

## DEBT COUNSELLING FEE STRUCTURE 2018

<i>STEP</i>	<i>SERVICES</i>	<i>AMOUNT (excl. VAT)</i>	<i>BY WHEN IT SHOULD BE PAID</i>
<b>1. Application Fee</b>	Completion and submission of the Form 16.	R50.00 (as prescribed).	Upfront and in full.
<b>2. Administration Fee (New fee)</b>	(a) Consultation with consumer, including explanation of process and fee disclosure; (b) Form 17.1 process; (c) Loading consumers on the DHS*; and (d) Rejection process as per the Form 17.2(a) including: (i) Notifying the consumer and credit providers; (ii) Updating the DHS; and (iii) Compliance with Regulation 25.	R300.00 per debt counselling application.	Upfront and in full.
<b>3. Determination Fee:</b>	The fees under this item are aligned to the outcomes of the full assessment of the consumers' financial information.		
<b>3.1 Restructuring Fee</b>	Attending to the Form 17.2(b) process including, but not limited to, the following related services: (a) Proposal preparation; (b) Loading the plan on the debt counsellor's PDA*** profile; (c) Negotiating with credit providers; (d) Submitting the final proposal; (e) Supplying debt counselling documents to the attorney to draft the court application; (f) Updating the DHS; (g) Transferring the consumer; (h) Instructing the attorney to draft the court application/collating and filing NCT**** application; and (a) Withdrawal by consumer (Form 17.W process).	<p><i>For one applicant:</i></p> <p>(a) the fee is either equal to the distributable amount** or a maximum fee of R8 000.00, (b) whichever amount is the lesser.</p> <p><i>For consumers married in Community of Property:</i></p> <p>(a) the fee is either equal to the distributable amount or a maximum fee of R9 000.00, (b) whichever amount is the lesser.</p>	Payable in Month 1 after drafting and submission of the proposals.

<b>3.2 Reckless Lending Fee (New fee)</b>	(a) Reckless lending assessment; and	R1 500.00 per debt counselling application.	Payable in Month 2 after completing the written outcome of the reckless lending assessment.
	(b) Supplying reckless lending documents to the attorney to draft the affidavit on the assessment outcome.		
<b>4. After Care Fee</b>	<p>Services including the following:</p> <ul style="list-style-type: none"> <li>(a) Form 17.2(c) process;</li> <li>(b) Review of the consumer's financial situation;</li> <li>(c) Attending to payment queries;</li> <li>(d) Clearance process, including securing the paid-up letters;</li> <li>(e) Withdrawal by consumer (Form 17.W process); and</li> <li>(f) Updating the DHS.</li> </ul>	<p>For the entire debt counselling process:</p> <ul style="list-style-type: none"> <li>(a) The fee is equal to 5% of the distributable amount or a maximum fee of R450.00,</li> <li>(b) whichever amount is the lesser.</li> </ul>	Payable in every month after Month 2 in which after care services are rendered.
<b>6. NCT Submission Fee</b>	Submission of the NCT application.	R500.00 (excluding the NCT filing fee).	Charged and payable in Month 2 after completion of the restructuring process
<b>7. Attorney Fee</b>	(a) Drafting of the court application; and	<p>To be agreed upon upfront with the attorney and communicated in writing to the consumer when applying for debt counselling.</p> <p>Debt counsellors are advised to negotiate that the legal fee be aligned to the disposable income of the consumer where possible.</p>	<p>Payable to the attorney only after:</p> <ul style="list-style-type: none"> <li>(a) one or more credit providers have not accepted the repayment plan;</li> <li>(b) the attorney has drafted the court application; and</li> <li>(c) the attorney has attended the hearing of the court application:</li> </ul>
	(b) Attendance at court.		