



Member Information Guide



July 2010

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INTRODUCTION TO CAPE CONSUMERS

Who are Cape Consumers

Cape Consumers was founded in 1947 to mobilise the purchasing power of consumers and help them save. With over 55,000 card holders, there is not a product or service that cannot be obtained with a Cape Consumers/b-Smart card. Most of the major retailers have a long standing association with Cape Consumers.

Cape Consumers exists solely for the benefit of its members and the principle behind the business is very simple. Using the combined purchasing power of the members, Cape Consumers negotiate discounts with selected merchants on behalf of their members. This discount is then paid as a bonus to the members based on their purchases for the preceding financial year.

Cape Consumers marketing and retail values

Cape Consumers are committed to providing an efficient, focused and unique service to members and to their business partners whilst maintaining, enhancing and setting standards of service excellence that are unparalleled in this industry.



CAPE CONSUMER BENEFITS

Cape Consumers' members enjoy the following benefits:

- Annual Bonus
- Wide selection of participating suppliers
- Up to 45 days interest free credit
- Convenient and safe shopping
- One monthly account
- Guaranteed transactions

Annual bonus

The Cape Consumers financial year is from July to June each year. At the end of each financial year the bonuses are calculated and a bonus is declared in November for members to enjoy. The bonus comprises of discounts negotiated, purchases made plus accrued interest on the investment thereof and is credited to all members' accounts in November.

The bonus is seldom less than 5% of the members' annual purchases but does not include the purchase of petrol, repayment of loans or pharmacy purchases.

Wide selection of participating suppliers

Cape Consumers are always looking for new and exciting stores and commodities to offer to the Cape Consumers' members.

- Where can one shop?
- What commodities are available?

Where can one shop?



Cape Consumers have over 1,800 merchants and over 5,000 outlets.

Some merchants offer their services on a national basis - see our Cape Consumers Suppliers Guide. As a Merchant all their details are entered into the Suppliers Guide and appear on the website, www.capeconsumers.co.za.

Cape Consumers notify all members regularly by newsletter and SMS of new stores that have recently joined Cape Consumers.

What commodities are available?

- Butcheries
- Clothing
- Convenience Stores
- Florists
- Furnishers
- Gift Shops
- Hair Care
- Hardware
- Health and Beauty
- Hotels and Restaurants
- Jewellers
- Liquor Outlets
- Medical Services
- Materials etc
- Nurseries
- Personal Services
- Pet Care
- Petrol
- Pharmacies
- Shoes
- Speciality Shops
- Sport Shops
- Stationers

- Supermarkets
- Toys
- Travel
- Vehicle Service

The aim is to ensure that Cape Consumers have enough commodity outlets to service all their clients. As part of the geographic expansion Cape Consumers endeavor to ensure that there are national outlets countrywide that accept all Cape Consumers/b-Smart cards.

Up to 45 days interest free credit

Members get up to 45 days to pay for their purchases. The system of opening dates for new account spending enables and encourages members to manage their budget effectively and efficiently. The trading month starts on the 16th of every month through to the 15th of the following month.

Convenient and safe shopping

The Cape Consumers card is instantly recognisable and widely accepted without any questions. All card holders are protected against the possibility of theft or fraud, as no purchases are necessary with cash any longer.

Guaranteed transactions

Each transaction is guaranteed up to R750 for a Silver card and R2 000 for a Gold card. Card holders are therefore safe in the knowledge that payment will be accepted provided that the monthly purchase limit is not exceeded.

One monthly account

A complete statement is posted each month to the principal member. This identifies the transactions for the given period as well as the other card holders who made purchases during this period. The total amount due for that given period is stated. It is therefore easy for a member to manage monthly purchases and with only one payment this saves on bank charges.

VALUE ADDED PRODUCTS AND SERVICES

Cape Consumers offer these products to our members so that they have a “one stop shop” facility available to them:

- Exclusive Insurance Packages
- Vehicle Financing
- Travel Benefits

Personal loans

Members can apply for a personal loan after 6 months and enjoy very competitive rates. All criteria must be met before a loan is granted. It should be noted however, that Cape Consumers are not in the business of micro lending.

Budget facility

Members can apply for a budget account after 6 months. With this facility members can pay for more expensive items over a term of up to 36 months. This operates on a similar basis to that of any of the banking institutions.

HOW DOES THE CARD WORK

Payment in store

All transactions in store are processed electronically by means of a Nedlink or Absa Terminal. The Gold or Silver card is swiped through the terminal that will provide a printed transaction slip for signature by the member. A copy will then be retained.

Members with approved budget facilities can purchase goods or services on their budget account. Budget transactions will not affect payment at month-end to suppliers and suppliers will be paid in full for goods or services bought on budget by members.

The following should be noted:

- There is a monthly purchase limit on the card.
- Members must keep track of their purchases made with all the cards issued against that account.
- Merchants must keep copies of transaction slips in case of a dispute.
- Merchants must check for signature verification.
- Exceeding the limit will result in a transaction being declined.

Payment of fees / levies / surcharges

Surcharges are levied on purchases in some cases. These surcharges are clearly shown on the monthly statement and are levied in the following instances:

- **Administration fee**
A monthly administration fee is applicable.
- **Service Fee**
A service fee of R48.00 will be charged for each additional card issued. Lost or damaged cards will be replaced at cost.
- **Transaction Cost**
A transaction cost of 50c will be levied against the card holders account for each transaction.
- **Petrol Purchases**
In accordance with legislation, petrol may not be supplied on credit or at a discount. Cape Consumers is no exception and must therefore pay in advance for petrol purchases. A surcharge of 2.5% is levied on all petrol purchases as reimbursement for the loss of interest to the company.

This service is purely a convenience service.

- **Pharmaceutical Purchases**
In accordance with legislation, medication may not attract a discount. A surcharge of 1.25% is levied on all pharmacy purchases as reimbursement for the loss of interest to the company.

This service is purely a convenience service.

- ***Purchases from FMCG Retail Chains***

As a result of the lower profit margins of these merchants, lower discounts are applicable. To augment this discount, a surcharge of 2 – 3% is levied.

- ***Card Insurance***

To protect all Cape Consumers' members against loss as a result of theft or fraudulent use of their cards, a policy is in place with Santam. Card insurance of R5.70 is levied annually to enable Cape Consumers to offer this benefit and the associated peace of mind to all members.

Please note the following:

No supplier/contractor of Cape Consumers may in any way add a surcharge to their advertised retail prices. This is a stringent requirement of Cape Consumers.

Members must notify us if there is a surcharge that has been added to an invoice. Please send a copy through to us and we will address with the supplier concerned as this constitutes a breach of contract.

Cape Consumers does not operate in the same way as Consumer Credit or RCS.

QUALIFYING CRITERIA

Criteria for approval

- Older than 21 years
- Minimum basic salary / have an income of R4 000 per month. This is based on an individual salary and not a collective household salary.
- Fixed property counts in favour of an approval rating, however this is not a pre-requisite, but then the potential member must have a stable work and home track record.
- Permanent employment
- Sound credit profile obtained from credit bureau
- Completed application form with acceptable affordability assessment
- South African / Namibian citizenship

Prospective members to provide:

- Copy of ID document
- Copy of latest pay slip / proof of income

If married In Community of Property:

- Copy of spouses latest pay slip

On approval

Once the application is approved the necessary details are entered on the system and the cards are ordered for the principal member as well as authorised users.

The cards are then delivered to the new card holders together with a Suppliers Guide.

PAYING YOUR ACCOUNT

Payment at month end

A complete statement is sent to the member by the 21st of each month. This indicates all purchases for the month and the amount due. The amount must be settled in full at the end of each month. Interest is charged on the outstanding amount if payment is not made.

Methods of payment

- **Debit order**
This hassle free method allows Cape Consumers to claim the amount due on a monthly basis from the bank nominated by the member.
- **Electronic payment at ATM**
All banks will link the members' bank account to Cape Consumers' bank account for convenience payments from any ATM.
- **Cash deposits**
Cash deposit Fees are 0.56c per R100.00 deposited with a minimum fee of R 5.00.
- **Shoprite/Checkers Money Market**
Shoprite/Checkers-Money Market Cash Deposit Fee is R5.43 regardless of the amount deposited.
- **Post Office**
Post Office is R9.20 regardless of the amount deposited.