

9 June 2023

Dear Habib Overseas Bank client

We are pleased to inform you that the South African Reserve Bank ('the SARB') has elected to pay up to R100 000 to each eligible Habib Overseas Bank ('Habib Overseas or the Bank') depositor.

The payments of up to R100 000 per eligible depositor have been guaranteed by National Treasury to assist with preserving confidence in the South African Banking system and to protect eligible Habib Overseas depositors.

Depositors, who are not eligible for this payment, are:

- Depositors who have a balance of R100 or less in their account. These depositors will, nonetheless, retain their claim against Habib Overseas; or
- Depositors who have not met the First National Bank ('FNB') on-boarding requirements (further detailed below).

In addition, any Habib Overseas deposit account held by a depositor that has been provided as security to any party will not be included in the payment.

The payment will be in full and final settlement of any and all claims against the Bank where an eligible depositor's account balance(s) is more than R100 and less than or equal to R100 000.

Habib Overseas eligible depositors who have more than R100 000 in their accounts

An eligible depositor with more than R100 000 in their account, shall continue to have a claim against the Bank for the remaining balance after the payment of R100 000. The current moratorium in relation to this outstanding balance remains in place until further notice.

How will eligible Habib Overseas depositors access their funds of up to R100 000 through FNB?

The SARB, Habib Overseas, and the curator concluded an agreement with FirstRand Bank Limited's retail and commercial bank division, FNB to facilitate the payment process. FNB offers the best geographical fit to the existing Habib Overseas branch network as well as a wide range of banking products, including Islamic Banking, which is suitable for some of the eligible depositors. FNB has received the funds from the SARB to process such payments to eligible depositors.

Of the total depositors of approximately 1900, an estimated 70% of eligible depositors will receive all their money, once payments of up to R100 000 have been received.

- FNB will contact eligible depositors through email and/or telephone from 12 June 2023.
- Payments above R100 and up to R500 will be made via FNB eWallet to the eligible depositor's mobile number.
- Eligible depositors that hold an existing FNB account, have an email address on record, and are deemed FICA compliant will receive an email explaining the next steps.
- All other eligible depositors will be contacted via email and/or telephone to guide them regarding the next steps and requirements.

- All Habib Overseas branches remain closed until further notice.
- Please wait to be contacted by FNB as not all FNB branches will be able to assist you and certain times slots will be allocated to make the process efficient and streamlined as possible.

Customers who have credit facilities from the Bank are legally obliged to continue to pay their monthly instalments in accordance with the terms of their agreements with the Bank.

If you need to contact FNB after 12 June 2023, please call **+27 87030 4561** or email **hob@fnb.co.za**

Curatorship update

The curator has made good progress with the financial and operational assessment of Habib Overseas and is in the process of finalizing the assessment. The current moratorium in place and ultimate resolution of Habib Overseas are therefore still under consideration. A further update will be provided in due course.

We understand the anxiety, stress and financial burden placed on depositors given that they have not been able to access their bank accounts during curatorship. We are therefore delighted that the SARB is able to make this payment to alleviate some of the financial burden.

Regards

The Curatorship Team