You can have information about rescinded judgments removed from credit bureaux records.
- The credit bureau or NCR **MUST** investigate and correct any incorrect information **FREE** of charge.
- A credit provider must advise you before reporting information about you to a credit bureau.

- You have the right to a free credit bureau report once per year during your birthday month.
- After that it will cost R20 per enquiry.

Two **IMPORTANT** credit bureaux, with contact details, are:

TransUnion ITC: Tel: 086 148 2482; Fax: 011 - 388 9963; Website: www.mycredit.co.za; email: freecreditreport@transmission.co.za.

Experian: Tel: 086 110 5665; Fax: 011 – 707 6700; Website: www.experience.co.za; email: consumer@experian.co.za.

5. Right to protection against marketing practices

The Act contains a number of rules regarding marketing practices:

- (a) The advertising and marketing of credit must contain prescribed information on interest and all other charges you will have to pay
- (b) Negative option marketing is not permitted (in terms of which an agreement will automatically come into existence unless the consumer declines an offer).
- (c) Advertisements must not be misleading, fraudulent or deceptive.
- (d) Credit providers may not harass, force or persuade you to apply for credit.
- (e) Credit sales at a person's home are strictly prohibited, unless:
 - the sale occurs during a meeting that you pre-arranged for that purpose ; or
 - you are given credit on the sale of goods or services.
- (f) A credit provider may require that you have credit life insurance during the time you have a credit agreement with them; but they have a duty to ensure that suitable options for insurance cover are offered to you.

6. Right to confidentiality and privacy

Credit bureaux must protect the confidentiality of consumer credit information that they hold or report on.

Credit providers must give you the option of being excluded from telemarketing campaigns, marketing or customer lists sold or distributed, and mass distribution of e-mail or sms messages.

7. Right of cooling-off

Leases and instalment agreements

You may terminate these agreements (in writing and properly delivered) within five business days of signing them. You must then return the goods you bought. The credit provider must refund the money you paid within seven days of termination, less the following:

- (a) reasonable costs of return and repair of damages after sale;
- (b) rent for use of the goods, unless they are still in their original packaging; and
- (c) compensation for depreciation in value of the goods (by agreement or court order only).

8. Right to early settlement and repayments

You **MAY settle** your debts before they are due, and credit providers must accept early payment. Amounts paid early will be used first for unpaid interest and fees, and second to reduce the principal debt.

In the case of **SMALL** agreements (less than R15 000) you do not need to give notice to the credit provider if you want to do this. Interest and other fees are payable only until the date of settlement.

i.e. YOU CANNOT BE PENALISED FOR PAYING EARLY

In the case of **LARGE** agreements (eg mortgage bonds) you must give 3 months notice to the credit provider. If you cancel a mortgage bond, you will be liable for the bond cancellation costs.

9. Surrender of goods

You can take the goods you bought on credit back to the credit provider at **ANY** time (whether you are in default or not). The credit provider must then sell the goods and use the money it gets from the sale to settle your account. If the amount the credit provider receives from selling the goods is less than what you owe, you will have to pay it the amount that is outstanding.