



9 July 2018

Dear Customer

**We have some good news for individuals, stokvels and burial societies who hold deposit accounts with VBS!**

On 4 July 2018, the National Treasury guaranteed your deposits up to R100 000 per VBS Mutual Bank deposit holder. As per the South African Reserve Bank (SARB) press conference held on 9 July 2018, all transactional retail depositors, which include individuals, stokvels and burial societies who currently have up to R100 000 deposited in VBS Mutual Bank, will have their funds transferred to Nedbank.

In order to facilitate the process from VBS Mutual Bank to Nedbank, no VBS Mutual Bank branches will be able to conduct transactional services on depositor accounts from 10 July 2018 onwards. Depositors will therefore not be able to withdraw funds from Tuesday 10 July 2018 onwards (you will not be able to withdraw the current R1000 per day/ R7000 per burial). We apologise for the inconvenience, but this is necessary in order to transfer the transactional account details to Nedbank.

**Retail depositors will have access to their money through Nedbank from 13 July 2018 onwards**

Individuals and groups, including stokvels and burial societies will have access to their balances, up to R100 000 per depositor, from 13 July 2018 onward. To access your funds, retail depositors are requested to visit their closest Nedbank branch with the following information:

- Individuals - A valid identity document and proof of residency (not older than three month from the 13<sup>th</sup> July 2018) for the individual or in the case of a person holding power of attorney over the individual's account, the valid identity document and proof of residency for the power of attorney holder and the individual;
- Groups (stokvels and burial societies) – Trustees are to present the valid constitution documents, power of attorney, valid identity document and proof of residency (not older than three month from the 13<sup>th</sup> July 2018) for the trustees and the persons holding the power of attorney of the stokvel or burial society.



Nedbank was chosen to receive all VBS Mutual Bank transactional accounts because of its branch location, capacity, systems, manpower and most relevant product offering and product pricing.

### **Customers are guaranteed up to R100 000 of their available balance**

Customers wishing to withdraw above the R100 000 guaranteed limit of funds currently available in their accounts, will not be able to do so as the limit set by Treasury is R100 000. The excess monies over the R100 000 guarantee will remain with VBS Mutual Bank and depositors will not have access to these funds until further notice.

The curator will continue to pursue assets for the benefit of the relevant creditors. Recovered monies will be disbursed to retail customers who hold more than R100 000, alongside with trade creditors and corporate depositors. The curator will update these depositors and creditors as and when appropriate.

### **All loan account contracts remain with VBS Mutual Bank and are enforceable**

All home, vehicle and personal loan account contracts with VBS Mutual Bank are still valid and enforceable. Customers that owe VBS Mutual Bank money are required to continue to pay monthly instalments as per the agreed contracts. This is required in order to avoid recovery action being taken against default payers.

**We thank you for your patience and understanding through this process!**

### **Questions and Answers**

#### **1. Can I withdraw all of my money that I have with VBS Mutual Bank?**

Yes, if you have up to R100 000 deposited with VBS Mutual Bank across all of your accounts, all of your money is safe and you can access all of your deposits as and when you choose to. However, you will only be able to withdraw this money from Nedbank branches from 13 July 2018 onwards.



**2. Where can I access my money**

Any Nedbank branch.

**3. What documents do I need to bring to access my money?**

All depositor accounts of up to R100 000 per depositor will be transferred to Nedbank and available from 13 July 2018 onwards. You will need to bring a valid ID and proof of your residency not older than three months. You don't have to rush to Nedbank to withdraw your money, as your money is safe.

**4. Do the R1 000 individual and R7 000 per burial limits that the curator instituted still apply?**

No, the daily limits of R1 000 per individual and R7 000 per burial no longer applies. However, customers will not be able to withdraw any funds during the period Tuesday 10 July to Thursday 12 July 2018 as this is the time required to transfer accounts to Nedbank.

**5. What if I have over R100 000 in my account?**

You will only have access up to R100 000 that is deposited across your cumulative VBS deposit accounts. The balance above R100 000 will remain with VBS Mutual Bank and you will not have access to this money until further notice.

**6. What if I have two accounts? Can I access up to R100 000 that is in those accounts from each account?**

No, the guarantee is for R100 000 **per** depositor, not per account.

**7. Why can't I withdraw money that is over R100 000?**

National Treasury has guaranteed up to R100 000 per depositor. The remainder of your monies (the excess) over the R100 000 guarantee will remain with VBS Bank and depositors will not have access to these funds until further notice.

**8. When will I be able to withdraw the balance that is above the R100 000 that is in my accounts?**

The curator will pursue assets for the benefit of the relevant creditors. Recovered monies will be disbursed to depositors who hold more than R100 000, alongside with trade creditors and corporate depositors as and when appropriate. All creditors and depositors will rank pari passu to each other on receiving recovered monies. The curator will update relevant creditors and depositors as and when appropriate.



**9. What if I don't want to bank with Nedbank?**

You are still required to go to any Nedbank branch in order to activate your Nedbank account. You are then free to transfer your money to a bank of your choice.

**10. Can I withdraw my money from VBS Mutual Bank branches?**

No, from 10 July 2018, VBS Mutual Bank staff at the branches will not be able to assist you to withdraw your deposits.

**11. Will VBS Mutual Bank remain open?**

Yes, VBS Mutual Bank will remain open for queries and for collection of monies that you may owe VBS Mutual Bank on home, personal and vehicle accounts you may have with the Bank. VBS Mutual Bank will still be under curatorship. The curator will now turn his attention to the recovering of outstanding loans and assets to the benefit of the customers and creditors of VBS Mutual Bank.

**12. What if I have a loan account with VBS?**

Home, personal and vehicle accounts will remain with VBS Mutual Bank and are still valid and enforceable. Customers are required to continue to pay monthly instalments as per the agreed contracts at the VBS Mutual Bank branches. This is required in order to avoid recovery action being taken against default payers.

**13. Can I take out a new loan at VBS Mutual Bank?**

No new loans will be issued by VBS Mutual Bank until further notice.

**We apologise sincerely for the inconvenience that the implementation of these measures have on you and your families.**

Should you have any further queries, please can you email Zandile Papi at [ZPapi@vbsmbank.co.za](mailto:ZPapi@vbsmbank.co.za).

With regards  
The Curatorship team