

# The National Credit Act



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### NCA – Module 1 – Introduction to the National Credit Act

This module provides a concise overview of the scope and application of the National Credit Act (NCA). (30 minutes)

On completion of this module you should be able answer the following questions:

- ▶ What is the purpose of the National Credit Act?
- ▶ The definition of a small juristic person
- ▶ When did the NCA come into effect?
- ▶ Who enforces the NCA?
- ▶ What is a credit agreement?
- ▶ Which types of credit agreements are governed by the NCA?
- ▶ Definitions of various types of agreements
- ▶ Who is a credit provider?
- ▶ Who must register as a credit provider?
- ▶ When does the NCA apply to a credit agreement?
- ▶ When does the NCA NOT apply to a credit agreement?
- ▶ The definition of a juristic person
- ▶ Definitions of various agreements
- ▶ Does the NCA apply to agreements entered into before 1 June 2007?
- ▶ Which consumer rights are provided for in the NCA?

### NCA – Module 2 – The NCA and the credit-granting process

This module explains the prescribed essential actions a credit provider must take during each step of the credit-granting process. (30 minutes)

On completion of this module you should be able answer the following questions:

- ▶ What must [business name] do when a consumer applies for credit?
- ▶ What must [business name] do prior to entering into a credit agreement?
- ▶ What is meant by prescribed information?
- ▶ When is a consumer over-indebted?
- ▶ When may a consumer claim to be over-indebted?
- ▶ What must [business name] do when granting credit to a consumer?



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- ▶ What must [business name] do during the term of the credit agreement?
- ▶ Which fees and charges may a credit provider charge?
- ▶ When may a consumer terminate the credit agreement?
- ▶ Definition of various types of agreements
- ▶ What constitutes a “settlement amount”?
- ▶ What may a credit provider do to obtain payment from a consumer?
- ▶ What information must the notice of default contain?
- ▶ Why does [business name] have to comply with the NCA?



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