

# VBS MUTUAL BANK

FIXED PERIOD SHARES



**vbs**  
mutual bank

VBS Mutual Bank's Board of Directors approved the issuance of Fixed Period shares to the general public. The below sections outline the rules that will govern these Fixed Period Shares.



### **The definition of Fixed Period shares**

As described in paragraph 13 of the Articles of Association, Fixed Period shares are shares that are invested over a fixed period, in this case 5 years/60 months. This means the shares may not be redeemed/withdrawn before the investment period is over.

## Who qualifies to apply?

Any natural person who is a South African citizen or a naturalised citizen. Companies and entities or groups, including parents or legal guardians acting on behalf of minors, qualify to buy shares.

## How do I apply?

Those who wish to apply for an allocation of Fixed Period Shares must fill in an application form, which can be obtained from VBS Mutual Bank branches or online at [www.vbsmutualbank.co.za](http://www.vbsmutualbank.co.za). Once the form is completed, payment for the requested allocation must be made and proof thereof together with the application, must be returned to VBS Mutual Bank, either in person at any of the VBS Mutual Bank branches or emailed to [shares@vbsmbank.co.za](mailto:shares@vbsmbank.co.za) or faxed to 015 516 3541 for the attention of The Manager.

## How much does it cost?

Each VBS Mutual Bank share costs R10 and you must apply for a minimum of 1000 shares to participate in the scheme, meaning you have to invest at least R10 000. Your investment will be locked in for five years/60 months.

## What documentation must I submit with my application?

### For individuals:

The below supporting documents will be required for the application

- Certified ID Document
- Proof of residence

**Groups/Companies or Trusts** must refer to the FICA requirements pertaining to their type of entity or contact VBS Mutual Bank for clarity on requirements.

## How do I pay?

You can pay by cash at any VBS Mutual Bank Branch, Absa Bank Branch, via EFT or by authorising a SDC (Same Day Collection) from your existing VBS Mutual Bank account.

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## Cash

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### Where/ How

Visit any VBS Mutual Bank branch or Absa branches countrywide and deposit into the following accounts:

### VBS Mutual Bank

Account name: VBS Shares Account

Account Number: 10014239002

Branch Code: 588000

Reference: Your ID Number or Group/Company/Trust Name

### Absa

Account Name: VBS Mutual Bank

Account Number: 407563555

Branch code: 632005

Reference: Your ID Number or Group/Company/Trust Name

Proof of payment must be emailed to [shares@vbsmbank.co.za](mailto:shares@vbsmbank.co.za) or faxed to 015 516 3541

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## EFT

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Transfer into the same account numbers as listed on the Cash section. Proof of payment must be emailed to [shares@vbsmbank.co.za](mailto:shares@vbsmbank.co.za) or faxed to 015 516 3541 together with the application form.

### Important to note

The minimum per deposit is R10 000.

## OUR BRANCH NETWORK

### Johannesburg

Suite 23, Marble Towers  
Lower Ground Floor  
Cnr Jeppe & Von Wielligh  
Streets  
Johannesburg  
(011) 225 2320

### Sibasa

Gammbani Shopping  
Centre  
Mphephu Street  
(015) 963 0030

### Thohoyandou

Thohoyandou Business  
Area  
Stand 27  
Upper Ground Floor  
(015) 962 0275

### Makhado

105 Krogh Street  
P.O. Box 4556  
Makhado (Louis Trichardt)  
(015) 516 0359

## Minimum amount of shares to be bought

A minimum of 1 000 shares can be bought. i.e. A minimum deposit of R10 000 will be accepted and shares can be bought in increments of R10 000 thereafter.

## Interest rate

The interest rate on Fixed Period Shares will be linked to the prevailing South African Prime Lending Rate\* as published by the South African Reserve Bank\* and subject to change as the South African Prime Lending Rate fluctuates.

Fixed period shareholders will be notified of changes in the South African Prime Lending Rate via sms/e-mail\* (if provided/requested) or are to visit their nearest VBS Mutual Bank branch for more information.

1. The interest will be calculated on the nominal value of the shares.
2. Interest will be paid on an annual basis, on the anniversary date, 365 calendar days from date of purchase. If anniversary date falls on a non-business day the modified following rules will apply.

Interest will be paid in the currency of the Republic of South Africa (ZAR).

In the case of all issued shares, this interest will be paid by an internal or external electronic transfer.

## Period of shares

Shares which shall be paid for in full on application shall be issued for a fixed period of 5 years/60 months.

## Redemption of shares

The Shareholder shall not be entitled to demand redemption of, and the Bank shall not be entitled to redeem, a Fixed Period Share before the period of issue has expired or the share has matured, as the case may be.

At the end of the term, the shareholder can renew the term of the shares or VBS Mutual Bank can redeem the shares.

## Allocation of shares

Shares will be allocated after they have been purchased and paid for. A share certificate will be issued within 5 working days from day of allocation.

For every 1000 fixed period shares, the shareholder is entitled to one vote at the VBS Mutual Bank Annual General Meeting. Fixed Period Shares are issued at a nominal value of R10 each and there is no limit to the maximum number of shares that can be purchased.

## Transferability

A shareholder may only transfer his shares to another person or a recognised non-natural person.

Every application for transfer shall be accompanied by the original share certificate, or other form of record and such duly completed transfer form and evidence of the ownership of the shares as the Board may require. The transferee shall sign an application form in respect of the shares to be transferred.

The share transfer register of the Bank shall be closed for the period of 21 working days before a Special/Annual General Meeting of the Bank, and re-opened on the first working day of the month that follows.

## Administrator

The share issue process will be administered by The Manager at VBS Mutual Bank Head Office situated at 25A Erasmus Street, Makhado, 0920.

**For any enquiries kindly contact [shares@vbsmbank.co.za](mailto:shares@vbsmbank.co.za) or your nearest branch.**

## Annexure A:

1. South African Reserve Bank: The South African Reserve Bank is the central bank of the Republic of South Africa. The primary purpose of the Bank is to achieve and maintain price stability in the interest of balanced and sustainable economic growth in South Africa. Together with other institutions, it also plays a pivotal role in ensuring financial stability.
2. South African Prime Lending Rate: the Prime lending rate is the average rate of interest charged on loans by major commercial banks to private individuals and companies.
3. SMS: Mobile short message system
4. E-mail: electronic mail
5. Modified following rules: A business day convention whereby payment days that fall on a holiday or a Saturday or a Sunday roll forward to the next target business day. If that day falls in the next calendar month, the payment day rolls backward to the immediately preceding target business day.



The image features a solid teal background. In the lower portion, there are two thin, white, curved lines that sweep across the frame from left to right, creating a sense of movement and depth. The lines are smooth and elegant, intersecting slightly in the middle.

[www.vbsmutualbank.co.za](http://www.vbsmutualbank.co.za)