RECOMMENDATIONS TO DCs FOR DC AMENDMENTS

1. A Debt Counsellor must ensure that meets its Compliance obligations in terms of the NCA and Guidelines provided by the NCR:

- The DC must obtain proof from the consumer that each of his/her debts reflected on the Form 17.1 or the Court Order have been lawfully settled/paid-up/prescribed
- The accounts on the Form 17.1 or Court Order MUST align with the accounts reflected on the Debt Clearance certificate

2. **The Debt Clearance certificate must**:

- be validly certified and dated
- contain the name of consumer and include details of all the accounts to be updated

CREDIT BUREAUS DO NOT HAVE SIGHT OF THE COURT ORDER, NEITHER DO THE ACCOUNTS ON THE COURT ORDER NECESSARILY ACCORD WITH THE ACCOUNTS LISTED ON THE CREDIT BUREAUS, AS PAYMENT PROFILE INFORMATION IS ONLY OBTAINED FROM SACRRA MEMBERS (i.e. School accounts, Rates, etc. are not likely to be found on the credit bureaus).

THEREFORE, TO ASSIST DCs IN THE DC AMENDMENT PROCESS, THE FOLLOWING PRINCIPLES WILL BE APPLIED BY CREDIT BUREAUS:

3. Account submissions made by a DC on the CBA platform, do not have to align to the Debt Clearance Certificate (DCC), provided that:

- All accounts to be updated MUST be noted on the CBA platform and the DCC
- All accounts to be updated MUST have a corresponding Paid-up/Prescription Letter (PUL)
- If no accounts are to be updated, no accounts need to be submitted on the CBA platform; but a DCC must be submitted unless the debt review flag is removed with the updating of the F1 or F2 status on the Debt Help System (DHS)
- If an account has prescribed, the Prescription Letter must be dated unless the account has been updated on the credit bureau already

ALL SUBMISSIONS WOULD BE MADE SIMPLER IF THE CONSUMER'S PROFILE IS CHECKED IMMEDIATELY PRIOR TO SUBMISSION

4. Spouses married in community of property

If a Debt Counsellor wants to submit a Debt clearance for parties married in community of property (that is, both are in debt review and will be exiting simultaneously), the Debt Counsellor must submit the name and ID number of the consumer under whose credit profile most, if not all accounts are held, and then click on the "Add a spouse married in community of property" and enter their ID number and name and add any additional accounts only under their credit profile. This will mean that the bureaus will receive this as a single Debt Counselling amendment, ensuring that if one is updated, both are updated.

5. Foreign nationals and DC Amendments

Credit bureaus only recently became aware of the fact that there are foreign nationals who are under debt review. The credit bureaus are thus in the process of developing to include Passport numbers and date of birth information for the consumer. This development will be complete during September. When complete, the CBA will announce the changes made to the industry. Until this time, any requests for a DC Amendment where the consumer is a foreign national, must be sent to alison@cba.co.za. The credit bureaus will process these manually until such time as the system incorporates provision for foreign nationals.

6. Reason codes are important

- Code 01: consumer's name/surname provided by DC cannot be matched to the bureau
- Code 02: submission is accepted, but no updates are made
- Code 03: no accounts matched to consumer on database
- Code 04: accounts or PUL don't match what is submitted via CBA platform
- Code 05: no certification of DCC or date or no accounts on DCC but should contain acc.
- Code 06 & 07: not in use
- Code 08: record accepted
- Code 09: indicates the submission is pending, it will be followed by another status code
- Code 10: incorrect prescription letter – but only if the account is not updated
- Code 11: this notifies a DC and the bureaus that a fraudulent document has been received.

7. Fraudulent account and amended process

- A credit bureau can only upload a status code 11 if this is accompanied by the respective purported fraudulent document
- Immediately the CBA receives a status code 11, the DC is prevented from accessing the CBA platform until the investigation is complete
- An email notification, with the fraudulent document is sent to all bureaus who will note this DC submission with a status code 11
- An email notification is simultaneously sent to the NCR with the fraudulent document
- The NCR will investigate the fraudulent document and revert back to the CBA
- An automated notification is sent from the NCR to the CBA, the bureaus and the DC
- The DC is then required to resubmit the DC Amendment for the bureaus to process.

8. Status change

Bureaus are conducting weekly alignment exercises to ensure alignment of each DC amendment. This means that a status of a DC amendment may be amended post the alignment discussion. Please keep a look out for these.

9. Removal of accounts

If a debt review account has been closed on the bureau, there is no requirement for a Paid-up letter. However, if an account remains open, a Paid-up letter and submission on the CBA platform is required, in order to zerorise the financials.

10. DCs notifying the CBA that a supplier does not exist on the CBA platform

The CBA DC platform contains every credit provider who is a SACRRA member, that is, who provides payment profile information to the credit bureaus. If you cannot find a credit provider on the CBA DC platform:

- First check if the 'supplier' is in fact a registered credit provider – if not, the credit bureaus will not hold payment profile information on this account and there will be no information to be removed from the credit bureaus;
- If the supplier is a credit provider who is no longer active on the CBA DC platform list (de-registered or gone out of business), this means that all the accounts for this supplier have been closed at the credit bureaus. The process of closing an SRN is one between SACRRA and the credit bureaus, at the end of which all accounts for that SRN are closed. Thus no accounts will display on the credit bureau.
- When you do not find a supplier/credit provider on the CBA DC list, the best option is for you to check the consumer's profile at the credit bureaus to see the names of the accounts that require updating at the credit bureaus.
- The above also applies if you have an account which has been sold to a third party and you are unsure of which party you are required to obtain a PUL from – check the records of the credit bureaus to see what accounts remain open.

11. Issues encountered by credit bureaus with DC Amendment submissions

- There are certain DCs who are not correctly certifying the Debt Clearance Certificate
- There are several DCs who provide a bureau credit report instead of the Paid-up Letter
- There are a number of DCs who still send through encrypted / password protected Paid-up Letters – this is likely to result in a rejection or misalignment between the bureaus
- A number of DCs are sending through undated Prescription Letters – the date is mandatory unless the account has already been updated at the credit bureaus
- Home Loans: if the Home Loan is excluded from debt review, the DC must provide proof that the account was excluded (Form 17.1) as well as an up-to-date statement of account or letter that shows the Home Loan is current and not in arrears. Unless the above is received, the credit bureaus will assume that the home loan is included in debt review and must be paid up before the consumer exits debt review.