

YOUR MONEY SORTED



GET LOWER BANK CHARGES

By **LETITIA WATSON**

Send suggestions for topics and requests for info to yourmoney@you.co.za. We may answer your questions in this column but won't reply personally.

Check if your bank account works for you – you could save by changing institutions

BASIC ACCOUNTS

There's fierce competition among banks when it comes to basic accounts. The monthly bank charges for FNB's Easy Account are currently the lowest in the country. Solidarity Research Institute's sixth report on bank charges shows they're much lower than charges for Capitec's Global One account even when the interest on a positive balance in a Capitec account is taken into consideration. According to the report, Absa's Transact account compares well with FNB and Capitec but Nedbank is pricey.

HOW TO CHOOSE?

Compare specific accounts rather than comparing the banks. It's important to choose an account that fits in with your transactional conduct. Do you use internet banking mostly? Do you have several debit orders? Do you often do ATM transactions? I saved thousands of rand a year in bank charges by moving to a bank that's more cost-effective in respect of electronic transactions. Compare the cost, convenience and benefits of the same type of accounts with one another before changing.

OPEN A NEW ACCOUNT

You can't transfer transactions to a new bank before you have an account at the bank. The bank must provide you with the following information about the new account: the terms and conditions that apply, standard charges, levies and interest rates, and contact details for support when you move. You have to provide the new bank with proof of your residential address, a copy of your green ID book, three months' bank statements from your current bank and proof of income. Ask what's needed to transfer debit orders.

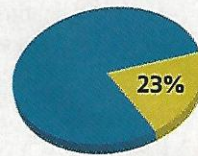
YOUR CURRENT BANK

Ask the bank you're leaving for your last three months' bank statements, a list of the debit orders on your account and beneficiaries linked to your account, and information about any cards or accounts linked to your old account. Keep copies of all the information and make sure there's enough money in your old account to cover your debit orders until they've all been transferred. Your old bank must then transfer any monies left in your account to your new bank account.

5 QUESTIONS ABOUT BANK CHARGES

- 1** How will the new bank help me? Ask your new bank if it will for instance load your beneficiaries on your account profile and transfer your debit orders to your account.
- 2** For how long must my old account remain open? Keep your old account open for at least six weeks after making the change to ensure everything runs smoothly and all your debit orders are transferred before you close it.
- 3** What should I look for in a new account? You must be able to receive deposits; make cash, electronic or card payments; send money using a mobile money platform; and do banking on digital platforms, Eunice Sibiyi of FNB says.
- 4** Are pay-as-you-transact (PAYT) accounts always the least expensive? No. Solidarity Research Institute's research shows that even if you do few transactions monthly it usually costs more than R100 a month. Capitec's PAYT account is the most affordable.
- 5** How convenient are transactions? Find out if you can draw money at a store teller and what it costs.

23% MOVE BECAUSE OF POOR SERVICE



The main reason many consumers switch banks is because of discourteous and unhelpful service and mistakes, a worldwide client loyalty study by Verint shows. In South Africa uncivil and unhelpful staff are given as the main reason: 23 percent of respondents said this would move them to change banks. The second reason many clients would quit their bank is for more reasonable bank charges (19 percent).

TIP! Give your employer your new banking details so your salary can be paid into it before any debit orders are deducted.

GET MORE HELP HERE

- Banking ombud: www.obssa.co.za
- navorsing.solidariteit.co.za
- Banking Association South Africa: www.banking.org.za

Success isn't how many zeros your bank account has. It's about making the most of the life you have

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