

Finbond Group Limited

(Incorporated in the Republic of South Africa)

(Registration number 2001/015761/06)

(JSE share code: FGL)

(ISIN: ZAE ZAE000138095)

("Finbond")

**FAVOURABLE JUDGMENT FOR FINBOND MUTUAL BANK IN REFERRAL BY NATIONAL CREDIT
REGULATOR TO NATIONAL CONSUMER TRIBUNAL**

Shareholders of Finbond are advised that the National Consumer Tribunal ("NCT"), handed down judgment in favour of Finbond's subsidiary, Finbond Mutual Bank ("FMB"), in the matter between the National Credit Regulator ("NCR") and FMB as the First Respondent ("the Referral").

The Referral, which the NCR unilaterally initiated in 2015, primarily alleged that FMB's customers were required to pay unreasonable premiums for the provision of credit life insurance in contravention of Section 106 (2) of the National Credit Act ("NCA"), **was unanimously dismissed by a full panel of the NCT.**

In its unanimous judgment dismissing the Referral, the NCT *inter alia* also pointed out that:

1. FMB was entitled to require its consumers to maintain credit life insurance; and
2. **No evidence was presented by the NCR which justifies the NCT to make a finding that the insurance offered by FMB to its customers is unreasonable.**

A copy of the judgment can be requested from our Group Head: Legal, Mr Rudi Hinze, at rudi@finbondgroup.com.

Johannesburg

4 September 2017

Sponsor to Finbond
Grindrod Bank Limited
