

## Welcome to African Bank.

Thank you for choosing us as your credit partner. We are committed to delivering fair treatment to our customers through our products and services we provide. This document is your easy guide to understanding credit and why your money matters.

## UNDERSTANDING YOUR CREDIT PROFILE:

Your credit profile is a reflection of how well you manage your debt and debt repayments. A negative credit record could affect you in a number of ways:

- A credit provider or bank may use this record to determine the risk it will have to carry if it grants credit to you;
- Creditors may charge a higher interest rate to protect themselves against bad debt.

Should you wish to obtain your credit report, you may request it from the credit bureau. You are entitled to one free credit report per year. If you want another within the same year, you will be required to pay a small fee.

### Your rights if you are listed negatively on the credit bureau

You have the right to challenge the information on the credit bureau, if you believe the information is incorrect.

**Step 1:** Contact the credit bureau in question: Experian Credit Bureau: 0861 105 665 or TransUnion credit bureau: 0861 482 482.

**Step 2:** If you are not satisfied with the credit bureau findings/response, you may contact the Credit Ombudsman on 0861 662 837.

**Step 3:** If you are still unsatisfied, you may lodge a complaint to the National Credit Regulator (NCR) by calling 0860 627 627.

### Enquiries and complaint procedure:

If you don't understand any aspect of your credit agreement, or you are unhappy about any other issue, please follow the steps below.

**Step 1:** Contact your nearest African Bank Branch or the Customer Service centre at 0861 111 011.

**Step 2:** If you are not satisfied with the assistance offered or resolution received contact one of the following:

National Credit Regulator at Tel: 0860 627 627

The Ombudsman for Bank Services at Tel: 0860 800 900

The Credit Ombudsman at Tel: 0861 662 837

### Fixed VS variable rates:

The Reserve Bank charges commercial banks interest when it lends money to them. This is referred to as the repo rate, and may change from time to time, at the discretion of the Reserve Bank.

African Bank loan agreements have fixed rates that are protected from change, so that our customers have financial stability while repaying their loans. The African Bank credit card has a variable interest rate. This means that the interest rate could change if the repo rate changes during the period that the card remains active.

## THE PAYMENTS AND REPAYMENTS PROCESS

Once your credit application has been approved, payment will be made to you in one of two ways:

- **Loans** are paid directly into your bank account or if in the case of external settlements or payments, directly to the third party as detailed in your contract.
- **Credit Cards**, once activated, the approved credit limit will be granted.

### Monthly repayments

The credit agreement includes a mandate that will be signed by you that authorises African Bank to take payments as per your preferred method of payment.

### Repayment options include:

- Debit order;
- Internet transfers;
- Stop order;
- Payroll deduction, or
- Cash payments.

### Your instalment repayments

#### First instalment due:


- **Loan account:** 7 days after African Bank made payment to you or on your behalf, unless your next salary date falls within the 7 days, then payment will only be due on your next salary date.
- **Credit Card:** 7 days after you have activated your credit card, unless your next salary date falls within the 7 days, then payment will only be due on your next salary date.

#### All further instalments:

Due on the 1<sup>st</sup> day of each and every month thereafter. However, African Bank will align your instalment date with your salary date as far as possible.

## YOUR AFRICAN BANK STATEMENT

It is important to check that your statement is correct, and that it reflects all the payments that you have made. You may choose to receive your statements monthly or quarterly via email, MMS or by post. (Credit card statements are always sent out monthly)

 If you do not receive your statement, would like to report incorrect information on your statement or change your contact details or address, please contact African Bank Customer Services on 0861 111 011. (You will be required to verify your identity to protect your privacy.)

## FICA REQUIREMENTS

It is a legal requirement that customers provide African Bank with their proof of identity and proof of residential address when applying for a loan or credit facility.

#### Documents required:

- A certified copy of your identification document;
- Proof of where you live e.g. an original utility bill that is less than 3 months old, in your name, with your residential address clearly visible on the bill, or if you rent a home, a signed lease agreement is valid until the last date of the lease agreement.



## PAYMENT MANAGEMENT:

The payment of your account is vital in maintaining a healthy credit profile. The following payment options are available to you:

- **Debit order:** Make sure that you have money in your account to cover the debit order. Should your debit order be unpaid, your bank may charge you a fee.
- **EFT from your bank:** Choose African Bank from your internet beneficiary list to transfer a payment electronically.
- **EasyPay:** Use your EasyPay reference number found on your statement to pay at any EasyPay outlet.
- **Online Payments:** Visit [www.africanbank.co.za](http://www.africanbank.co.za).
- **Mobile Payments:** Dial \*120\*225# from your cellphone and follow the prompts to pay your account via debit.
- **Branch Payments:** Pay your accounts using your debit, cheque, credit or SASSA bank card at selected African Bank branches.

## BENEFITS OF PAYING ON TIME

- You maintain a good credit record.
- Improves your ability to obtain credit in the future.
- There are no additional fees and charges.
- You may be offered lower interest rates in the future.

## ARE YOU STRUGGLING TO MAKE PAYMENTS?


It's important to contact all your creditors first to make alternative payment arrangements. Before you make an arrangement, draw up a budget and work out what you can afford to pay.

African Bank will consider the following options (based on your personal circumstances, payment and spending behaviour) to support you:

- **Payment arrangements:** Make payment arrangements with African Bank so we can assist you to bring your account up to date. To make a payment arrangement, you may contact us on 011 207 4500 or 011 564 7200.
- **Claim on Insurance:** Your Guardrisk Life Limited insurance policy may cover either your payments or your full debt in the event of disability, retrenchment, death or short term loss of income; or even certain instances of dismissals. For assistance you may contact Insurance Claims on 011 564 6827.
- **Debt Counselling:** You may seek the help of an independent debt counsellor, apply for alternative dispute resolution or debt administration. Be sure to enquire about the additional costs before you make use of their services. Contact the NCR on 0860 627 627 for the contact details of a debt counsellor in your area.
- **Payment Break:** In certain instances African Bank may be willing to assist you with a payment break. Terms and conditions apply.


## EARLY SETTLEMENT OF CREDIT

Your settlement amount will always be different from the outstanding amount reflected on your account statement because it includes interest and charges payable by you to African Bank, up to and including the settlement date.

 You may pay off your debt at any time, but always remember to contact African Bank for a settlement quotation first.

To obtain a settlement quotation, contact your nearest African Bank branch or African Bank Customer Service Centre. You can also dial \*120\*225# from your registered cellphone and follow the prompts.

If your account is being managed by attorneys or debt collectors, you will have to contact them directly for the settlement balance because there may be outstanding legal charges on your account.

 Remember that your settlement quotation is only valid for a limited period of time as stated on the settlement quotation. If you want to settle your account at a date later than the settlement expiry date, you will have to obtain a new settlement quotation.



## HOW TO STAY FINANCIALLY FIT

- Pay your instalments on time, every time, to avoid additional interest and fees.
- Pay your debt as soon as you receive your salary.
- If your accounts are in arrears it is important to contact your creditors to make repayment arrangements to prevent them from taking legal action against you.
- Debit order payments are the fastest and safest option when paying your debt.
- Inform your creditors when your contact details or bank information has changed and avoid debit order returns as they are very costly.
- Plan your budget, and keep to it.

 Never ignore your situation, it will only make matters worse.

## BUDGETING

- Budgeting is a very effective tool for managing your money. It clearly shows you how you allocate your money and offers you the choice to pay the most important things first.
- It allows you to take control of your money.
- It keeps you focused on your money goals.
- It helps you organise your spending and savings.
- It provides you with an early warning of potential problems.

## HOW TO BUDGET

Follow these easy tips on how to manage your monthly budget effectively:

- List your net monthly income;
- List all your expenses;
- List your debt repayments;
- Deduct your expenses and debt repayments from your income to calculate what your monthly surplus or deficit is.

 Remember to always track your spending and try to keep within the budgeted amounts.



## FUNERAL COVER

If you have an African Bank Claim Express Funeral Policy

### HOW TO CLAIM

- Step 1:** Obtain a Claim Express Funeral claim form from your nearest African Bank branch or visit our website at [www.africanbank.co.za](http://www.africanbank.co.za).
- Step 2:** Complete the claim form and submit it along with the required proof and documents to an African Bank branch. Alternatively contact African Bank Claims department on telephone 0861 007 967 and send your claim directly on fax: 087 943 0795 or email: [funeralclaims@africanbank.co.za](mailto:funeralclaims@africanbank.co.za)
- Step 3:** You will be notified if your claim is successful or not.



## IMPORTANT CONTACT INFORMATION

### AFRICAN BANK:

Sales Call Centre (Credit Applications): Tel: 0860 333 004

Customer Service Centre: Tel: 0861 111 011

Collections Call Centre: (Payment Arrangements) Tel: 011 207 4500

Insurance Enquiries: Tel: 0861 111 011

### REGULATORY BODIES:

National Credit Regulator: Tel: 0860 627 627, Website: [www.ncr.org.za](http://www.ncr.org.za)

The Ombudsman for Banking: Tel: 0860 800 900

The Ombudsman for Long Term Insurance: Tel: 021 657 5000

The Office of the Ombudsman for Financial Service Providers: Tel: 0860 324 766

The National Consumer Commission: Tel: 086 026 6786

The Credit Ombudsman: Tel: 0861 662 837

The Credit Bureau:

Experian: 0861 105 665

TransUnion: 0861 482 482