

**NATIONAL CONSUMER TRIBUNAL DEREGISTERS A CREDIT PROVIDER AND
IMPOSES AN ADMINISTRATIVE FINE FOR CONTRAVENTIONS OF THE
NATIONAL CREDIT ACT**

FOR IMMEDIATE RELEASE

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Johannesburg - The National Credit Regulator (NCR) welcomes the ruling handed down by the National Consumer Tribunal (NCT) on 07 July 2026 against a registered credit provider with the NCR namely, Big 5 Finance (Pty) Ltd ("Big 5") operating in Pietermaritzburg, KwaZulu-Natal province. This judgement follows enforcement action by the NCR.

Investigations and the subsequent enforcement action by the NCR was initiated after tip-offs from community members, the NCR inspectors proceeded with a scouting exercise that identified potential non-compliance which led to an investigation uncovering Big 5's repeated contravention of the National Credit Act (NCA) by reckless extension of credit without conducting any affordability assessments.

"The NCR's investigations into Big 5 also revealed other offences namely granting credit to blacklisted consumers, as well as those under debt review." said Ms. Tebogo Ntsimane, Manager Investigations and Enforcement at the NCR.

She added that Big 5 failed to provide consumers with the prescribed pre-agreement and credit agreements as required in the NCA, including overcharged interest in excess of the prescribed rates, as well failing to comply with various conditions of its registration as a registered credit provider. "Any credit agreement entered into with a consumer under debt review, adverse credit, or judgement, except for consolidation loans is deemed reckless," explained Ntsimane.

Ntsimane further explained that the findings revealed that Big 5 charged interest exceeding over 30% per month compared to the permissible maximum of 5% per month for initial short-term loans, and 3% for subsequent loans within the same calendar year, which is not only prohibited, but a gross violation of the NCA.

The NCT upheld the NCR's findings and declared that the credit provider had engaged in prohibited conduct and committed violations of the NCA. As part of the ruling, Big 5 must appoint an independent audit firm within 90 days to identify and refund overcharged consumers. NCT also cancelled the registration of Big 5 with immediate effect and imposed an administrative fine of R300 000.00 (Three Hundred Thousand Rand) payable within 15 (Fifteen) business days of the issue of the judgment.

This judgment reinforces that superficial compliance with the NCA by credit providers, achieved merely by registering with the NCR while failing to comply with the substantive requirements of legislation, will not be tolerated. The ruling also demonstrated the NCR's continued commitment to promoting a fair, transparent, responsible credit market while protecting consumers from reckless lending and other prohibited lending practices will be identified, investigated and prosecuted.

"The ruling in the Big 5 case sends a clear and unequivocal message to all credit providers that non-compliance with the NCA will be met with decisive regulatory and judicial action. Any credit provider engaging in similar unlawful conduct can expect to face the full might of the prescribed by law, which includes enforcement action, the cancellation of its registration where warranted, and the imposition of appropriate administrative fines and other legal sanctions the NCT may impose," said Ms. Ntsimane.

The NCR continues to investigate any transgressions of the NCA and protect consumers from prohibited lending practices. Consumers who have been subjected to unlawful conduct by a credit provider are encouraged to report and lodge a complaint with the NCR by emailing to complaints@ncr.org.za. This case also demonstrates that community vigilance plays a vital role in exposing non-compliance in the credit market.

ISSUED BY: THE NATIONAL CREDIT REGULATOR

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ABOUT THE NATIONAL CREDIT REGULATOR

The National Credit Regulator is tasked with regulating the South African credit industry, ensuring fair practices, promoting responsible lending, and protecting consumer rights under the National Credit Act.