

# Financial Health WhatsApp FAQs

Thank you for joining on us on the journey to financial health. We've received excellent questions from you over the past few weeks.

## Business

### 1. I support my family through buying and selling different items and therefore I don't have a payslip. How can I save money and start growing my business?

When you have your own business, it is more difficult to know how much you can save each month to grow your business after taking into account the business' cash flow needs and your personal expenses.

Capitec clients get 50% off all online courses offered through Educate24. This includes short courses on small business start-up and management. Find out more at <https://www.capitecbank.co.za/bankbetterlivebetter/articles/get-50-off-online-learning>

### 2. How do I start a business?

Capitec clients get 50% off all online courses offered through Educate24. This includes short courses on business basics for entrepreneurs, funding a new venture, small business start-up and management, sales and marketing. Find out more at <https://www.capitecbank.co.za/bankbetterlivebetter/articles/get-50-off-online-learning>

## Saving

### 3. Can I invest my money for 5 years with Capitec?

Yes, Capitec's Global One facility gives you a main savings account and up to 4 free flexible, fixed or tax-free savings plans. With a fixed-term savings plan you can deposit a single amount (minimum deposit R10 000) and invest for 6 – 60 months.

Find out more at <https://www.capitecbank.co.za/global-one/save>

### 4. Can we fix our money, invest?

Yes, Capitec's Global One facility gives you a main savings account and up to 4 free flexible, fixed or tax-free savings plans. With a fixed-term savings plan you can deposit a single amount (minimum deposit R10 000) and invest for 6 – 60 months. Alternatively, if you want to make multiple deposits, you can choose to invest for 6 – 24 months (no minimum deposit).

Find out more at <https://www.capitecbank.co.za/global-one/save>

### 5. How can I save for the following year's school fees? Tools for budgeting?

Capitec's Global One facility gives you a main savings account and up to 4 free flexible, fixed or tax-free savings plans. With interest from 5% per year, you can invest in a fixed-term or flexible savings plan and save towards school fees for the following year, and even personalise the plan by naming it 'School fees'. This way you know exactly what the money is for as you save. Use the [calculator](#) on Capitec's website to calculate how much you would need to save each month to reach the total amount you need by the start of the school year.

To plan your budget and stick to your savings plan:

- Draw up a money plan, here is an easy-to-use template: <http://bit.ly/MyMoneyPlanPDF>
- Find out more about refining your money plan here: <http://bit.ly/FinHealthBooklet>

### 6. How can I invest for my children's future? Does Capitec offer education policies?

If you have not yet started to save for your child's education, don't worry, it's not too late. To get started, first calculate how much you will need and by when. Then look at your money plan and determine how much you can save each month.

Tips:

- Compare different products to choose the product that is right for you and fits your budget
- Remember to review your plan every year, for example when you get a salary increase, to make sure your contribution keeps up with inflation

Capitec does not offer education policies. However, with interest from 5% per year, you can save for your children's education. Find out more at <https://www.capitecbank.co.za/global-one/save>

### 7. Do you have stokvel accounts, if so how much is the interest?

Capitec does not have stokvel accounts. However, with Capitec, you get up to 4 free flexible, fixed or tax-free savings plans and earn from 5% – 9.15% interest per year. Find out more at <https://www.capitecbank.co.za/global-one/save>

## 8. Does Capitec offer funeral cover policies?

Yes, you can get up to R100 000 funeral cover for yourself and add cover for up to 21 dependants. If you apply for the Capitec Funeral Plan, underwritten by Centriq Life Insurance Company Limited, using Capitec's cellphone banking app, you will qualify for lower premiums. Find out more at <https://www.capitecbank.co.za/global-one/insure/funeral-plan>

## Credit

## 9. Does Capitec offer loans?

Capitec offers personalised credit. Before you decide to apply for credit, make sure that you are getting it for the right reasons.

Remember to ask yourself if it is to pay for a need or a want? Have you planned for it in your money plan? And is this something that will help you reach your financial goals? Find out more at [https://www.capitecbank.co.za/resources/Good\\_for\\_Credit\\_booklet.pdf](https://www.capitecbank.co.za/resources/Good_for_Credit_booklet.pdf)

## 10. How can I get out of debt?

Start by tracking how you spend your money each month. You can do this by reviewing your bank statements and keeping a record of how you spend your cash.

Look where you can cut back on your variable expenses, like spending less on takeaways, reducing your data usage or finding [smart ways to bank that reduce your bank fees](#).

If you can't cut back on your variable expenses, look at reducing your fixed expenses. Insurance is a good example. Whether it is funeral cover, credit insurance or car insurance, request quotes from a few companies to see if you could get the same benefits at a lower cost than you are currently paying. Use the money you save to pay off your debt quicker.

You may feel that the money you save each month by cutting back is nothing compared to the size of your debt, but the great news is that saving even a little extra month really can have a big impact.

Make a list of all your loan accounts, their balances, the interest rates, and the minimum monthly instalment for each account. Then follow one of the methods below to repay your debt more quickly:

### The snowball method

Rather than trying to repay all of your debts a little more quickly, choose one to focus on first. For example, choose your debt with the smallest outstanding balance and use the extra money you've found to save each month to repay this account as quickly as possible. Once you have achieved this, take the money that you were paying towards this account and add it to your next smallest credit account. Once the second debt is settled you can use the debt repayments from the 2 credit accounts, plus the amount you've saved from your monthly spending, to tackle your next debts. With each account you close, your monthly 'snowball' gets bigger and your debt decreases more quickly. Many people prefer the psychological boost of the snowball method as you can often start seeing your progress quite quickly.

Don't forget to keep paying the minimum instalments on all of your accounts while you focus paying extra money on one.

### The stack method

Focus your extra money on the debt with the highest interest rate first. Because this is your most expensive debt, paying this off first will save you the most in interest.

**Tip:** You can also combine the methods – start with the snowball method until you've settled any account under a certain amount, and then use the stack method for your larger accounts.

## 11. I have loans piling up and I can't cope. Can my debts be consolidated?

If you're struggling to pay your loan repayments, contact your credit provider immediately to arrange an alternative payment plan.

You may be given the option to reschedule your loan and repay it over a longer period. This means that you pay a smaller monthly instalment, making it easier to meet your obligations. But this also means that it will take you longer to repay the debt – and the longer it takes, the more interest you will pay. If your situation improves, it is a good idea to increase your repayments again to pay it off more quickly.

## 12. Can Capitec consolidate my debts?

It is important that you consider what the total cost of credit will be over the term of a loan before you decide to consolidate any debt. Find out more at <https://www.capitecbank.co.za/bankbetterlivebetter/articles/about-rescheduling-and-consolidation>

## 13. Does Capitec offer student loans?

Capitec does not currently offer student loans. Find out more about the credit options available from Capitec at <https://www.capitecbank.co.za/global-one/credit>

#### 14. Does Capitec offer credit cards?

Yes, Capitec offers a credit card. Find out more at <https://www.capitecbank.co.za/global-one/credit/credit-card>

#### 15. I earn R1 500 per month. I'd like to know how much I'll have to save every month to have R1 000 saved at the end of the year. Are there any tools for budgeting?

If you start saving this month (March) in a savings account offering 5% interest a year, you will need to save R122.70 per month to have R1 000 by the end of the year.

Tips:

- Use the savings calculator on Capitec's website to calculate different amounts: <https://www.capitecbank.co.za/global-one/save>
- Use this money plan template to plan your expenses and look for ways to save: <http://bit.ly/MyMoneyPlanPDF>

#### 16. I would like to open a business and need funding. Does Capitec offer business loans?

Capitec does not currently offer business loans. Find out more about the credit options available from Capitec at <https://www.capitecbank.co.za/global-one/credit>

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#### 17. Do you offer home loans and are they affordable?

At Capitec you can get a home loan of up to R5 million over 240 months from SA Home Loans. Apply online to get up to 100% of the home value or visit our branches to get up to 90% of the home value. Find out more at <https://www.capitecbank.co.za/global-one/credit/home-loan>

#### 18. Can I get a home loan from Capitec to build myself a house?

At Capitec you can get a home loan of up to R5 million over 240 months from SA Home Loans. Apply online to get up to 100% of the home value or visit our branches to get up to 90% of the home value. However, a home loan can only be granted for an existing home, and will not be granted to build a home.

To get finance to build a home, if you are a government employee, you could qualify for a building loan of up to R300 000 through SA Home Loans, under the Government Employees Housing Scheme. Find out more at <https://www.sahomeloans.com/products/gehs-home-finance/gehs-housing-access-loan>

Find out more about the credit options available from Capitec at <https://www.capitecbank.co.za/global-one/credit>