



## FREQUENTLY ASKED QUESTIONS

### **What is a debt collector?**

A debt collector is any person or company other than an attorney or his employee, who collects debt/s owed to their client (usually companies) on their behalf, by email, phone or in person. They may deliver documents and may even have an acknowledgement of debt signed. Debt collectors usually operate for a fee, or for a percentage of the total amount collected. Property Managers who collect arrear rent or levies are also debt collectors.

### **Must a debt collector be registered?**

All debt collectors must register with the Council for Debt Collectors in order to operate. Failure to register before collecting a debt is a criminal offence. A debt collector can register on our website, [www.cfdc.org.za](http://www.cfdc.org.za).

### **How do I confirm that the person contacting me is a debt collector?**

All debt collectors must produce proof of registration, on request. A debtor has the right to request confirmation of proof of registration with the CFDC, which the respective debt collector must produce. Should anyone be in doubt, they may contact us on email at [info@cfdc.org.za](mailto:info@cfdc.org.za) or telephonically on (012) 804 9808.

### **Who regulates the actions of a debt collector?**

The Council was established by the Debt Collectors Act 114 of 1998 to regulate the occupation of debt collectors. We are the only regulatory body for the debt collection industry in South Africa. The Council monitors the actions of debt collectors ensuring that their actions comply with the code of conduct for debt collectors and further ensuring that they charge only those fees allowed by the Act.

### **What should I do if a debt collector contacts me?**

Only registered debt collectors can legally collect outstanding debts.

Begin by requesting the following information:

- The full identity of the debt collector and the company, as well as proof of registration with the Council for Debt Collectors (CFDC).
- The name of the original creditor you owe, what the debt is for, and when it was incurred.
- The total amount of the capital debt including the interest and collection costs.

- Do not share your personal and financial information such as your bank details or ID number over the telephone.
- Do not avoid communication from a registered debt collector, be cooperative so that you can make a proper arrangement towards paying your debt/s.

#### **What rights do debt collectors have?**

- They have the right to contact you for the payment of a debt.
- They have the right to charge the prescribed fees for the work done in collecting a debt.

#### **What rights do I have as a debtor?**

- The right to obtain legal advice before signing anything. In the legal world your signature on a document, for instance an acknowledgement of debt, can have serious financial consequences.
- To be treated with dignity at all times.
- The right to confidentiality.
- The right not to be contacted before 6 in the morning or after 9 in the evening, or on a Sunday.
- The right not to be harassed, humiliated, embarrassed or threatened.
- To receive a statement should you request one free of charge once every six months.

#### **What to do if you have a complaint against a debt collector?**

- All complaints must be in writing and under oath.
- Complaints can be electronically submitted through the website.
- Visit our website, [www.cfdc.org.za](http://www.cfdc.org.za) and submit your complaint. Alternatively, email [info@cfdc.org.za](mailto:info@cfdc.org.za) or call us on (012) 804 9808.