



Use your pension as security to build, buy or maintain your home



Transnet Retirement Fund

There are many solutions that we have to assist you on your journey to homeownership. With an FNB Pension Backed Loan you can use your pension as security to build, buy or maintain your home.

What is FNB's Pension Backed Loan?

The FNB Pension Backed Loan is secured against the member's fund value. You may qualify for the loan if you are a member of the fund, as there is an agreement in place between FNB, the fund, the fund administrator and the employer.

Note

- The home must be the primary residence of the applicant or their dependent(s).
- The property must be within the borders of South Africa.
- You will also be required to declare your 'Registration Tax number' for SA or any other country that you hold citizenship/residency.



Why consider FNB's Pension Backed Loan?

It's all about affordability. Whether you want to purchase a piece of land, renovate your current home or even build a new one, FNB's Pension Backed Loan can help turn your dream into a reality, in the most cost-effective way.

What can FNB's Pension Backed Loan be used for?

In terms of the Pension Fund Act, the loan can only be used for housing by the member and/or spouse or dependant, mainly to:



Buy land /
Build on tribal land



Purchase a home



Build a new home



Renovate a home

Our affordable rates:

- > **Initiation fee**
Once-off initiation fee of R490.00 (VAT included)
- > **Monthly service fee**
R69.00 per month (VAT included)
- > **Optional risk benefit cover**
R2.49 per R1 000 per month
- > **Linked interest rate**
Prime less 0.5%

Pension Backed Loan rules

- ✓ You must be over the age of 18 years;
- ✓ The minimum amount you can apply for is R5 000;
- ✓ The maximum loan amount is 'as per the fund rules';
- ✓ The minimum loan term is 12 months;
- ✓ The maximum loan term is 240 months (20 years);
- ✓ All loans are governed by the National Credit Act and the FNB Credit Policy and therefore normal credit scoring and affordability rules will apply.

Note

The following options are available in the event of your membership termination from your pension fund:

- An option to settle your outstanding debt in full using your cash, or
- Use the funds held by your pension fund.

Risk Benefit Cover

Members receive cover in the following instances; the cover is for the full loan amount and excludes arrears (if applicable):

- ✓ Death – Settles outstanding balance at the time of death;
- ✓ Permanent disability – Settles outstanding balance at the time of permanent disability;
- ✓ Temporary disability – 12 months' instalments paid;
- ✓ Unemployed or unable to earn an income – 12 months' instalments paid.

Note – if married in Community of Property (COP), all documentation is required for both parties.

Documents Required:

- > Certified South African green bar-coded Identity Document or Smart ID Card (front and back)/copy of Marriage Certificate;
- > Latest pay slips (12 consecutive for weekly paid, 6 consecutive fortnightly paid, 3 consecutive for monthly paid);
- > Valid building quotation or Offer to Purchase (not older than 1 month);
- > Latest proof of residence (not older than three months);
- > Latest 3 months stamped bank statement (if not banking with FNB);
- > A settlement letter if an existing pension backed housing loan with another institution is being switched or if you want to settle your bond;
- > Latest fund benefit statement.

Note – You will also be required to declare your 'Registration Tax number' for SA or any other country that you hold citizenship/residency.

To apply or for more information, please call **087 730 1144**, or you can email us at

PensionLendingdoc@fnb.co.za

Terms, conditions and product rules apply

