



# simplybiz® backabusiness

Powered by 

## Frequently Asked Questions

### What is the BackaBusiness movement?

SimplyBiz® powered by Nedbank have started the BackaBusiness movement with the Thundafund crowdfunding platform, as another innovative and relevant way that Nedbank is assisting small businesses.

The movement is asking loyal customers to crowdfund local businesses through the COVID-19 crisis, on a PAY now, to REDEEM a reward later, basis. This is not a 'hand-out' it's a 'hand-up' to survive Lockdown.

The funds raised are for operational expenses eg rent and salaries, to keep the business afloat so that they can reopen and *get back to business*.

### What is Thundafund?

Thundafund is an online crowdfunding platform. It acts as a connector for campaigners and backers. The funds pledged via Thundafund are held on behalf of the small business.

### What is crowdfunding?

Crowdfunding is raising a sum of money for a specific project through contributions from a crowd of people who 'back' that idea... In this case, the BackaBusiness movement.

There is a set timeframe of 60 days in which to raise the money and all the people who give money receive a reward in return for their support. (The reward is dependent on the offer made by each business.)

*Trade not Aid:* A basic principle of crowdfunding is that backers get a reward in return for their contribution as they are not giving something for nothing, it does not involve donations.

## SMALL BUSINESS QUESTIONS:

### Who is eligible to enter the competition?

This competition is aimed at all small business owners.

- You must be 18 years or older;
- reside in South Africa;
- be a small business owner; and
- be a registered member of SimplyBiz®. (Registration on SimplyBiz.co.za is free.)

### Why should I start a campaign with BackaBusiness?

- Clients, family and friends have your back – they love you and trust your brand. Give them the opportunity to BUY vouchers and rewards NOW that they can REDEEM LATER when you're able to reopen.
- You receive a preferential Thundafund rate of 5%, only on the funds you raise.
- You can access the money you raise, *even if* you don't reach the minimum tipping point of R5 000 (less the 5% Thundafund fee).
- You stand the chance of winning an additional R10 000\* for your business to top up your raise of R10 000.
- You build a strong relationship with customers who have a vested interest in seeing you succeed.
- You will have guaranteed feet coming into your store or clients contacting you when you re-open to redeem their rewards and they are likely to spend more.
- You will receive templates, guidance, cohort based training and peer learning through Thundafund to position and create an effective campaign.
- Various digital media advertising on the BackaBusiness movement will elevate your campaign. More eyes, means more potential backers!
- There is no limit to how much you raise!

### How do I start a campaign?

- 1 **Write down your essential expenses right now** – how much money you have available and how much you are going to need to overcome this crisis.
- 2 **Map your network** – make a list of everyone who has your back – your customers, friends, family, etc.
- 3 **What future reward can you offer in exchange for cash?** – these future rewards could be product/service discounts, merchandise or even a share of future revenue streams.
- 4 **Register on SimplyBiz.co.za** to qualify for the preferential Thundafund rate of 5% on raised funds, and to stand a chance to be included in the draw.
- 5 **Create a ThundaFund campaign on Thundafund** with the email address that you use on SimplyBiz®.
- 6 **Tell your story** – why the crowd should support your business. Be sure to include images, videos, customer reviews and your accolades.
- 7 **Submit your project** – the team will review it and offer specific guidance.
- 8 Once approved, your campaign will go live and **you can begin sharing your campaign online.**
- 9 **Crowdfund R10 000\* from your network and be included in the draw to win an ADDITIONAL R10 000\* towards your business.**
- 10 **Rally your network to support you and your business by supporting and sharing your campaign.**

### How do I qualify to win the Nedbank Prize?

- Ten businesses who meet the competition requirements detailed in the T&C's ([https://support.simplybiz.co.za/hc/en-us/article\\_attachments/360055086951/SimplyBiz - Back a Business with Thundafund competition - T s C s updated 19042020.pdf](https://support.simplybiz.co.za/hc/en-us/article_attachments/360055086951/SimplyBiz_-_Back_a_Business_with_Thundafund_competition_-_T_s_C_s_updated_19042020.pdf)), will be placed in a draw to win an additional R10 000 to keep their business going, and will be digitally, randomly drawn in two batches of five winners.

- The first draw to select five prize-winners will take place electronically on 29 May 2020 and the second draw to select five prize-winners will take place electronically on 22 June 2020.
- All completed entries received during the competition period, and that meet the competition requirements, will be eligible for entry in the draws. The prizewinners will be selected by means of a computer-generated draw, participants that raise R10 000 by the 28th May will go into the first draw to be one of 5 to win an additional R10 000. Participants, excluding the winners from draw one, that raise R10 000 by the 20th June 2020 will go into second draw to be one of 5 to win an additional R10 000. The 10 prizes at R10 000 each, will be allocated as 7 to the general public participants and 3 will be to the Nedbank Employee Backed participants.

### **How do SimplyBiz® and Thundafund provide business and mentorship support in starting and running a campaign?**

- Each campaigner will have access to templates, guidance, cohort-based training and peer learning through Thundafund to position and create an effective campaign.
- The team works with each small business owner to understand the project and your crowdfunding targets.
- We provide advice on the rewards you offer, in return for Backers' support. These rewards can be discounts, extra-value vouchers, free products or services with the next purchase etc. (coming soon).
- Various digital media advertising on the BackaBusiness movement will elevate your campaign and so increase your chances of reaching more potential backers.

### **When can I access the money raised?**

Three mid-campaign withdrawals will be accommodated on the 08th May 2020, 05th June 2020 and 22nd June 2020 by notification by the participant in writing to Thundafund. Transfers are according to Thundafund's terms and conditions. You will be able to access the total funds raised less the 5% preferential Thundafund fee.

### **Do campaigns have a specific goal amount and end date?**

Yes, all campaigns specify a goal amount, and an overall funding window period of 60 days (BackaBusiness is from 20 April 2020 and ends at midnight on 20 June 2020) for which the project is open to pledging. Once the project is live, all goal amounts and the project duration cannot be changed.

### **Where can I find Backers?**

Backers can be split into 3 networks:

#### **1. Your First Degree Network – The Committed:**

These are the people closest to your business. They could be friends, family, or regular customers. They are the people who *want you to stay in business!* They love your product/service and they have a trust relationship with you.

#### **2. Your Second Degree Network – The Inspired:**

These are other people that know you or your business. They may be people on your mailing list, your business' Facebook fans or Twitter followers. They could be people who have supported your

business before, or people in your local community. They may also be the friends and networks of your first degree network.

### 3. Your Third Degree Network – The Shoppers:

This is everyone else – the friends of your second degree networks, the people who may see your business advertised or see a tweet online, or others browsing on the SimplyBiz® and Thundafund websites. There are many people out there who want to reach out, but don't know who or how to help. Your story might just be the one that catches their eye!

#### **What are the fees?**

- There are no fees to join BackaBusiness – just a simple registration.
- *If, and only if, you raise funds, does Thundafund receive a BackaBusiness preferential fee of 5% of funds raised, exclusive of VAT.*
- Note: 3rd party fees and administration transaction fees, depending on the payment method can range from 3% – 5.5%, which is paid by you, the business owner.

#### **How much (or little) funding am I allowed to ask for?**

*The minimum is R5 000, but there is no limit to how much money you can raise.* The BackaBusiness movement is designed to help you survive the COVID-19 crisis by raising funds for your essential operational expenses. These will naturally vary depending on each individual business.

Be realistic about how much money you need to stay in business. Backers may feel intimidated by a very high target, feeling that their small contribution will be just a drop in the ocean.

In order to be entered into the Nedbank draw, you will need to reach a *minimum of R10 000.*

#### **How long will it take to receive my funds when I reach my target?**

Once your project ends and hits the target. There is a 2-week period where Thundafund allows a 5 day cooling off period for pending payments and to reconcile all successful payments.

#### **Does Thundafund protect personal and financial details? Is it secure?**

The Thundafund platform is compliant to the Electronic Communications and Transactions Act, 2002

Thundafund strives to keep all information secure from unauthorised access by using SSL encryption on sensitive data. The Thundafund website is hosted on the Google Cloud Platform (<https://cloud.google.com/>). To find out more about how data is kept safe on GCP please go to <https://cloud.google.com/security/>. However, transmission over the internet cannot be guaranteed to be 100% secure, so any information you submit is done so at your own risk. Please see Thundafund Privacy Policy for more detail (<https://blog.thundafund.com/how-does-thundafund-work/privacy-policy/>).

For e-payments, Thundafund uses MyGate, one of South Africa's leading payment gateways, offering the most reliable and secure internet payment gateway.

#### **How does Thundafund monitor delivery of rewards as promised by the small business?**

Thundafund doesn't monitor the delivery of rewards. The 'contract' as such is between the backer and the small business, Thundafund is the channel. The power of the crowd to keep business owners to their delivery promises is one of the defining features of crowd funding. Simply put, the fact that

rewards have been promised to many people, mean that there will be many people following up on their reward – and people from the business owner’s own network too.

### **What TAX do I pay or declare?**

It is important to note that neither SimplyBiz® nor Thundafund offer any tax advice and that you would need to consult your tax practitioner.

You will need to consider the reward types you are offering on the campaign and the total amount made on each purchase type.

### **Why do I need to make a video?**

A video is your get-up-and-go, your make-it-or-break-it. Why? Because people want to be able to look you in the eye and say “Do I want to invest with this person/business?”

Don’t stress about an Academy Award worthy aspect, just be yourself and explain what you want to do, within 1-3 minutes.

If a picture can tell a 1 000 words, go figure what a video can achieve!

#### **The important legal stuff:**

The dogs of law-war get barking mad when it comes to things like copyright. DO NOT TRESPASS. Don’t use music, images, video, or other content that you do not have the rights to. The easiest way to avoid copyright headaches is to create all the content yourself or use content that is free-to-public. For legal, mostly free alternatives, check out some of these great resources: SoundCloud, Vimeo Music Store, Free Music Archive, and ccMixer.

### **What should a I do if I’m battling to reach the target funds?**

Be honest: reach out to the crowd and post an update to your Backers. Letting your Backers know of any problems you face could even save the campaign. Backers may have that ‘aha’ moment you’re missing. They also may be motivated to pledge more or to actively promote your campaign.

### **Are updates going to be emailed to backers?**

Yes. Businesses are expected to communicate with their Backers. How often and in what detail is entirely dependent on the business owner. We do, however, advise you to keep a flow of communication going during the campaign – finding a balance between latest news, and over-informing...

### **Is a business owner legally obligated to fulfil the promises of their campaign?**

Yes, as set out in Thundafund’s Terms & Conditions (<https://blog.thundafund.com/how-does-thundafund-work/terms-and-conditions/>) a business owner is legally required to fulfil all their Rewards promised. While Thundafund can’t enforce this, the CPA – Consumer Protection Act of South Africa entitles any campaign backer to demand their cash back from the business owner if they don’t receive what’s been promised.

### **Can Thundafund refund the money if a project is unable to fulfil its promises?**

No, if the project campaign has been successful and the funds have been transferred to the business, Thundafund cannot refund any money as all transactions operate between business owners and Backers. Once the project has been successful and the project campaign has ended, the pledges are

received by the small business. Refunds can only occur on a personal level between business owner and Backer.

## **BACKER QUESTIONS:**

### **How do I know a small business is who they claim they are?**

Through Thundafund's project submission, they have a two level process to ensure they are admitting bona fide campaigns.

Firstly, the application procedure gathers information about the small business, and also takes them through a process of analysing the realities of their deadlines, their ability to deliver on rewards, and the practical aspects of their project.

Secondly, the once-over by Thunda-vectors and Thunda-champions gives an independent audit of a project's authenticity.

The third and final level is their interaction with you, the backer: watch their video on Thundafund, interact with the business owner and you'll get a good sense of who the creators are, and if you would like to take a chance on backing them. You'll also see them and be able to interact with them via their video and various social media.

### **Why should I support a BackaBusiness campaign?**

- It's a win-win: The COVID-19 crisis has been especially devastating to small businesses and their employees. They need your support to survive. They are *your* local hairdressers, garden services and restaurants. You like them, you trust them and you want them to be around after Lockdown.
- You will receive the reward vouchers on offer from the business.
- Good karma – you get to be a part of a good news story.

### **Am I able to ask a business owner questions before I pledge? / What do I do if I have questions about a project?**

Yes, we encourage you to ask! Make sure you understand the campaign fully before pledging.

In fact, Thundafund make it easier for you. Each campaign has a discussion forum where you can pose any relevant questions to the business and engage.

### **Can I back more than one campaign simultaneously?**

Absolutely – support as many as you wish and encourage your network to do the same!

### **When is my card charged?**

When you pledge, the funds are taken from your card and placed in a Thundafund holding fund until the business withdraws.

### **Is my pledge amount publicly displayed?**

No, Thundafund protects the integrity of your pledge, so this is only known to you and the business owner. Only your 'Display Name' is shown on Thundafund.com and Thundafund never provide your personal or pledge information to any third party without your prior written consent.

### **What if I want to pledge anonymously?**

Thundafund does not have an anonymous feature. You can, however, choose a pseudonym when pledging.

### **How can I change my pledge amount?**

You can make a further pledge, but you cannot withdraw your pledge unless there has been fraudulent activity by the campaign you're backing.

### **Can I cancel my backing and make a withdrawal?**

No, once you have backed a campaign, you will not be able to withdraw.

### **Can I withdraw or cancel my backing?**

Only in special circumstances can a backer withdraw his or her backing from a project. The backer must submit a written request to Thundafund. To withdraw or cancel please send an email stating the reasons why to [accounts@thundafund.com](mailto:accounts@thundafund.com)

### **Who is responsible for fulfilling the promises of a project?**

The business owner – the Thundafund team are there to assist and through their mentorship and business support programme they provide an incubative environment for business owners, but it's totally up to them as to whether they take up the support or not.

### **What happens when a project receives more funds than its target amount?**

Champagne anyone? The business keeps the excess amount. Remember, that more money in effect means more people backed the campaign, which results in more rewards needing to be produced and delivered.

### **Can people from outside South Africa pledge to BackaBusiness campaigns?**

Yes, Thundafund is a global crowdfunding cafe. However, only South African businesses may benefit.

### **How do I pay?**

You can pay by Visa or Mastercard. Thundafund allows direct deposits.

### **How are rewards redeemed?**

Once the campaign has reached its target the business owner is responsible for ensuring that every Backer receives his or her appropriate reward (according to the specific offer). Once a project is successful Thundafund gives the full list of Backers and their appropriate details to the business owner.

Once the business owner receives the campaign funds they've raised, they are then fully responsible for delivery of the rewards directly to their Backers.

### **How will business owners get my information to deliver rewards?**

The delivery / shipping details you've filled in will be given to them, plus your relevant contact details to allow them to fulfil on their promise.

**I haven't gotten my reward yet. What do I do?**

Contact the business owner. If in the unlikely event that you are unable to reach them, contact Thundafund at [hello@thundafund.com](mailto:hello@thundafund.com).

**How do I know when rewards for a campaign will be delivered?**

Businesses put in an estimated delivery time for each reward – but do consider giving them a little bit of breathing space if they take longer than promised, given that it is business unusual with COVID-19.