

MoneyUp[↑]

5 ways to take financial control

Get debt smart

Create and manage a budget

Have goals

Protect your future

Make saving a habit



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It's time to take financial control

Knowing where your money is going, taking charge of your debt and being able to save, are how you control your money and your future.



Hi, I'm Moola, your guide.

Most people don't think they earn enough money to be able to plan, save or budget with it. But **no matter how much you earn**, the more you know about controlling your money, the more **power** you have to control your life.

Eish, every month, my money disappears faster! I want to finish building my home in the village. Who can help me get a loan?

I don't know, but I had to change my route to work to dodge the mashonisa.



5 ways to take financial control:

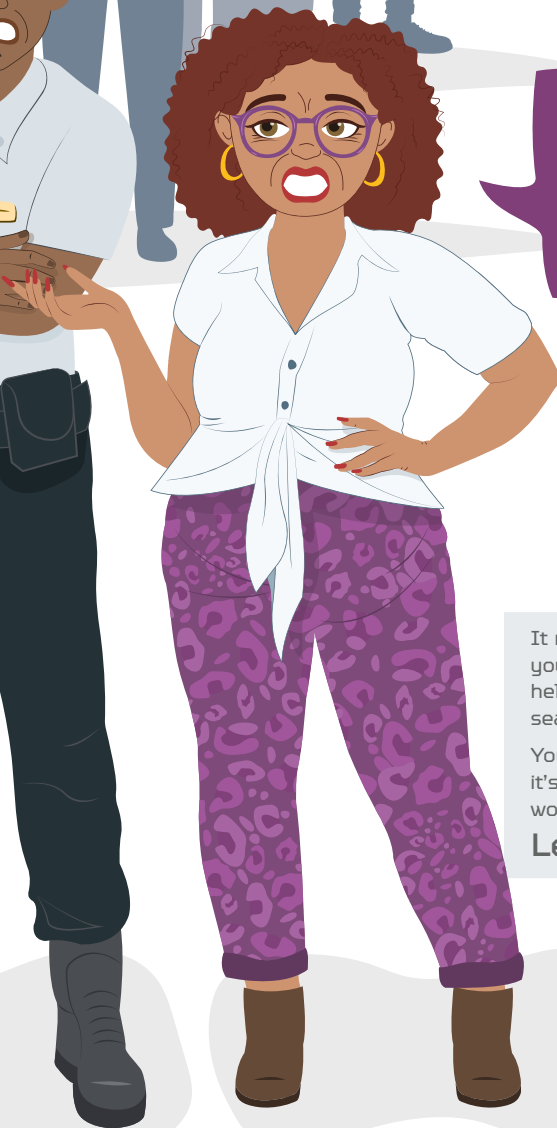
- 1 Have goals
- 2 Create and manage a budget
- 3 Get debt smart
- 4 Make saving a habit
- 5 Protect your future



Life is just too expensive. I've got nothing in the bank, and no idea how I'll get home in December.



I'm not keeping my money in the bank, the scammers will get it!



It might not be easy, but what you'll learn in this book will help put **you** in the driver's seat of your life.

You work for your money, and it's time your money started working for you too.

Let's go!



Have goals

Your life, your money, your goals

When you *know* where you're going, it's easier to work out *how* to get there. That's why setting your money goals is your first step in taking control of your money.



A goal without a plan is just a dream, right?
If you don't have a plan for what you want, and when you want it by, then **how** will you achieve it?

*I want to finish
building
my home
in my village.*



Now, let's turn this into a **S-M-A-R-T** goal.

Specific

What exactly are you saving for?

Measurable

How will you track your progress?

Achievable

Can you stick to it?

Realistic

Does this money goal match your life goals?

Timely

How long do you need?



Decide on your goals.

List your **S-M-A-R-T** goals and decide which are for the short-term, medium-term and long-term:

Short-term goals 0-24 months

List your short-term goals

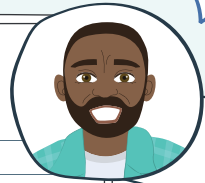
e.g. save for emergencies, buy furniture

Medium-term goals 3-5 years

List your medium-term goals

e.g. pay off personal loan, buy a car

I'll save all my monthly overtime earnings for my building project. With around R500 each month, I aim to save at least R30 000 in 5 years.



Long-term goals 10+ years

List your long-term goals

e.g. build a new home, save for your children's university education

Now let's look at how we can start to **turn your SMART goals into a reality.**



Create and manage a budget

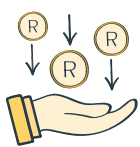
To be in charge of your money, you have to know **exactly** how you're spending it

A **budget** is a spending plan that helps you organise all the money that comes in (e.g. your salary or other income) and all the money that goes out (your expenses) over a period of time.

Budgeting is important because it shows you exactly where your money goes (what you're spending it on). **It's easy once you know how.**

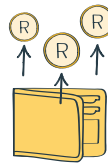


A budget has 3 parts:



Income

The money you earn



Expenses & obligations

Everything that costs you money (what you spend) before you earn again



Savings & investments

The money you put towards your savings goals

Simple steps to create a budget

1 Work out your income

Add together everything you earned (like salaries, tips, grants) for the last 3 months and divide the total amount by 3.

Vusi's income looks like this:

| | Net salary <i>(Your salary after all the payslip deductions)</i> | Side hustle <i>(Any extra money that you earn)</i> |
|--------|--|--|
| June | R5 400 | R1 400 |
| | + | + |
| July | R5 400 | R1 200 |
| | + | + |
| August | R5 400 | R1 600 |
| | = R16 200 | = R4 200 |
| | + = R20 400 | |

Step 1:
Add together the amounts you earned in the last 3 months from your net salary and your side hustle

Step 2:
Add them together

Step 3:
Divide the total amount by 3; this will give you your average

= R6 800 Total

Use this amount as the monthly income for your budget.



2 List all your expenses

Get your bank statements and write down everything you spend.

If you mostly use cash, start writing down everything you spend during the month to get a record.



3 Put your expenses into these categories:

| Needs | Wants | Obligations |
|---|---|---|
| Essentials you can't live without (e.g. rent, taxi fare, groceries, family support) | Things you like but don't need (e.g. extra data, online betting, subscriptions) | Things like debt repayments and insurance |

4 List any regular savings

For example, stokvel contributions

5 Work out how much you have left every month

Vusi's budget



Your budget will show you where your money is going and what your spending habits are.

Income

Net salary R5 400
 Side hustle (average) R1 400
= R6 800 in total

Most of my salary goes to groceries.



Essential expenses

Transport R800
 Food R2 100
 Bank fees R70
 Airtime R600
 Other: unknown deduction R99
= R3 669 in total

"I noticed a R99 deduction that I did not recognise - wonder what that is - I must look into it!"



"Tjo, I didn't realise that I spend so much on airtime!"

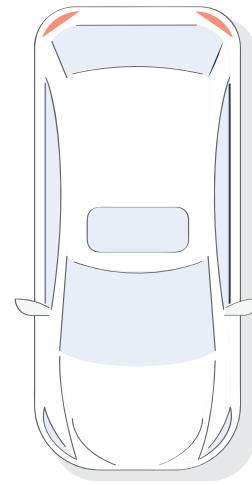
Total savings

Stokvel R1 500
= R1 500 in total



"I'm saving a lot towards a gooi-gooi (stokvel), but maybe I should also be paying off more of my store card debt instead?"

Are your savings goals realistic?



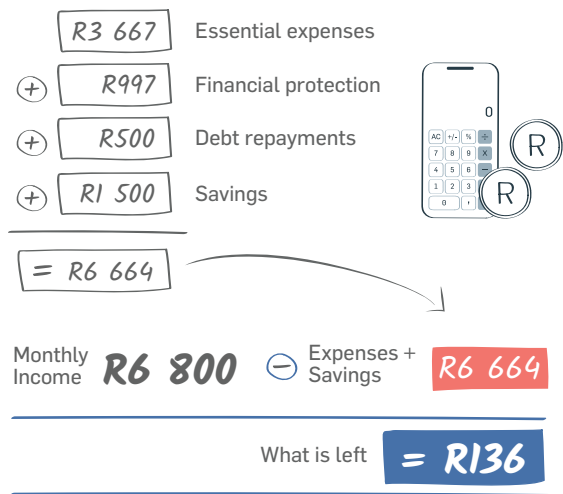
Financial protection

Funeral policy 1 R379
 Funeral policy 2 R250
 Funeral policy 3 R368
= R997 in total

Debt repayments

Store card 1 R200
 Store card 2 R300
= R500 in total

Vusi's monthly budget looks like this:



Many people feel uncomfortable looking at their spending in such detail. But it's worth the effort. Turn the page to create your own budget.



Create your own budget



1. Current

In this column, write down how much you are spending in each category.

2. Planned

In this column, write down how much you plan to spend next month, after reviewing your expenses.

3. Track

In this column, write down how much you actually spent at the end of the month. If you didn't stick to your planned budget, you need to make some more changes next month.

| | 1. Current | 2. Planned | 3. Track |
|---------------|------------|------------|----------|
| Income | | | |
| Net salary | | | |
| Other income | | | |
| | | | |
| Total | | | |

Income

R

Essential expenses

Things you can't live without

| | 1. Current | 2. Planned | 3. Track |
|---|------------|------------|----------|
| Groceries | | | |
| Transport (public transport, car maintenance, fuel) | | | |
| Rent | | | |
| Medical expenses | | | |
| School fees | | | |
| Bank costs | | | |
| Rates and taxes | | | |
| Childcare | | | |
| Family support | | | |
| Airtime / data | | | |
| | | | |
| Total | | | |

Essential expenses

R

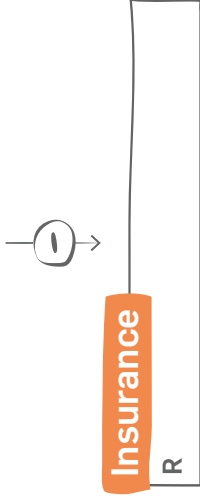
Other expenses

| | 1. Current | 2. Planned | 3. Track |
|-------------------------|------------|------------|----------|
| Takeaways | | | |
| Streaming subscriptions | | | |
| | | | |
| Total | | | |

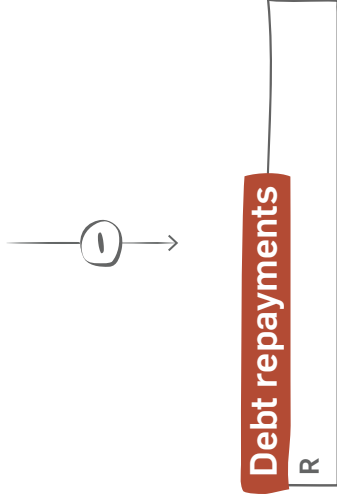
Other expenses

R

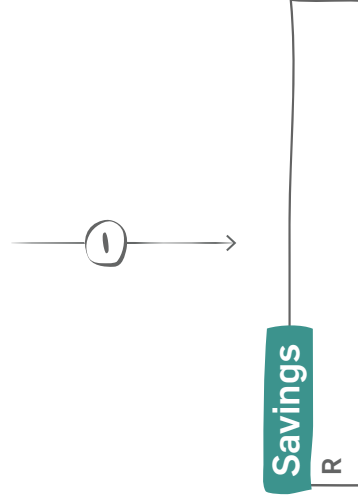
| Insurance | | | |
|------------------|------------|------------|----------|
| | 1. Current | 2. Planned | 3. Track |
| Funeral cover | | | |
| | | | |
| | | | |
| Total | | | |



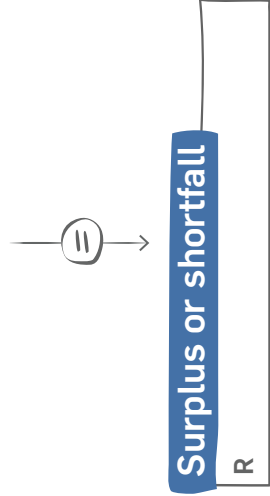
| Debt repayments Any money you use to repay outstanding debt | | | |
|---|------------|------------|----------|
| | 1. Current | 2. Planned | 3. Track |
| Loan repayment | | | |
| Credit card repayment | | | |
| Store card | | | |
| | | | |
| Total | | | |



| Savings For your short-, medium- and long-term goals | | | |
|--|------------|------------|----------|
| | 1. Current | 2. Planned | 3. Track |
| Retirement contributions | | | |
| Emergency savings | | | |
| Education | | | |
| Stokvel | | | |
| | | | |
| Total | | | |



Surplus or shortfall
Deduct all your expenses from your income - if your income is more than your expenses, you have a surplus and if your expenses are more than your income, you have a shortfall



Take control of your spending

– one small action at a time

Now that you've written down everything you earn and spend, follow these steps to make spending changes that last.



1 Cut back expenses

Write down which of your expenses you think you can:

- Cut down ←
- Manage carefully ←
- Reduce by changing a habit ←
- Cut out completely ←

I'll buy R100 airtime once a week only, and when it's done, it's done.

I'll buy 2-for-1 grocery specials with my aunt to share the savings.

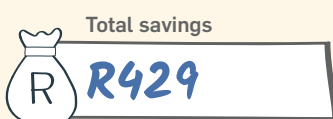
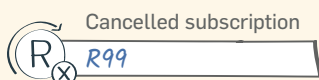
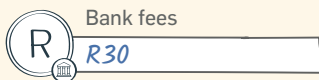
By using my card more and drawing less cash at ATMs, I can spend less on banking fees.

I'm so glad I found that R99 debit order for a service I don't need – at least now I can cancel it!

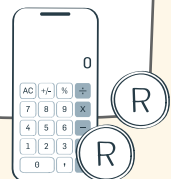


Write down how much you can save each month:

Vusi's list looks like this:

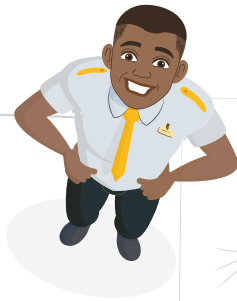


Now, write your list!



If you've done the exercise above and still can't find anywhere to cut back, **keep trying every month.**

If, like Vusi, you find ways to cut back, now's the time to take control of this money and put it towards your goals.



Vusi's new budget:

Income R6 800
 ⊖ Expenses + Savings R6 237

What is left = R563



Your new budget:

Your income _____
 ⊖ Expenses + Savings _____

What is left = R

With the money he's freed up, Vusi decides to start paying off one of his store cards more quickly – that means he'll soon have one less expense to worry about!



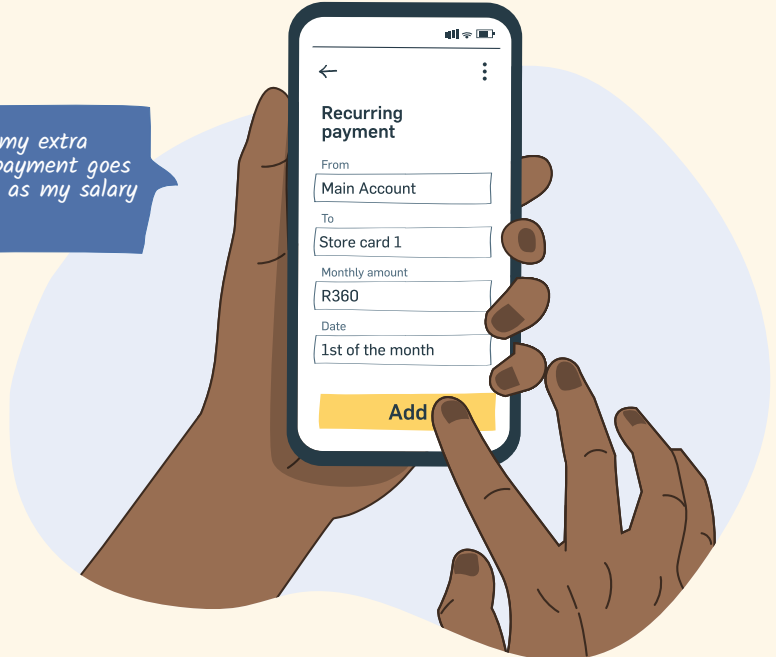
High fives, Vusi!



2 Automate

A great way to stick to your budget is to automate it! This means setting up payments or transfers that happen automatically, so you don't have to remember to do it yourself each time.

I love that my extra store card payment goes out as soon as my salary comes in.



3 Keep track of your spending

Review your budget monthly, or as soon as life changes, for example:

- You get a salary increase (hello, extra savings!)
- Your expenses go up (like higher rent or bills)
- Your expenses go down (you repay a loan)
- Your family situation changes (like a new baby or new home)
- You hit a big milestone (such as getting married or retiring)



Your banking app is a great tool to help you track your spending, and manage your money **safely**. **Turn the page for more!**

Get comfortable with banking on your phone

Banking apps give you **24/7 access to your money**, with no branch queues. They make it quick and easy to make and receive payments, check balances and see your spend history.



There are so many benefits to digital banking, but here are my top 4:

- 1. It puts you in control** when not using cash, you can easily track exactly when and where you spend your money
- 2. It's convenient** because it is available 24/7
- 3. It's more affordable** than transacting through a branch
- 4. It saves time**

From your banking app you can:

PayShap

Pay instantly and affordably to any South African bank account using a bank registered cellphone number.

Virtual cards

Pay securely for things online, in the same way as using a physical debit or credit card. A benefit is that it can be cancelled, and a new one issued immediately if you suspect fraud or if you think your information was stolen.

EFT

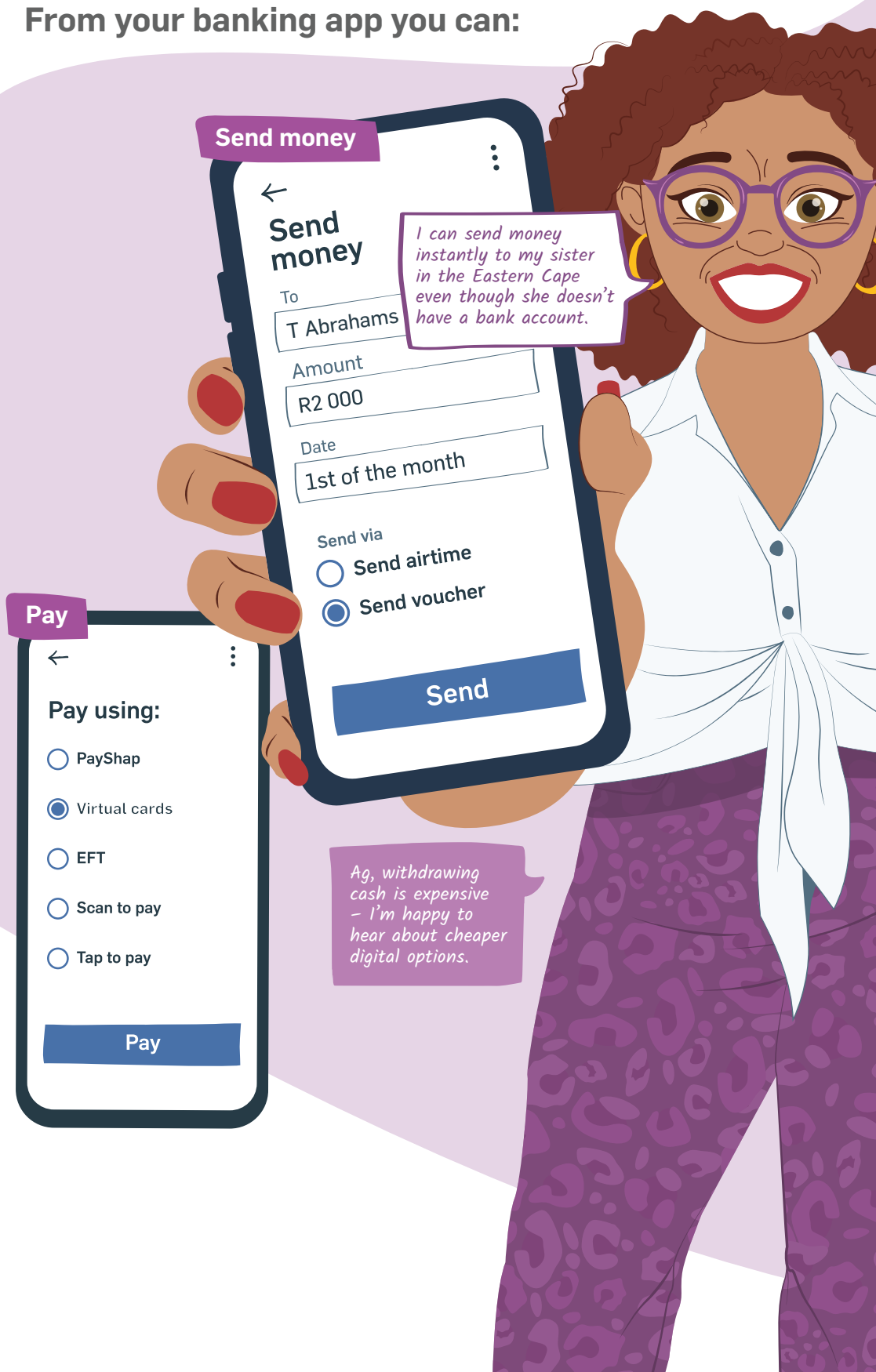
Pay to business and individual bank accounts, with 1 to 3 days clearing time; an immediate payment will cost more.

Scan to pay

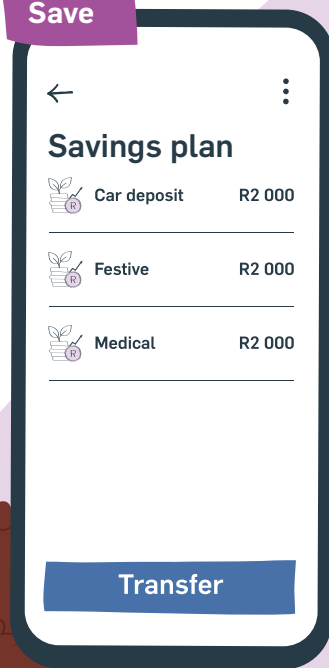
Make contactless, cashless payments by scanning a QR code with your smartphone, which contains the transaction details, like the amount and where to send the money (think of it like a barcode on an item in a shop, except this is for beneficiary payments).

Tap to pay

Pay by tapping your card on the card machine.

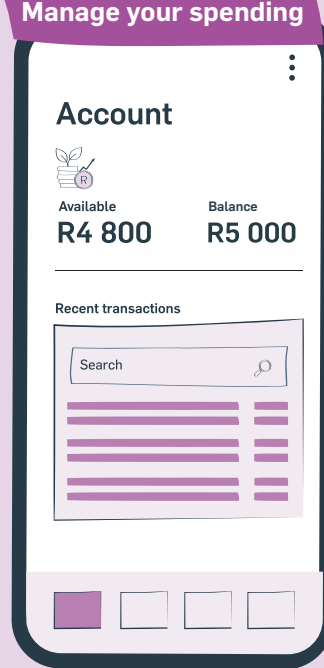


Save



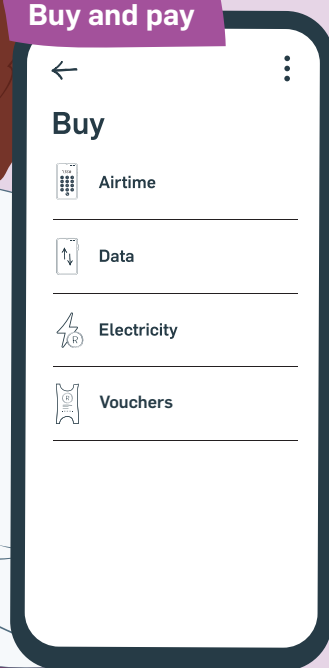
Your app makes it easy to add one or more savings plans or accounts. It also shows you different accounts, how much money you earn when you save and makes it easy to transfer your savings from one account to the other.

Manage your spending



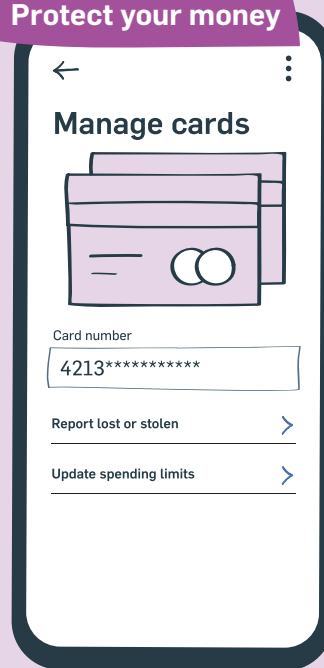
Many banking apps help you budget, by sorting and tracking your spending in categories. You can see your transaction history 24/7 and track where your money is going.

Buy and pay



Instead of queuing in-store, buy or pay for essentials on the app.

Protect your money



If your card is lost or stolen, you can cancel it directly from your app to avoid the risk of someone using it.



Using a banking app might feel intimidating at first. If you are not confident, spend time in a bank branch to learn more. Always read service messages and safety tips from your bank.

Ja, no, I'll try it!



Next up, let's look at getting **debt smart**.



Get debt smart

Learn to use credit to improve, not ruin, your life

Credit can help you reach your goals, but it can also hold you back. Being debt smart is more than knowing which credit products to apply for. It's also knowing if you can afford credit and commit to paying it off every month.



Learning how to **borrow responsibly** is an important step in **taking control** of your money.

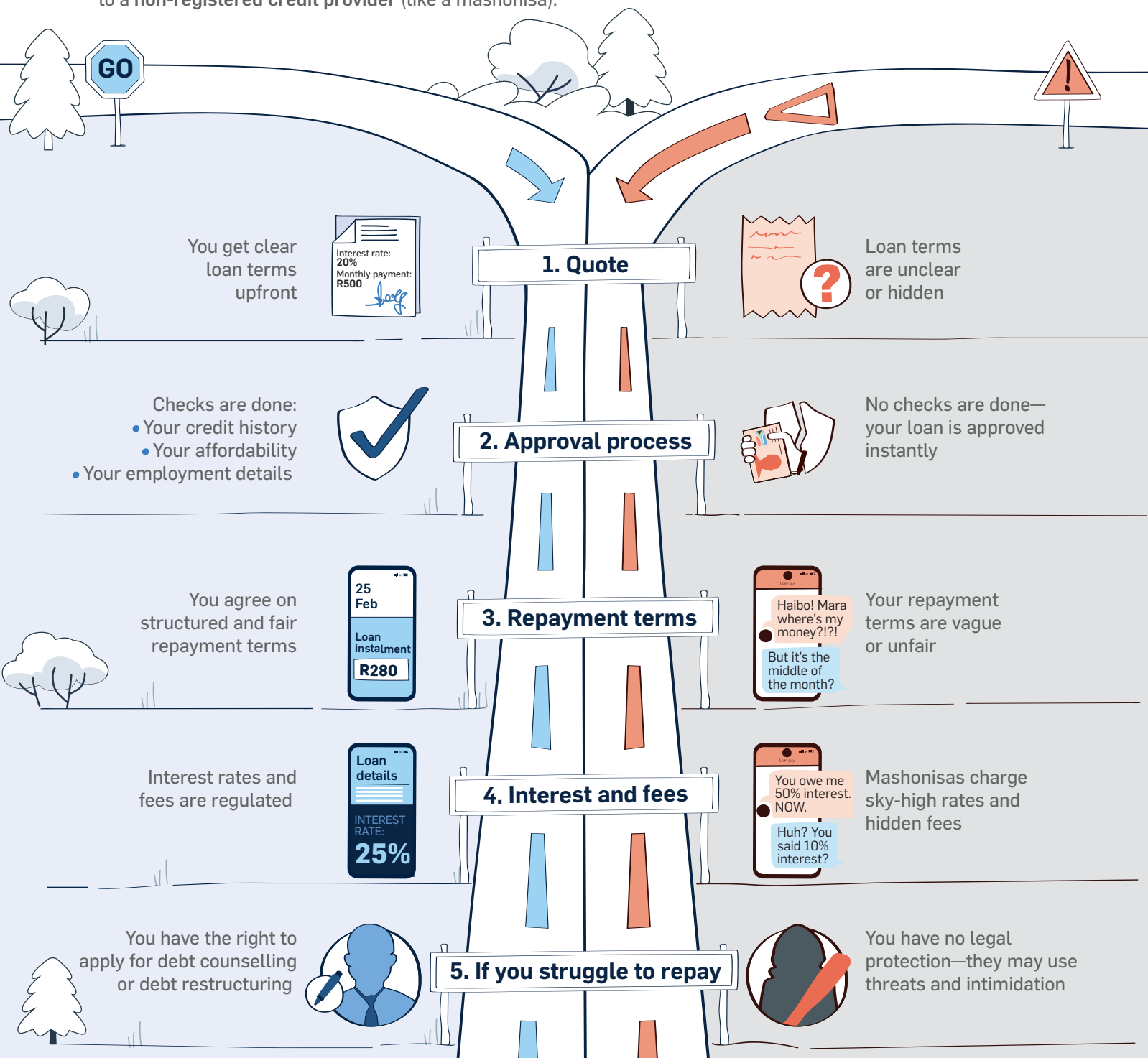
Need a loan? Let's compare getting one through a **registered credit provider** to a **non-registered credit provider** (like a mashonisa).

Many people turn to unregulated credit providers (also known as mashonisas) when they need money fast, but this can lead to big problems.

This is because mashonisas operate illegally, which means they can do what they like, and charge you what they want!

And if you fall behind on your debt repayments, you have no rights or protection.

Did you know?



Mashonisas prey on you when you're most vulnerable and could make your problems much worse.

How interest works

When you borrow money, you **repay** the money you borrowed plus **interest and fees**.



The **higher** the interest rate, the **more** it will cost you to repay the loan.

Now, let's compare the cost of borrowing R8 000 from a **registered credit provider** over a 12-month period to borrowing from a **mashonisa**.

Registered credit provider

"Let me take you through the terms of your contract. I will also share a copy for you to review and ask questions."

Total cost of loan:
R11 558.49

*This monthly repayment includes an initial fee, monthly service and insurance fees and is based on a 25% interest rate. This is for illustration purposes – the interest rate you get will depend on your personal situation and credit history.

VS

Mashonisa

"I'll lend you R8 000 today – in return, you must pay me R3 000 a month for 6 months. Oh, and I'll keep your ID and bank card to make sure you repay me on time."

Total cost of loan:
R18 000

Loan Terms

| | |
|--|---------|
| Loan amount..... | R8 000 |
| Interest rate..... | 25% |
| Monthly instalment...* | R965.71 |
| Initial fee..... | R1 207 |
| Service fee..... | R69 |
| Credit life insurance (first month premium)..... | R36.83 |

In this example, it costs **R6 412 more** to borrow from a mashonisa!

And as you've just learnt, you also have **no rights** when you borrow money from a mashonisa. However, when borrowing from a registered credit provider, you have **many rights**, including the right to:

- A credit assessment, which includes whether you can afford it and what your credit history looks like
- A structured and fair repayment plan
- Clear product information
- Protection from overcharging
- Regulated interest rates
- Apply for debt counselling or restructuring if you struggle with your repayments

It may be tempting to turn to a mashonisa if you need money fast.

But be careful!

If you don't qualify for a loan with a registered credit provider, it's often to **protect** you from unaffordable repayments.

Get debt smart before you apply for credit

I won't ever go down the mashonisa route again, but I still need to fix my fridge.



Let's look at 3 steps to take before applying for credit through a registered credit provider.

1 Get your credit report and score

You can check your credit score on your banking app (if available), and get your free credit report from sites like ClearScore, TransUnion and Experian. If you already have a credit agreement with a registered credit provider, your repayment history will show here.

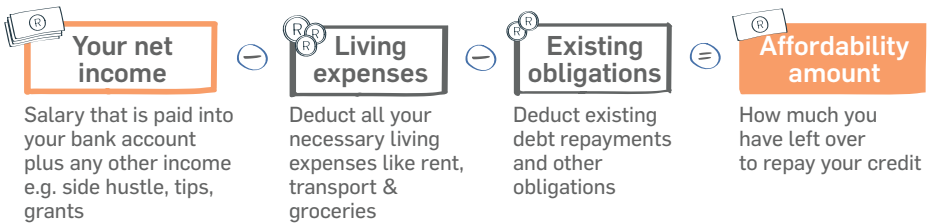
Build a better score by:

- Paying existing debts on time
- Paying off overdue debts or unpaid bills
- Not applying for credit too often
- Staying well under your credit limit on any revolving credit product

The better your credit score, the more likely you are to be considered for new credit by a registered credit provider in future.

2 Check your budget to see if you can afford the loan

To do this, work out your affordability amount:



3 Go through your budget

Palesa goes through her budget:

| | |
|---|-------------|
| Income (Her salary is the same every month) | R7 000 |
| Living expenses | R5 500 |
| Other payments | R1 000 |
| Palesa's affordability | R500 |

Take action

Now, go through your budget:

Your income:

Minus your living expenses: Minus other payments:

Your affordability: **R**



Palesa gets a quote for a R1 000 loan with a registered credit provider

At an interest rate of 20.5% it will cost her just over R250 in monthly repayments over 7 months.

| | |
|-------------------|----------|
| Interest rate | 20.5% |
| Term | 7 months |
| Loan amount | R1 000 |
| Monthly repayment | R250 |

On paper, she can afford it (she can afford as much as R500 a month). But, before going ahead with a new credit application, Palesa should ask herself if:

- 1 Borrowing is the **only** way to get what she needs or can she **save for it instead?** Y N
- 2 Her employment and/or income is **stable?** Y N
- 3 She will be able to **repay the instalment** on time, every time, until the full amount is repaid? Y N



If the answer is no to any of the above, it might be a good idea to **rethink** the decision to get a new loan.

If Palesa feels confident about taking on this new loan, her next steps will be to:

- Compare quotes from a few registered credit providers to get credit that best suits her needs
- Make sure her new monthly repayment is much less than R500 so that she'll always have some money left in the bank every month



What if you don't qualify for credit?

The credit provider will tell you why you were declined.

Some common reasons are:

- Your affordability is too low
- Your credit history (and/or score) is poor



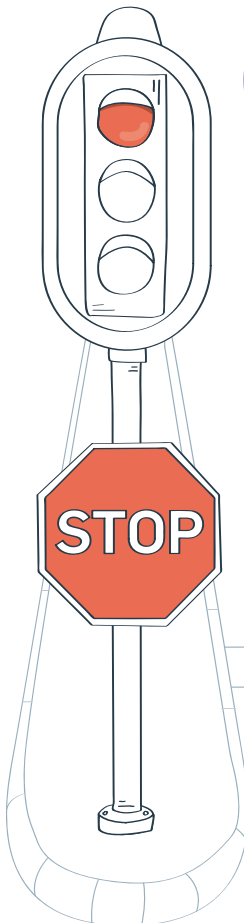
If you don't qualify, it could be a sign that you need to make some changes to your financial life.

Don't get discouraged—you can take back **control!**

Repay debt faster

If debt repayments are using up a lot of your monthly income, and you want to use more money to achieve your savings goals instead, here's how you can **take control**.

*I want to pay off my 2 store cards faster so I can **build my credit score** and improve my chances of qualifying for larger credit in the future.*




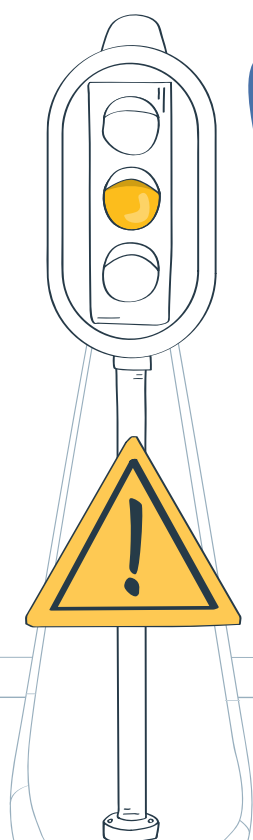
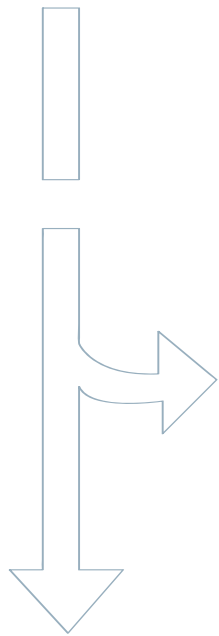
Step 1 Stop and assess

Write down all your debts from smallest to biggest outstanding balances

Vusi's store card accounts look like this:

| | Minimum repayment | Outstanding balance |
|--------------|-------------------|---------------------|
| Store card 1 | R110 | R2 200 |
| Store card 2 | R160 | R3 200 |

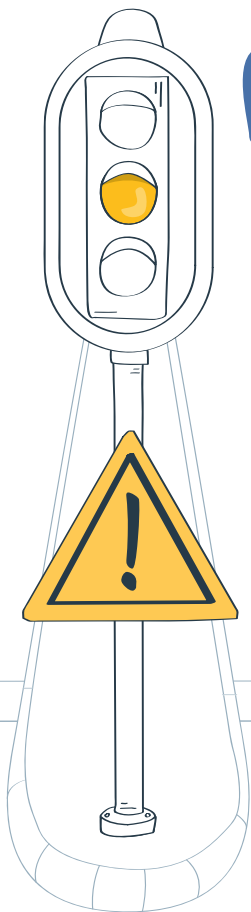
 If Vusi pays these amounts every month and stops using these store cards completely, it will take him 2 years to fully repay what he owes.



Step 2 Continue with care

Keep paying the minimum every month on each debt

| | Minimum repayment |
|--------------|-------------------|
| Store card 1 | R110 |
| Store card 2 | R160 |



Step 3 Proceed with caution

Find extra money in your budget by reviewing your expenses. Use this to pay more on your account with the smallest outstanding balance.

| | Minimum repayment | Extra payment | Total payment |
|--------------|-------------------|---------------|---------------|
| Store card 1 | R110 | *R250 | R360 |
| Store card 2 | R160 | | R160 |

This extra payment will help Vusi pay off Store card 1 in just 7 months!

Remember Vusi freed up money when he did his budget?

He decides to use R250 of this money to pay more on Store card 1.



Step 4 Continue with your journey

Don't stop here! Now, add that full repayment amount from the debt you just paid off to your next account.

For Vusi, this will mean putting an extra R360 towards Store card 2.

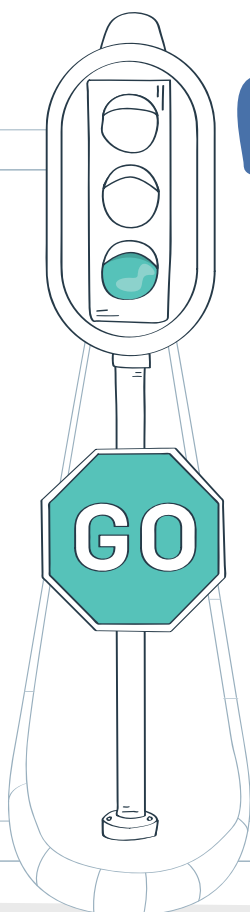
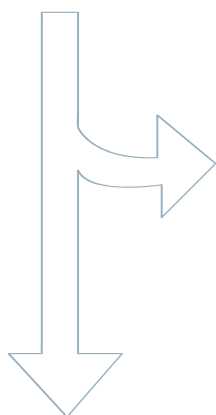
| | Minimum repayment | Extra payment | Total payment |
|--------------|-------------------|---------------|---------------|
| Store card 2 | R160 | R360 | R520 |

After just 5 months of paying R520 a month, Vusi will pay off his second store card - that's 12 months earlier than if he was just paying the minimum amount.



He will have an extra R520 a month to put towards other goals.

Well done, Vusi!



Get out of debt stress

If you have existing debt, and you're struggling to make your repayments because you don't have enough money to live on, remember this...

Debt does not just go away - it will not help to ignore it.



Try to keep making your repayments

Missing repayments will negatively affect your ability to get credit in future.



Talk to your credit providers

If you're struggling to make a repayment, reach out to your credit provider to discuss a new plan. If you've already missed one, ask if they can help you make it more affordable to repay over time.

Now that you've learnt how to take control of your debts, it's time to look at building a savings habit.



Make saving a habit →



Make saving a habit

It's never too late or too little to start

Just like building the foundations for a home, by saving even a little every month, you can achieve your goals and guard yourself against emergencies.



I never had any money left over before. Now that I've paid off my store cards, I am able to save every month towards my trip home in December!



If you can make saving a habit, you can get your money to work for you by **earning interest!**

Creating a savings habit will help you to:



Survive emergencies



Avoid too much debt



Achieve your goals



Earn compound interest

We'll explain this on page 26



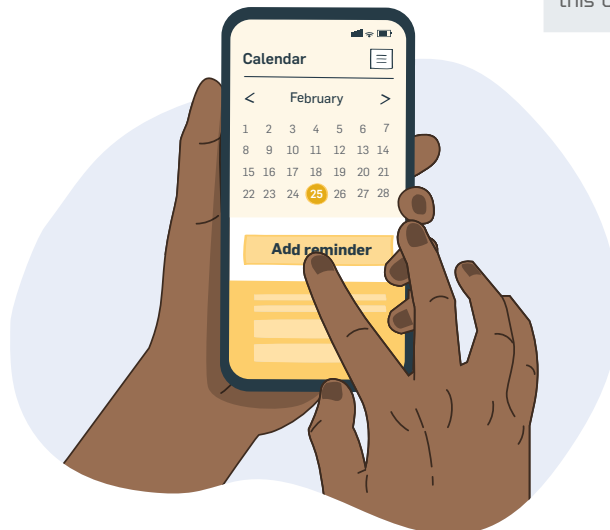
How to do it:

1 Budget

Vusi freed up R520 by sticking to his new budget and repaying his store cards more quickly. With this extra money, he starts to save for emergencies and for his December trip home.

2 Automate

Vusi knows that to stick to his plan, he must automate these savings. But how and where? We will dive into this now, by showing you a few different tools for saving.



Tools for saving

There are different savings accounts for different savings goals



The savings account you choose will determine **how much interest you will earn**. The **longer you can commit** to leaving your money saved without withdrawing it, the **more interest** a bank will usually offer you.

Here are some common savings categories and general features:

| | | | |
|--|---|--|--|
| <p>If you know you'll need your money soon, you could consider a...</p> <p>Flexible savings account</p> <ul style="list-style-type: none"> ○ Add money any time ○ Interest earned is usually lower ○ Use money any time | <p>If you can leave it a little longer, but want the flexibility to access it by giving notice, consider a...</p> <p>Notice account</p> <ul style="list-style-type: none"> ○ Add money any time ○ Give notice to use money ○ Longer notice period, higher interest earned ○ Penalty fee to withdraw money earlier | <p>If you can leave your money for a specific period e.g. 6 or 12 months, you could consider a...</p> <p>Fixed savings account</p> <ul style="list-style-type: none"> ○ Money fixed for set time ○ Penalty fee to withdraw money earlier ○ A longer term will earn higher interest ○ May require a minimum deposit | <p>If you prefer to save with others, you might want to consider a ...</p> <p>Stokvel account</p> <ul style="list-style-type: none"> ○ Save in a group towards a common goal (e.g. grocery stokvel or payout stokvel) ○ Pool money to earn higher interest rates and save more ○ Stay motivated thanks to community support |
|--|---|--|--|

Make sure you always **compare options and interest rates** before you make your decision. The higher the interest rate on a savings account, the more interest you earn each month.



Vusi writes down his goals and decides on a suitable savings tool for each one.

Goal 1:
Emergency savings
 Tool: *Flexible savings account*

It feels good to earn interest instead of paying it!

Goal 2:
December savings
 Tool: *Notice account*

I mustn't forget to give notice to use my money in time for December!

Take action

Think about your goals.
Which savings account would you match to each one?

Goal 1:

Tool: _____

Goal 2:

Tool: _____

Let your money make money

Learn more about compound interest

When you save money with an authorised financial services provider, you get rewarded with interest.

Just like Vusi, I'll automate my monthly savings to make sure I stick to it!

For example, let's say you put: **R1 000 into a savings account and leave it...**

| | Year 1 | Year 2 |
|-------------------------|---------------------|---------------------|
| Savings account balance | R1 000 | R1 070 |
| Annual interest | $\times 7\% (0.07)$ | $\times 7\% (0.07)$ |
| You earn | $= R70$ | $= R75$ |
| You have | R1 070 | R1 145 |



This **extra R145** you earn in interest doesn't feel like much, right? But every year you leave your money untouched, it grows even bigger than the year before!



This is the power of compound interest – where you earn interest on interest.

Now, let's see how compound interest can help Jabu get closer to his goal of building a home, by saving R500 of his monthly overtime income.

| Month: | Jabu has put in: | Jabu has earned this much interest on his savings: | His total balance including interest is: |
|---------------------------|------------------------|--|--|
| After 1 month | R500 | *R3 | R503 |
| After 1 year (12 months) | 12 x R500 PM = R6 000 | R232 | R6 232 |
| After 5 years (60 months) | 60 x R500 PM = R30 000 | R6 005 | R36 005 |

It might sound small, it **takes time** for compound interest to work its magic!

Things are starting to happen!

Wow! How's that for growth?



*Assuming an annual interest rate of 7%

After **5 years** his total savings = ***R36 005**



And what if he kept on going? After 10 years, or 120 monthly transfers of R500 (120 x 500 = R60 000)... he'll have earned *R26 542 interest!

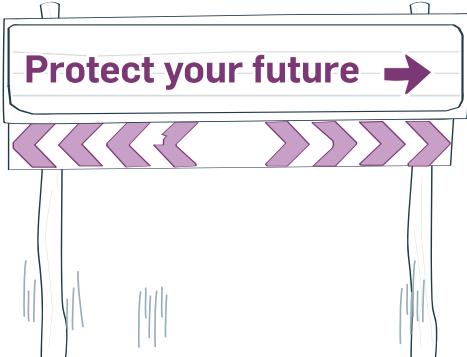
After **10 years** his total savings = ***R86 542**



Wow! By saving for 10 years instead of 5, I'll put in double the money, but earn nearly 5 times more interest!



Next up: Protecting your savings is just as important as building it. Find out how (and more) in the final chapter.



Protect your future

Your money, your assets, your life

Building savings and reaching goals like owning property are big achievements. Part of **taking control** is knowing how to protect them. Protecting your loved ones, even while you're still working towards your goals, is just as important.



Taking control means thinking about the **'what ifs'** and **planning** for what life throws at you.

I'm looking for a new place to stay, my landlord died and now his family is fighting over the house.

I have several funeral policies so I can look out for my family.

I don't want that for my family, I need a will.

But what happens after the funeral and the money's all gone?



Protect your family with funeral and life insurance



Funeral cover...

...pays for funeral and other immediate, short-term costs when someone dies.

- Pays out a lump sum
- Max R100 000 payout per adult life insured (even if you have multiple policies)
- Multiple people can be covered in the same policy
- Easy to get: most people qualify, no matter their age or health
- Claim process is quick and simple, payout usually within 1 to 2 days



Life cover...

...leaves loved ones with money after the funeral.

- Can pay out in a lump sum, or in regular instalments to cover monthly expenses like rent, groceries and school fees
- Can pay out more than R100 000 per life insured
- Covers one person only
- May need health checks: your age and health impact whether you qualify and what you pay
- Claims process may take more time

Did you know?

The law limits how much an insurer can pay out for a child's death

For example, children under 5 can only be insured for R20 000, no matter how many policies you have. It's common for different family members to insure the same children, which might result in the child being overinsured and some claims rejected.

I always thought funeral and life were the same thing – but now I see that they work together to protect both me and my family.

Who needs life cover?

Life insurance is a personal choice, but it offers peace of mind knowing your loved ones are financially supported if you are no longer around.

Here are some key moments to consider life cover:

- You have children, a spouse or partner and/or parents who rely on your income
- You own a home and want to cover your bond so your family can stay in the house if something happens to you

I've spoken to my siblings – it looks like my niece is insured for more than R20 000 across 4 different policies. That means I can remove her from my policy!

Protect your family with a will

One of the most important tools for protecting your family is a will.



I've put together a **checklist of important documents** for you to share with your executor and/or store in a safe place. **You'll find it at the back of this book (page 41).**



A will is...

...a legal document that says what should happen to a person's belongings and who should take care of their minor children after they pass away.

Why you need a will:

If you die without a will, then the law decides who gets what you leave behind – often creating huge problems for your family.

With a will, you decide:

- Who will take care of your minor children
- Who gets your remaining assets (like your home)
- Who is responsible for managing the money and belongings you leave behind when you pass away (called an **executor**) - this should be a person you trust

VS

Without a will, the law decides:

- Who will look after your minor children
- Who gets what, and it may not match your wishes
- Who is responsible for managing your affairs

An **executor** is a person or business chosen to make sure your wishes, as written in your will, are carried out.



Where to get a free will:



Registered professionals

During National Wills Week (usually September), many law firms and non-profit organisations that normally charge to draft a will, offer their services for free. Check the Legal Practice Council website for participants.



Authorised financial service providers

Some institutions offer to draft a will for free if you're a client, but they may charge you to store it, usually based on a percentage of how much your belongings are worth. They may also require you to appoint them as your executor.

I don't want to leave the care of my children to the state. I will reach out to an expert to find out more about drafting a will.

Protect your home



Owning a home is a great achievement, but it comes with **responsibility**.

Here are some tips for responsible home ownership:



Keep your title deed safe:

This is a legal document that proves home ownership; store it somewhere safe.



Maintain and repair your home:

Keep your property clean and fix small issues early to avoid big expenses later.



Do you need home insurance?

Are you covered for risks like fire, theft, or natural disasters?



Plan for inheritance:

Include your home in your will and plan for a smooth transfer of ownership to your heirs.



Be a good neighbour:

Build relationships with local residents to create a supportive community.



Be debt smart:

Understand the costs and impact of using your home as security for credit, so you can avoid being taken advantage of.



Protect your money

It can take time to grow your savings, and only a few minutes to lose it all to scammers, who look for any opportunity to steal your money. Here are a few of the most common scams to watch out for.



Scenario 1: At the ATM

Sylvia needs to pay the hairdresser in cash.

Watch out for:

- Someone offering to help at the ATM
- A person standing too close to you as you withdraw
- A visibly damaged ATM

Keep safe:

- Never accept help from strangers, go inside the bank to ask for help
- Be mindful of your surroundings and don't get distracted
- Do not force your bank card into the slot



Where possible, make payments using your bank's app or your card.

Bank safety checklist

- Don't set a PIN that anyone can guess, such as your birthday or a sequence like 1234
- Memorise your PIN – never write it down
- Set a different PIN for your banking app and your bank card
- Never share your card number, expiry date and CVV with anyone
- Always make sure it is your card you get back at the ATM
- If your phone is lost or stolen, phone your bank immediately to block your cards, deactivate your banking app and change your passwords

Scenario 2: At the mall

A sales rep from a well-known brand approaches Palesa and offers her a free voucher in exchange for some information.

Watch out for:

- A request to hand over your phone to activate a voucher or 'freebie'
- A request to share confidential banking information in exchange for a 'freebie'

Keep safe:

- If something is free, it's free - don't share personal information like your ID, account number or PIN
- To verify a giveaway, use the retailer's official communication channels
- Don't let someone take a selfie of you with their phone to activate a voucher
- Don't hand your phone over to someone else to activate a voucher



Scenario 3: Vishing (call scam)

Jabu receives a call from someone claiming to be from his bank, informing him of fraudulent activity on his account.

Watch out for:

- A request for confidential banking information
- A request for you to do a transaction or reverse a debit order to prevent fraud

Keep safe:

- Make sure it's really the bank, by using the bank's call verification feature on their app
- If you can't verify the call and it's suspicious, end it immediately and contact your bank on their official channels
- Don't perform any transactions or share any confidential information



Your bank will **never** call and ask you to sign into your banking app to do a transaction to stop fraud, or reverse a debit order. They also won't ask you to share sensitive information over the phone – **but a scammer would!**



Scenario 4: Smishing (SMS) or phishing (email, online ads and DMs)

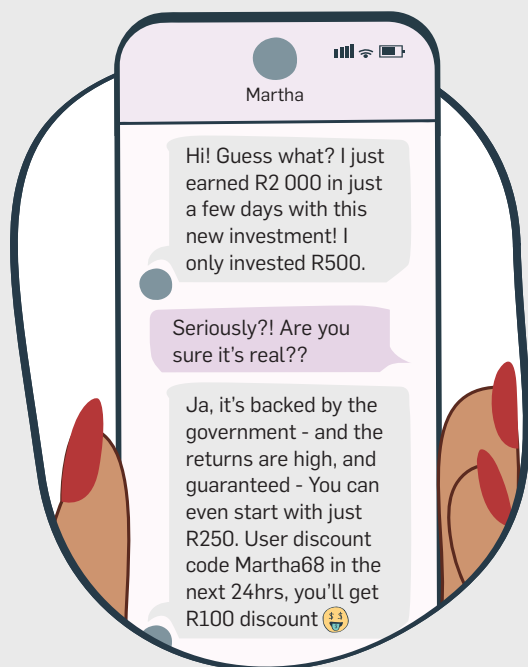
Vusi receives an SMS saying his online shopping order has arrived.

Watch out for:

- Fake phone numbers in SMSs or emails
- Requests to make a payment or share confidential information via a link

Keep safe:

- Don't open links in SMSs, emails, online ads or DMs, unless you're sure it's from a trusted source
- Only use numbers you've confirmed or are familiar with
- Never share your personal or banking information or enter your card details on a form that you opened via a link in an SMS, message or advert



Scenario 5: Investment scams

Sylvia receives a WhatsApp message from a friend at church about an amazing investment opportunity with high returns and no risk.

Watch out for:

- Promises of high profits over a very short timeframe, with little to no risk
- Opportunities where investors are rewarded to recruit new members
- Limited information of where or how your money is invested, or claims that the investment is linked to government or other industry contracts
- Fake investment platforms that appear to be that of organisations you trust

Keep safe:

- Make sure the investment is offered by an authorised financial services provider. You can check on the Financial Sector Conduct Authority website to see if the company is registered
- Always verify investments on a company's official channels
- Don't invest in any opportunity offered to you on social media
- Avoid referring friends for extra profits – it's probably a scam

Watch out for the tricks that these schemes use to lure you in.

- **Fake success stories:** luxury lifestyles and "happy participants" tempt you
- **Top earners:** promoted leaders build trust and credibility
- **Testimonials:** family and friends get involved too without realising it's not real
- **Social media groups:** give you a sense of comfort and belonging



Remember, real investing is **not** a get-rich-quick scheme.

Scenario 6: Fake loan scam

Palesa is approved for a loan from what seems like a legitimate credit provider. Their website even has a National Credit Regulator (NCR) registration number. She is asked to pay fees upfront to cover administration, tax and insurance purposes.

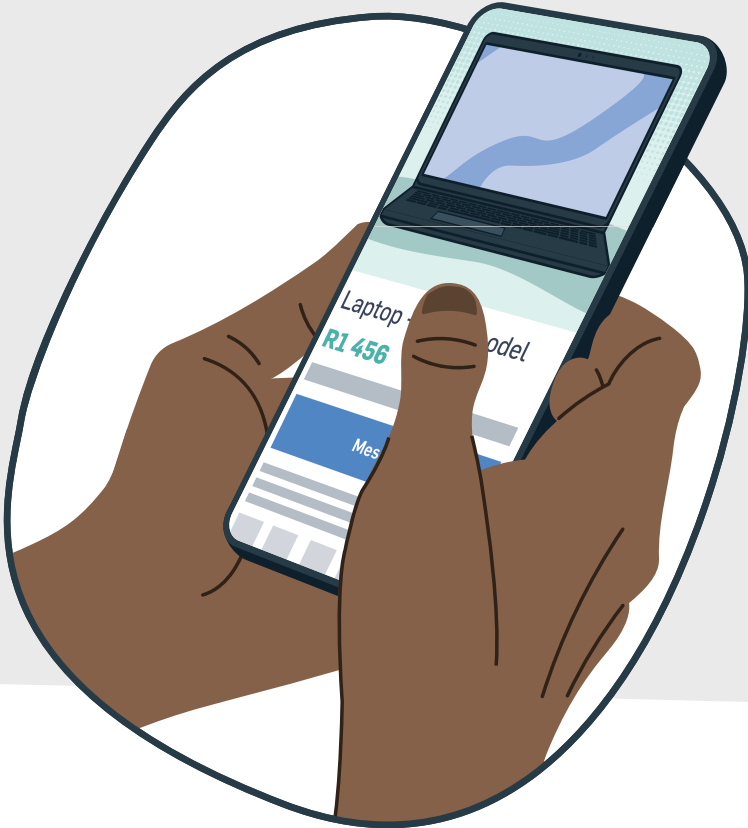
Watch out for:

- Scammers impersonating legitimate credit providers, but using different contact details
- Ads promoting guaranteed loan approval regardless of your borrowing history
- Requests to pay fees for "admin" or "processing" before getting the loan
- Pressure from the provider for you to accept the offer quickly before it expires

Keep safe:

- Registered credit providers never ask for upfront payments before giving a loan
- Only apply through registered credit providers
- If an offer sounds too good to be true, it probably is





Scenario 7: Online marketplace scams

Jabu searches social media for a second-hand laptop for his child for school and finds an amazing deal on Facebook Marketplace. The seller asks him to pay a deposit, claiming high interest from other buyers.

Watch out for:

- Prices that are much lower than what other retailers are charging for the same product
- Profiles of buyers or sellers that look new, with no friends or photos and little online activity
- Pressure to pay a deposit or full amount upfront to secure the deal

Keep safe:

- Don't pay anything (not even a deposit) if you haven't seen it in person
- Stick to the original platform of communication until you are sure the deal is legitimate
- For your physical safety, always meet in a safe, familiar and public place during daylight to exchange goods
- Avoid meeting at your or the other party's home

Scenario 8: Money mule recruitment

Vusi is approached by a stranger outside the bank and asked if his bank account can be used to transfer funds – he is promised a financial reward for the favour.

Watch out for:

- A reward in exchange for the use of your bank account

Keep safe:

- Never allow someone to use your account to transfer money



You could be arrested if someone uses your account to transfer money that was obtained illegally. Even though you may not know that the money comes from criminal activities, you could be blocked from opening a bank account or getting credit in future.



Have you been scammed?

You might be a victim of fraud if:

- You notice transactions on your account that you did not make
- Your personal or banking information has been compromised
- Your phone or device has been lost or stolen
- Your card has been lost or stolen
- You lose network connectivity for longer than usual

What you can do immediately:

- Call your bank
- Stop your card
- Go to your nearest branch

Own your financial future

When the going gets tough, keep going



Life is still so expensive, but now that I have a plan, I feel more confident about managing my money – and saving for things that are important to me.

Making SMART goals helped me get serious about my big dream of building my home.





Being in **control of your finances** is a lifelong journey. Take a look at these **free** learning experiences, offered to you by Capitec, to help you stay in control of your financial future.

MoneyUp¹ Academy

www.moneyup.co.za

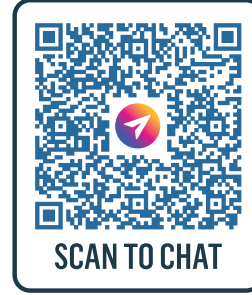
- Free online courses to help you manage your money better
- Short, fun and practical modules and quizzes
- Low data usage
- Stand to win vouchers as you learn
- Scan the QR code below to get started or type the address in your browser



#MoneyUpChat

087 240 5757

- Great money tips from me, Moola, your friendly chatbot
- Stand to win data as you learn
- Save my number to your contacts and send a **"Hello"** to get started on WhatsApp
- Or simply scan the QR code below





Important things to share with your executor

Below is a list of documents to keep in a secure place - there may be others, depending on your unique situation. Avoid leaving these documents with family, and make sure you provide clear instructions for access.



If you use this checklist to store personal information, **store it in a secure location.**

Tick off each applicable row once you've saved it in the file.

| Personal identification documents | |
|--------------------------------------|--------------------------|
| Identity document (ID) | <input type="checkbox"/> |
| Birth certificate of minor children | <input type="checkbox"/> |
| Marriage certificate (if applicable) | <input type="checkbox"/> |
| Divorce decree (if applicable) | <input type="checkbox"/> |

| Property and asset documentation | |
|----------------------------------|--------------------------|
| Title deeds of property | <input type="checkbox"/> |
| Car registration documents | <input type="checkbox"/> |

| Life insurance policy | |
|--------------------------------|--------------------------|
| Insurer name and policy number | <input type="checkbox"/> |
| Beneficiaries | <input type="checkbox"/> |

| Legal and financial documents e.g. loan agreement | |
|---|--------------------------|
| Loan details and credit provider information | <input type="checkbox"/> |
| Contracts and leases | <input type="checkbox"/> |

| Funeral and burial instructions | |
|---------------------------------|--------------------------|
| Insurer name and policy number | <input type="checkbox"/> |

| Employment details | |
|--------------------|--------------------------|
| | <input type="checkbox"/> |

| Business ownership documents | |
|------------------------------|--------------------------|
| Registration papers | <input type="checkbox"/> |
| Financial records | <input type="checkbox"/> |
| Liabilities | <input type="checkbox"/> |

| Will | |
|-----------------------------------|--------------------------|
| Where my will is located | <input type="checkbox"/> |
| Executor name and contact details | <input type="checkbox"/> |

| Bank account information | |
|--------------------------|--------------------------|
| Account name | <input type="checkbox"/> |
| Bank name | <input type="checkbox"/> |
| Account number | <input type="checkbox"/> |

| Pension and retirement funds | |
|------------------------------|--------------------------|
| Fund details | <input type="checkbox"/> |
| Beneficiaries | <input type="checkbox"/> |

| Power of attorney and legal representatives | |
|---|--------------------------|
| Power of attorney details | <input type="checkbox"/> |

| Digital and online accounts | |
|-----------------------------|--------------------------|
| Email | <input type="checkbox"/> |
| Social media | <input type="checkbox"/> |
| Subscriptions | <input type="checkbox"/> |

| Other important information | |
|-----------------------------|--------------------------|
| UIF number | <input type="checkbox"/> |



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MoneyUp⁷ Academy



www.moneyup.co.za

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Save the MoneyUp Chat number to your contacts and send a "*Hello*" to get started on WhatsApp.

