



THE BANKING  
ASSOCIATION  
SOUTH AFRICA

## MAKING CREDIT WORK FOR YOU

THEME 2

# My application was declined – now what?

Having your credit application declined can be very disheartening, but there are always things you can do to improve your situation and become creditworthy. Here are some things you can do if your application has been turned down.

**T**here are reasons why a credit provider might decline a credit application. If your application is declined, the National Credit Act says that you as a consumer have the right to be informed of the reasons why your application was declined. You should ask for and examine the reason(s), and see what actions you can take to improve the situation to be able to access credit again. Below are some reasons why your application may be declined and what actions you can take.

### Take Note

Credit providers have their own credit rules and criteria set by internal policy and procedure, which have an impact on their decision on whether or not to grant you credit. This is also based on their credit risk appetite. Therefore, your application for credit may be declined because you did not meet the internal lending criteria of the specific credit provider.

### Learn more

A credit bureau does not make the **decision to grant credit**; credit providers do. Credit providers use the information provided by credit bureaus together with their own credit-granting policies and industry regulations to determine whether you qualify for credit or not.



Reason	Explanation	What you can do
<b>Your ability to make repayments (lack of affordability)</b>	Your current income will not support the proposed credit repayments on top of your existing commitments.	<ul style="list-style-type: none"> <li>■ Ask the credit provider for which amount you do qualify, or ask about different credit products that may meet your need.</li> <li>■ Consider making an application with another person as a joint applicant or guarantor.</li> <li>■ Increase your income or reduce your expenses.</li> <li>■ Settle some of your accounts/debts before applying again.</li> <li>■ Save money to be able to make a deposit.</li> </ul>
<b>Your account conduct</b>	You have overdrawn an account or had insufficient funds to meet a payment with the credit provider in the recent past.	<ul style="list-style-type: none"> <li>■ Make sure you keep enough money in all your bank accounts to meet your commitments.</li> <li>■ Make regular repayments and pay all your accounts on time as per your agreement(s).</li> <li>■ Ensure your salary and other income is deposited into your bank account before payments are due.</li> <li>■ If you are unable to pay on time, contact your credit providers before payments are due to make alternative arrangements.</li> </ul>
<b>A report from a credit bureau</b>	Due to information from a credit bureau, the application could not be approved.	<ul style="list-style-type: none"> <li>■ Contact a credit bureau and obtain your credit report.</li> <li>■ Dispute any outdated, incorrect or fraudulent information on your credit profile with the credit bureau used by the credit provider.</li> <li>■ Wait some time and build a positive profile before applying again, as your last delinquency might be too recent.</li> <li>■ Pay your accounts on time.</li> <li>■ Only take up credit if you can afford it.</li> </ul>
<b>Possible fraud</b>	There has been a fraud alert from the South African Fraud Prevention Service (SAFPS) on your credit profile.	<ul style="list-style-type: none"> <li>■ Contact the SAFPS on 0860 101 248 to investigate.</li> </ul>



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