

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 later date than the settlement quotation expiry date, you will have to obtain a new settlement quotation.

HOW TO STAY FINANCIALLY FIT:

- Pay your installments 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.
- Its helps you organize your spending and savings.
- Its provides you with an early warning of potential problems.

HOW TO BUDGET:

Follow these easy steps 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 budget amounts.

UNDERSTAND CREDIT LIFE INSURANCE:

African Bank requires that you have Credit Life Insurance cover during the term of your credit agreement.

You have the choice of purchasing cover from the insurer suggested by African Bank, or alternatively, provide African Bank with an insurance policy of your own, provided that your own policy benefits are accepted by African Bank.

The benefits of your Credit Life Insurance will be used to assist you to meet your obligations in terms of your credit agreement and will be paid directly to African Bank on your behalf.

If you are formally employed, you will be covered for the following events:

- **Death:** We settle your loan and/ or credit card debt.
- **Temporary Disability:** We pay your instalment or monthly credit card payment while you are disabled, up to a maximum period of 12 months.
- **Retrenchment:** We pay your instalment or monthly credit card payment while you are retrenched, up to a maximum period of 12 months; or
- **Short time:** Should you be placed on "short-time" or be temporarily laid-off, we pay your instalment or monthly credit card payment, up to a maximum period of 12 months

If you are self-employed you will be covered for Death only. Please inform the African Bank Insurance Advice Call Centre should your employment type change.

Your insurance premium on your credit card, is calculated daily as a percentage of your outstanding balance and it is charged to your account at the end of each month. Your insurance premium on your loan, is calculated as a percentage of your original principal debt and it is charged to your account at the end of each month. The payment for insurance is included in your monthly instalment or payment.

If you have selected the Guardrisk insurance policy please take note of the category that you fall under as the benefits differ per category.

If you have any queries about the insurance cover offered by the insurer suggested by African Bank, or regarding the cover provided by your own insurance policy, please contact the Insurance Advice Call Centre on 0861 111 2965 or refer to the Guardrisk Master Policy, which is available in any African Bank branch.

Please note that all the above insurable events only apply while there is still an outstanding balance on your African Bank credit agreement/s and the policy has not lapsed due to non-payment of your African Bank loan or credit facility.

There are certain terms and conditions that apply to the above. In this respect please read through the African Bank Credit Life Group Scheme Policy that was given to you.

EXCLUSIONS:

You must understand that the insurance company will not cover you in the event of retrenchment if:

- You lose your employment as a result of a disciplinary dismissal or resignation;
- You lose your job because of any strikes or lockouts;
- You lose your job within 90 days of taking a loan or credit card granted to you;
- Voluntary forfeiture of your salary,
- Voluntary retrenchment,
- Resignation,
- Retirement, or
- Retrenchment of which you were aware or received notice of during the 3 months preceding the date on which the Credit Life Cover commenced.
- You must understand that the insurance company will not cover you in the event of Death or Disability resulting from:
 - Wilful, self-inflicted injury or suicide,
 - Active participation in warlike operations, rebellion, revolution, criminal activities, hazardous activities
 - Use of nuclear, biological or chemical weapons,
 - Any pre-existing condition the customer was aware of that affected the customer in the 12 months preceding the date on which the Credit Life Cover commenced
- The insurance cover will apply as long as there is still an outstanding payment obligation to African Bank in terms of the credit agreement or until Guardrisk lapses the policy.
- Your insurance policy may lapse due to non-payment of your insurance premiums.

Please read through the African Bank Credit Life Group Scheme Policy that was given to you for the full list of Exclusions and Limitations.

HOW TO CLAIM:

Step 1: Obtain a claim form from your nearest African Bank branch or visit our website at 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 send your claim to the African Bank insurance claims department directly on fax: 011 207 4774 or email: insuranceclaims@africanbank.co.za

Step 3: You will be notified if your claim is successful or not.

AFRICAN BANK FUNERAL PLAN

How to claim on your African Bank funeral plan:

Step 1: Obtain a African Bank Funeral claim form from the nearest African Bank branch or visit our website at 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 Tel: 0860 000 979 and send the claim directly on Fax: 0816 800 731 or Email: funeralplanclaims@africanbank.co.za

Step 3: Notification of the claim outcome will be sent to the requestor.

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

Credit Life Queries and Claims:
Tel: 011 5646827

Funeral Claims:
Tel: 0861 007 967

REGULATORY BODIES:

National Credit Regulator:
Tel: 0860 627 627, Website: 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

BRANCH DETAILS:



Insurance underwritten by Guardrisk Life Limited Reg No: 1999/013922/06. African Bank Limited is an authorised financial services and registered credit provider. NCR Reg No: NCRCP7638. Reg No: 2014/176899/06.

MONEY MATTERS

We believe money matters, so should you

CEED706_001_BROCHURE.ENG

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.



KNOW YOUR CREDIT

When considering credit, we want to help you make informed decisions that will lead to your personal financial wellness, by ensuring that you understand:

- The credit application process;
- Your credit agreement;
- The cost of credit; and
- The payment and repayment process.

CREDIT APPLICATION PROCESS:

Step 1: The application process includes a request that you provide African Bank with all information about your monthly income and expenses so that the bank can determine whether you can afford the loan.

Step 2: Our consultants use the above information along with information from the credit bureau to analyse your monthly expenses and calculate the instalment you can afford to pay. We want to make sure you do not experience financial difficulty while repaying your loan.

If your application for credit is unsuccessful, you may ask for written reasons as to why your application was declined. If your credit application is declined because of information recorded on the credit bureau, African Bank will provide you with the details and contact information that will enable you to make an enquiry at the credit bureau.

If you fail to inform African Bank of your inability to pay the instalments or if you provide incorrect information, you may not be fully protected by the NCA (National Credit Act 34 of 2005).

YOUR CREDIT PROFILE

Once the application process is complete you will receive a pre-agreement statement and quotation that is valid for five (5) business days. These documents have important information regarding the cost, charges, interest rate, monthly instalments and terms for repaying your loan or credit facility.

Before signing the statement, make sure that you read and understand:

- All the information on the pre-agreement statement and quotation, together with any other documentation you have been given;
- All the terms and conditions;
- How the credit agreement works, i.e. how much you are expected to repay each month, what your credit limit is (credit card), as well as the fees, charges and interest rates.

If you are unsure about any of the information regarding the credit agreement, please:

- Ask a consultant to explain anything that you do not understand;
- Contact African Bank's Customer Service Centre on 0861 111 011;

African Bank may reject the pre-agreement statement and quotation if:

- Your financial or personal circumstances have changed since the quotation was issued or any information that you provided to the Bank is not correct.
- You do not meet the affordability or other requirements of the Bank.

The contract only becomes binding once the credit has been approved and the money is paid.

COST OF CREDIT:

The cost of credit is how much it will cost you to repay the money that you have borrowed from African Bank.

Components of the cost of credit:

- **Initiation Fee:** This is a once off upfront fee charged for processing a successful credit application.
- **Monthly Service Fee:** This is the bank charge that a customer will pay each month for the administration and servicing of the account.
- **Interest:** The interest rate will not be more than the maximum rate set by the NCA at the date that the credit agreement is signed.
- **Credit Life Insurance:** You are required to have Credit Life Insurance during the term of your credit agreement. You have the choice of purchasing insurance cover from an insurer suggested by African Bank, or alternatively to provide African Bank with an insurance policy of your own choice.

IMPORTANT THINGS TO REMEMBER WHEN TAKING A LOAN:

- The higher the interest rate, the higher your monthly instalment and the more expensive the loan.
- The longer the loan term, the less the monthly instalments will be. However, the longer term will increase your total cost of credit.

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.

If 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, Tel: 0861 105 665
TransUnion Credit Bureau, Tel: 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 & COMPLAINTS 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 Services Center at 0861 111 011

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

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, will be granted the approved credit limit.

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 and Payroll deduction.

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 1st 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 an EasyPay outlet.
- **Online Payments:** Visit 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 be offered lower rates in 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 how much you can afford to pay. African Bank will consider the following options (Based on your personal circumstances, payment and spending behavior) 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 call 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. For assistance you may contact Insurance Claims on 011 564 6827 / 0861 888 786.
- **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 cost 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 just remember to contact African Bank for a settlement quotation.

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.