



COMMUNITY BANK

REGISTRATION FORM

Umnotho Financial Institute

Reserve Bank Reg No: CFI0002

Address: Plot 79 Rietfontein, Muldersdrift, 1747, GAUTENG



010 595 9727 or 010 634 0462

WhatsApp: 076 130 5761

Fax: 086 549 4589

info@umnotho.org.za

www.umnotho.org.za

First Names		Surname			
ID/Passport Number			Male		Female
Cellphone Number			Email		
Contact Number 2					

Residential Address:

.....

..... Postal Code:.....

BECOME A SHAREHOLDER

- Every Member must have at least **One Share**. You can get up to 20 Shares @ R500 per Share
- Children under 18 are welcome to be shareholders

How many Shares are you buying?

R500 per Share

SAVINGS ACCOUNT

Choose at least one account

HOME BUILDING SAVINGS ACCOUNT		MONEY BOOSTER	
<ul style="list-style-type: none"> • Save towards building your house • Earn up to 8% interest 	✓	<ul style="list-style-type: none"> • Save to grow your money • Earn up to 7% interest 	✓
YOUNG CHAMP ACCOUNT		LOAN PRODUCTS	
<ul style="list-style-type: none"> • For children under the age of 18 • Earn up to 5% interest 	✓	<ul style="list-style-type: none"> • Home Building Loan • Personal and Business Loans 	

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

- At registration, a total of R700 is payable: (R200 Joining Fee plus R500 Share Contribution)
- The Form can be submitted via email, fax, WhatsApp or at Umnotho's offices. Details above.
- This Form is also available ONLINE at: www.umnotho.org.za

Banking Account Holder: Umnotho Financial Institute

Reference: Your ID Number

✓ **FNB** Account Number: 6285 8488 367
Branch Code: 250 655

STANDARD BANK Account No: 421 106 921
Branch Code: 051 001

✓ Pay at **Shoprite, Usave, Checkers, Pick n Pay, Spar, Boxer, Pep, Game** or at any EasyPay outlet.
EasyPay Account Number: 9616 1002 6447 (If you already have an EasyPay Acc, please use it to pay).

Please attach ID Copy and Proof of Address

UMNOTHO COMMUNITY BANK TERMS AND CONDITION (TERMS)

1. Introduction

- 1.1. 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.
- 1.2. Umnotho Financial Institute has been granted a banking license by the South African Reserve Bank and registered as a Co-operative Financial Institution (CFI) as per the Co-operative Banks Act No. 40 of 2007.
- 1.3. Umnotho Financial Institute, also known as the Umnotho Community Bank, is owned by its Members and managed by a board of directors, which is elected by Members at the Annual General Meeting (AGM). Every Member has one vote.
- 1.4. Children under the age of 18 are welcome to be Members, duly assisted by their parents/legal guardians. Members under 18 however, have no voting rights, they can only vote after their 18th birthday.
- 1.5. 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.
- 1.6. 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 Bank Terms and Conditions accepted and signed by the Member;
- 2.2. **"Commencement Date"** means the date of signature of this Agreement;
- 2.3. **"Community Bank and Umnotho Community Bank"** 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 investments proceeds, savings and shares in the event the Member dies or become 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 a 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 at Umnotho Financial Institute;
- 2.11. **"Stand or Residential Stand"** means an erf or a plot of land in Umnotho Village, zoned for residential purposes;
- 2.12. **"Umnotho For Empowerment"** means a Non-Profit Organisation (NPO) registered as per the of the Non-Profit Organisation Act No. 71 of 1997 with registration number NPO: 070-858; and
- 2.13. **"Umnotho Village"** means a housing development by Umnotho For Empowerment, where Members acquire Residential Stands.

3. Community Bank Objectives

- 3.1. The Community Bank aims:
 - 3.1.1. To provide tailor-made financial services to members of Umnotho For Empowerment in helping them to save towards building their own houses and accessing building loans to compliment their savings;
 - 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 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 a member one share in the Community Bank. Joining Fee is R200.
- 4.2. It is mandatory for every Member to have at least one share in the Community Bank, 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 Community Bank. The additional shares are regarded as Voluntary Shares
- 4.4. Upon request the Community Bank 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 Community Bank.
- 4.6. Some profit will be kept as retained earnings earmarked for re-investment in the Community Bank and its growth. This will also give shareholders capital gains.
- 4.7. The dividend pay-out amount is determined through forecasting long-term earnings and calculating a percentage of earnings to be paid out.

5. Savings Accounts

- 5.1. Any one of the following savings accounts is mandatory for all Members:
 - 5.1.1. Home Building Savings Account;
 - 5.1.2. Money Booster Account; and
 - 5.1.3. Young Champ Account.
- 5.2. Members can choose one or more of the mandatory savings accounts.

6. Home Building Savings Account

- 6.1. The building savings account is meant for Members who wish to save towards building their own houses or to compliment 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 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. Dormant Accounts

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

10. Interest on Savings

- 10.1. Interest rates differ based on the product and balance in the Member's account. Interest rates on products are published and available at www.umnotho.org.za.
- 10.2. Interest is calculated daily and capitalised monthly into the Members account.
- 10.3. The Community Bank will apply variable interest rates using a market-based adjustment approach. The interest rates are subject to change at the Community Bank's discretion and any change takes effect immediately.

11. Charges and Fees

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

12. Statements

- 12.1. Members can request a statement from the Community Bank office. Members are entitled to one statement per month, which can be sent electronically or printed.

13. Building Loans

- 13.1. Umnotho Financial Institute is currently on a process of registering with the National Credit Regulator (NCR) to be able to issue out loans to Members.

13.2. Building Loans will only be availed to Members who have more than R2 000 savings in their Building Savings Account.

13.3. 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.

14. Personal and Business Loans

14.1. After the NCR registration, the Community Bank will avail loans to members.

15. Termination of Agreement and Refunds

15.1. This Agreement shall be terminated upon:

- 15.1.1. Voluntary termination by Member, subject to a 1-month notice;
- 15.1.2. Expulsion of a Member. The expelled Member is entitled to a dispute resolution procedure; and
- 15.1.3. Permanent disability or death of a Member.

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

15.3. 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.

16. Governing Law and Jurisdiction

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

17. Acceptance of Terms

17.1. 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: _____