

GUIDELINE FOR THE SUBMISSION OF CREDIT INFORMATION IN TERMS OF REGULATION 19(13)

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This Guideline, issued in terms of regulation 19(13), is now final and is applicable to all credit providers, all credit bureaux and data providers as hereinafter defined.

PURPOSE OF THE GUIDELINE: This Guideline prescribes the manner and form in which a credit or data provider must submit credit information to a credit bureau:

1 Definitions pursuant to regulation 19(13)

(Unless otherwise herein defined, definitions of terms are as set out in the Act.)

'Act' means the National Credit Act, 34 of 2005, and its Regulations, as amended;

'assessment' for purpose of this Guideline, means the assessment undertaken by SACRRA to determine the on-boarding timetable applicable to a credit or data provider in accordance with the data format development and volume of credit information to be submitted by such credit or data provider to the credit bureaux;

'credit bureaux' means those credit bureaux that have been authorised in writing by the National Credit Regulator to receive, host and return credit information to any party requesting it for a permitted purpose or a purpose contemplated in the Act;

'credit information' means 'consumer credit information' as defined in section 70(1) of the Act, and includes payment profile information;

'data format' means the data specification prescribed by the National Credit Regulator in terms of this Guideline, attached as Annexure A hereto, and which may be updated by the National Credit Regulator from time to time. The data format specifies the data fields that must be completed when credit information is reported to the credit bureaux;

'data provider' means any source of information as set out in regulation 18(7)(b)-(c) and 18(7)(e)-(f) that may provide credit information to the credit bureaux;

'Data Transmission Hub' means the encrypted data transfer interface managed by SACRRA through which credit information is submitted to the credit bureaux;

'Guideline' means this Guideline issued in terms of regulation 19(13) of the Act, and which is binding on all credit providers, data providers and credit bureaux;

'payment profile information' means the payment history and financial information relating to a debt or credit transaction, including relevant payment dates,

both negative and positive information and/or signs depicting action taken in respect of such debt or credit transaction;

'on-boarding' means the process whereby credit information is recorded in the data format and processed in a manner that enables it to be transmitted via the Data Transmission Hub to the credit bureaux; and

'SACRRA' means the South African Credit and Risk Reporting Association.

Any reference to hours or days in this Guideline shall mean hours in a business day, or business days, respectively.

2 Reporting of credit information by credit providers

- 2.1 Credit information must be reported by credit providers to credit bureaux.
- 2.2 The National Credit Regulator shall publish on its website the names of the credit bureaux that have been approved to receive, host and return credit information in terms of this Guideline.
- 2.3 No credit or data provider shall be required or compelled to become a member of SACRRA by reason of the National Credit Regulator prescribing the usage of the Data Transmission Hub and data layout managed by SACRRA as the manner and form of reporting credit information to credit bureaux.
- 2.4 The National Credit Regulator will from time to time publish the fees payable to cover the costs of the manner and form of reporting credit information, which includes the assessment, on-boarding, operation, usage and reporting in terms of the Data Transmission Hub, as well as the maintenance and development of the data format.
- 2.5 The National Credit Regulator will amend the Conditions of Registration in respect of its registrants to include the requirements of these Guidelines and any subsequent Guideline issued in terms of regulation 19(13), and will issue such amended Conditions of Registration when prescribing the fees to be paid, together with the implementation time-lines, in the proposed subsequent Guideline.

3 The form and manner of reporting credit information

- 3.1 All credit providers must utilise the Data Transmission Hub for the submission of all credit information in accordance with Annexure A and information pertaining to the removal of adverse information to the credit bureaux.
- 3.2 All credit providers must utilise the data format for purposes of the submission and updating of credit information to the credit bureaux.
- 3.3 All data providers that access the payment profile information of a consumer for a permitted or prescribed purpose as provided for in the Act must:
 - 3.3.1 provide all relevant credit information in respect of consumers to credit bureaux in the same manner and form as credit providers in order to receive payment profile information from a credit bureau in respect of any consumer;
 - 3.3.2 ensure that they comply with all the requirements set out in the Act for loading credit information onto the credit bureaux;
 - 3.3.3 utilise the Data Transmission Hub for the submission of credit information to the credit bureaux and in doing so, must use the data format for purposes of such submission; and
 - 3.3.4 pay any fees that are prescribed for the onboarding, usage and maintenance of the Data Transmission Hub.

- 3.4 Failure by a data provider to comply with Clause 3 of this Guideline will result in access to payment profile information being denied to such data provider, by the credit bureaux.
- 3.5 All credit providers and data providers currently providing credit information to the credit bureaux via the Data Transmission Hub, including all SACRRA members who provide credit information to credit bureaux, must continue, or immediately commence with the on-boarding process, to provide credit information to the credit bureaux in the manner and form prescribed in 3.1 and 3.2 above.
- Provided that such credit providers, data providers and credit bureaux retain their membership of SACRRA, no fees other than annual SACRRA membership fees will be levied or payable for the use or maintenance of the Data Transmission Hub until 2019 at which time new fees for all will be prescribed.
- 3.6 All credit providers and data providers not included in 3.5 above, including all non-SACCRA members must:
- 3.6.1 Undergo an assessment as a provider of credit information by SACRRA, between 1st July and 1st November 2017, at the commencement of which they must pay a once-off assessment fee of R500;
- 3.6.2 In January 2018, pay a once-off fee to be published in December 2017 to cover the costs of on-boarding;
- 3.6.3 Ensure that all fees are paid within 30 days of invoice in respect thereof.
- 3.7 Fees to be payable annually for the usage and maintenance of the Data Transmission Hub, data format and reporting to the NCR in terms thereof, will be stipulated by category of credit provider and/or data provider and will be payable in accordance with the on-boarding timetable over a period of three years as determined in a subsequent Guideline, with credit providers in categories 1-5 and all data providers to be on-boarded in 2018.
- 3.8 At the same time as the fees are published annually, a date for commencement of submission of credit information will be prescribed for such credit and data providers.
- 3.9 Credit provider categories are detailed in Table A of the Act, as amended by *Government Gazette* of 11 May 2016.
- 3.10 Data provider categories will be determined by SACRRA during the registration process.
- 3.11 SACRRA will monitor the quality of the credit information reported by all credit providers and data providers and report any data quality problems to the National Credit Regulator at agreed intervals for appropriate regulatory action to be taken to address those issues.

4 Timeframes for reporting credit information

A credit provider must report credit information to the credit bureaux in the following manner and timeframes:

- 4.1 The details of all new credit agreements entered into with consumers within 48 (forty-eight) hours of the credit agreements being concluded;
- 4.2 The details of all closed, terminated, rescinded or settled credit agreements within 48 (forty-eight) hours of the credit agreements being closed, terminated or settled;
- 4.3 The monthly payment profile information of consumers within 5 (five) business days of the agreed billing cycle;

- 4.4 Subject to the provisions of regulation 19(4) and regulation 19(7), the adverse classifications of consumer behaviour and adverse classifications of enforcement actions on a monthly basis; and
- 4.5 The submission of all adverse information and judgment debts as set out in s.71A (1)(a) to (d) of the Act within 7 (seven) days of such settlement by the consumer.

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Guideline 4(1) to 4(5), read with the changes required by law or context, apply to the reporting of credit information to credit bureaux by all data providers.

6 Effective date

This Guideline is effective immediately in accordance with the timeframe set out herein.

ANNEXURE A

DATA FORMAT PRESCRIBED BY THE NATIONAL CREDIT REGULATOR

Overarching Category 1: Data Subject Demographics

Consumer name/s and surname/s, address, and unique identifier (eg ID number/passport/date of birth).

Overarching Category 2: Data Supplier Demographics

Account number/s of consumer account/s; name of Credit/Data Provider; and supplier reference number per file, which number is issued by SACRRA; and month end date or transaction date of the file.

Overarching Category 3: Product Descriptors

Current categories of credit agreements, products, and services (Account types) utilised by industry for credit information reporting as at September 2016. Should SACRRA innovate these to meet the dynamics of the market, the NCR will be advised accordingly.

Account Type	Name of Account Type	Product Description/Criteria for Use
B	Building Loan	Loans which are granted independently of a Bond account which are specifically for use in building, either in additions or from foundation. These are generally consumed in portions as the build progresses.
C	Credit Card	Account where an available allowed facility is granted, payment commitments in line with the agreed timelines must be made in order that the facility can be retained.
D	Debt Recovery	Where an account has been previously written off and is now in the collections environment.
E	Single Credit Facility	A facility where numerous products have been combined or where facility allows for various transaction types to occur within an agreed available limit at a specific rate.
F	Open-Services	Service type accounts which do not have a credit limit but where the total expenditure in the previous month is expected to be paid in full after each cycle. This will include the accounts such as: Telecoms, Security, Cellular, Subscription accounts for value-add services (prepaid etc).
G	Garage	Only Independent Cards which are not paid by automatic transfer linked to a credit card account; if automatic transfer linked to credit card, the expenditure on this card must be included in the credit card submission.
H	Home Loan	Bond accounts, including 'Access Bond' type accounts which are not considered to be single credit facilities.
I	Instalment	Where an instalment agreement is signed. A specific instalment is expected for the purchase of goods.
L	Life Insurance	For Life Insurance Policies - premiums only.

M	One-Month Personal Loan	Loan granted to consumer for use in his personal capacity where the loan is to be repaid within 1 month.
N	Secured Pension/Policy-Backed Lending	Loan granted against a pension/policy. Must be treated in the same way as a personal loan.
O	Open-Limitless	Open Credit Facility where the account is truly limitless in terms of available credit AND where repayment in full is expected at the end of each agreed period.
P	Personal Loan	Loan granted to consumer for use in his personal capacity where the loan is to be repaid over a term greater than 1 month.

Account Type	Name of Account Type	Product Description/Criteria for Use
R	Revolving Credit Store Cards	A Store Card where a limit is available to the consumer and an instalment is required monthly. This value may be accessed as required up to the agreed limit.
S	Short Term Insurance	For Short Term Policies – premiums only.
T	Student Loan	Use only if the product is paid directly to the Tertiary Institution. If funds are dispersed directly to the consumer, please use M or P.
U	Utility	Rates, Water, Electricity, Levies Accounts.
V	Overdraft	Overdraft Facility.
W	Rentals Asset	Rental of Vehicles, white goods (such as Appliances, Televisions etc).
X	Rentals Property	Property Rentals.
Y	Vehicle Asset Finance	Vehicle Asset Finance.
Z	Revolving Non-Store Card	A limit which is available to the consumer where a specific instalment is required monthly and once a percentage or agreed value is repaid, this value may be accessed again up to the agreed limit.

Overarching Category 4: Financial Descriptors

Opening balance/credit limit

Date of commencement of credit agreement (account open date)

Instalment amount

Term, where applicable and repayment frequency

Overdue balance and months in arrears, where applicable

Current balance, where applicable

Overarching Category 5: Current Account Status Codes and Status Date

The current account status codes as utilised by industry for credit information reporting as at September 2016.

CODE	DESCRIPTION	DEFINITION
B	Final Closure	To be supplied once. Used to indicate that the debt has prescribed. No further updates are allowed after Status Code B.
C	Account Closed	Account fully paid and has been closed.
D	Disputed	An indicator to remove the record from display while a dispute is investigated.
E	Terms Extended	Repayment terms have been extended.
F	Lapsed Policy	Consumer has allowed Insurance Policy to lapse due to non-payment.
G	Cancelled by Consumer	Policy cancelled by Consumer.
H	Cancelled by Supplier	May only be used for Account Types S & L.
I	Facility Revoked	Supplier has revoked access to the facility.
J	Repossession	Goods have been repossessed due to non-payment.
K	Paid-out Deceased Claim	Deceased Claim paid to Principal Policy Holder only – ie to be used in instances where the Principal Policy Holder receives a pay-out for cover of another individual.

L	Handed Over	Account handed over to attorney or collection agency for recovery but still owned by the Member.
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CODE	DESCRIPTION	DEFINITION
M	Paid-out Disability	Disability Claim paid out to Principal Policy Holder.
N	Pending Registration Removal	Used on Account Types B and H in the event of an NTU or where a Pending Registration has been converted to a registration. This status code will act as an instruction to the bureau to remove the Pending-Registration record from the bureau database. Status Code N will not be displayed in the Payment Profile Line or on the Account Record.
P	Paid Up	Account paid up but may become active in the future.
S	Surrendered	Policy surrendered and paid out.
T	Early Settlement	Outstanding balance settled before agreed term.
U	Settlement of Adverse Arrears	Where the obligation under the agreement relating to the adverse has been settled, but the account is still active.
V	Cooling-Off Settlement	Loan settled within the 5-day cooling off period.
W	Written Off (Adverse Code)	Account written off due to non-payment.
Y	Prescription Interrupted Indicator	Used to indicate that an account is in arrears and that prescription has been lawfully interrupted.
Z	Deceased	Where a consumer has been confirmed as deceased.

Data Validation Status Code

Will not be displayed, but required for data submissions.

CODE	DESCRIPTION	DEFINITION
Y	Prescription Interrupted Indicator	Used to indicate that an account is in arrears and that prescription has been lawfully interrupted.

Please direct all queries relating to this Guideline to Mpho Mackenzie at mackenziem@ncr.org.za or call **011 554 2898**.



Disclaimer:

While the NCR has taken reasonable care to ensure the factual accuracy of this Guideline, it cannot guarantee such accuracy, especially with regards to future events. Accordingly, NCR does not accept any liability for damages incurred by any party as a result of decisions or actions taken pursuant to this Guideline.