

UMNOTHO COMMUNITY BANKING INSTITUTION

SHAREHOLDER REGISTRATION FORM

UMNOTHO FINANCIAL INSTITUTE

 Reserve Bank Reg No: CFI0002
 NCR Credit Provider: NCRCP16973
 CIPC Reg No: 2019/003937/24.

REGISTRATION AMOUNT: R700

 Registration Fee: R200
 Share Contribution: R500 per Share
 You can get up to: 20 Shares (R10 200)

First Names				Surname			
ID/Passport Number				Male		Female	
Cellphone Number				Email			
Second Contact Number							

Residential Address:

Postal Code:.....

GET MORE SHARES

Get Up To 20 Shares

How many Shares do you want?		@ R500 per Share	Get 20 Shares at R10 200	
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SAVINGS ACCOUNTS

Choose your savings account (Mark with ✓)

HOME BUILDING SAVINGS ACCOUNT

- Save towards building your house
- Earn up to 8% interest annually

MONEY BOOSTER SAVINGS ACCOUNT

- Save to grow your money
- Earn up to 7% interest annually

YOUNG CHAMP ACCOUNT

- For children under the age of 18
- Earn up to 5% interest annually

MULTIGENERATIONAL SAVINGS ACCOUNT

- Save from R100 per month
- Earn up to 6.5% interest annually

NOMINATED BENEFICIARY

Upon permanent disability/death of the Member, his/her shares and savings will be transferred to the nominated beneficiary as entered by the Member.

Beneficiary Name		ID No/Date of Birth	
Contact No		Relationship	

REGISTRATION: R700

- At registration, a total of R700 is payable: (R200 Joining Fee plus R500 Share Contribution)
- You can submit this Form at Umnotho or via email or WhatsApp. Details are above.

BANKING DETAILS

Account Holder: Umnotho Financial Institute

 FNB Account No: 6285 8488 367 or Standard Bank Account No: 421 106 921
 Reference: ID Number

UMNOTHO COMMUNITY BANKING INSTITUTION TERMS AND CONDITIONS (TERMS)

1. Introduction

- 1.1. Umnotho Financial Institute (also known as Umnotho Community Banking Institution) was granted a banking license by the South African Reserve Bank and registered as a Co-operative Financial Institution as per the Co-operative Banks Act No. 40 of 2007.
- 1.2. Umnotho Financial Institute Primary Co-operative Limited is registered with the Companies and Intellectual Property Commission (CIPC) as per the Co-operative Act No. 14 of 2005.
- 1.3. Umnotho CFI is a registered Credit Provider as per National Credit Act 34 of 2005, As Amended.
- 1.4. Umnotho Financial Institute is owned by its Members and managed by a board of directors, which is elected by Members. Members are also shareholders.
- 1.5. Children under the age of 18 are welcome to be Members, duly assisted by their parents/legal guardians.
- 1.6. These Terms and Conditions are a binding Agreement between the Member and Umnotho Financial Institute, and these Terms become effective upon signature of this Agreement.
- 1.7. These Terms should be read and understood in conjunction with Umnotho Financial Institute's constitution, savings and loan policies, as well as the Co-operative Act No. 14 of 2005 and the Co-operative Banks Act No. 40 of 2007.

2. Definitions

The following words are defined for consistency. These words will begin with a capital letter, where indicated. Singular words include the plural and the other way round.

- 2.1. **"Agreement"** means the Umnotho Community Banking Institution Terms and Conditions accepted and signed by the Member;
- 2.2. **"Commencement Date"** means the date of signature of this Agreement;
- 2.3. **"Banking Institution"** or **"Umnotho Community Banking Institution"** means Umnotho Financial Institute Primary Co-operative;
- 2.4. **"Co-operative Financial Institution (CFI)"** means an entity registered and regulated by the South African Reserve Bank.
- 2.5. **"Member"** means the person entering into this Agreement with Umnotho Financial Institute;
- 2.6. **"Nominated Beneficiary"** means a person nominated by the Member to receive the investment proceeds, savings, and shares in the event the Member dies or becomes permanently disabled;
- 2.7. **"Parties"** means Umnotho Financial Institute and the Member; and **"Party"** shall have the corresponding meaning within the context of the relevant clause(s);
- 2.8. **"Share Certificate"** means a legal document issued by Umnotho Financial Institute as proof of shares acquired by the Member;
- 2.9. **"Share Contribution"** means a share price paid to acquire one share in Umnotho Financial Institute;
- 2.10. **"Shareholder"** means a Member who has acquired one or more shares in Umnotho Financial Institute;
- 2.11. **"Stand or Residential Stand"** means a plot of land within the housing developments by Umnotho For Empowerment;
- 2.12. **"Umnotho For Empowerment"** means a Non-Profit Organisation (NPO) registered as per of the Non-Profit Organisation Act No. 71 of 1997 with registration number NPO: 070-858; and

3. Our Objectives

- 3.1. Umnotho Financial Institute aims:
 - 3.1.1. To provide tailor-made financial services to Members seeking affordable housing solutions and investment opportunities;
 - 3.1.2. To generate income and to pay out dividends to its Shareholders while advancing to become a commercial bank; and
 - 3.1.3. To promote and to advance the social and economic welfare of its Members by enhancing access to banking and financial services.

4. Share Contribution and Dividends

- 4.1. The Share Contribution amount is R500, which secures the Member one share in the Banking Institution. The joining fee is R200.
- 4.2. It is mandatory for every Member to have at least one share, which is regarded as a Mandatory Share.
- 4.3. A Member shall be entitled to acquire any number of shares provided his/her shares do not exceed 10% of the total share capital in the Banking Institution. The additional shares are regarded as Voluntary Shares.
- 4.4. Upon request, the Banking Institution will issue Members with Share Certificates for the shares acquired.
- 4.5. Dividends represent the distribution of profits to shareholders, based upon the number of shares held in the Banking Institution.

5. Savings Accounts

- 5.1. A Member must have at least one of the following savings accounts:
 - 5.1.1. Home Building Savings Account;
 - 5.1.2. Money Booster Account;
 - 5.1.3. Young Champ Account;
 - 5.1.4. Multigenerational Savings Account.
- 5.2. Members can choose one or more of the savings accounts.

6. Home Building Savings Account

- 6.1. The Home Building Savings Account is meant for Members who wish to save towards building their own houses or to complement government housing subsidies to achieve a bigger house.
- 6.2. Members can earn up to 8% interest per annum based on the balance in the account.
- 6.3. To earn interest, a Member must have a minimum savings of R1 000 in the account.
- 6.4. Savings will mature when Umnotho For Empowerment issues the Member with his/her Residential Stand to start building;
- 6.5. Should a Member wish to withdraw funds from the account before maturity, an early withdrawal penalty of R200 shall be charged.
- 6.6. To keep the account active, there must be a minimum balance of R500 in the account.

7. Money Booster Account

- 7.1. The Money Booster Account is a savings account meant for Members who want to save and grow their money.
- 7.2. Members can earn up to 7% interest per annum based on the balance in the account.
- 7.3. To earn interest, a Member must have a minimum savings of R1 000 in the account.
- 7.4. A 7 days' notice will be required to withdraw funds. Should a Member wish to withdraw funds without a 7 days' notice, an early withdrawal penalty of R150 shall be charged.
- 7.5. To keep the account active, there must be a minimum balance of R500 in the account.

8. Young Champ Account

- 8.1. The Young Champ Account is a savings account meant for Members younger than 18 years.
- 8.2. Members can earn up to 5% interest per annum based on the balance in the account.
- 8.3. To earn interest, a Member must have minimum savings of R500 in the account.
- 8.4. A 7 days' notice will be required to withdraw funds. Should a Member wish to withdraw funds without a 7 days' notice, an early withdrawal penalty of R50 shall be charged.
- 8.5. To keep the account active, there must be a minimum balance of R200 in the account.

9. Multigenerational Saving Account

- 9.1. Multigenerational Saving Account is a saving Account meant for saving towards life/work retirement and/or to build generational wealth.
- 9.2. The minimum monthly savings is R100.
- 9.3. Members can earn up to 6.5 % interest annually
- 9.4. No withdrawal in the first year of the savings account.
- 9.5. Members can borrow money against their savings as an interest-free loan.

10. Dormant Accounts

- 10.1. A savings account will be considered dormant if there are no deposits or withdrawals for 12 months in the account.
- 10.2. A savings account will be considered dormant if the balance in the account is below the required minimum balance.
- 10.3. A dormant account will not earn interest, and it will not be charged administration fees.
- 10.4. A fee of R50 will be charged to activate a dormant account.

11. Interest on Savings

- 11.1. Interest rates differ based on the product and balance in the savings account. Interest rates on products are published and available on www.umnotho.org.za.
- 11.2. Interest is calculated monthly and capitalised annually into the Member's account.
- 11.3. The Banking Institution will apply variable interest rates using a market-based adjustment approach. The interest rates are subject to change at the Banking Institution's discretion.

12. Charges and Fees

- 12.1. When Members deposit their savings and loan repayments, third-party fees and charges will be transferred to Members.
- 12.2. The fees are adjusted and published every year on www.umnotho.org.za.

13. Statements

- 13.1. Members can request statements from the Banking Institution's office. Members are entitled to one statement per month, which can be sent electronically or printed.

14. Home Building Loans

- 14.2. Building Loans will only be availed to Members who have more than R2 000 savings in their Building Savings Account.
- 14.3. Before taking the Building Loan, the full terms of the loan agreement, which will include the cost of the loan and repayment amounts, will be presented to the applying Member.

15. Personal and Business Loans

- 15.1. Members can access Small Cash and Emergency Loans.

16. Termination of Agreement and Refunds

- 16.1. This Agreement shall be terminated upon:
 - 16.1.1. Voluntary termination by Member, subject to a 1-month notice;
 - 16.1.2. Expulsion of a Member. (The expelled Member is entitled to a dispute resolution procedure); and
 - 16.1.3. Permanent disability or death of a Member.
- 16.2. Upon the Member's death or permanent disability, his/her shares and savings will be transferred to the Nominated Beneficiary as entered by the Member.
- 16.3. Upon termination of membership, a Member shall be entitled to receive the full amount in his/her savings accounts less the amount of any loan and fines payable.

17. Governing Law and Jurisdiction

- 17.1. This Agreement shall in all respects be governed by the laws of South Africa.

18. Acceptance of Terms

- 18.1. By signing below, I hereby confirm to have read, understood and agree to the Terms and Conditions contained in this Agreement.

Full Name: _____

Signature: _____

Date: _____

PLEASE ATTACH:

- 1. ID Copy
- 2. Proof Of Residence
- 3. Proof Of Payment: Registration and Shares