



## FNB Refutes Baseless Allegations of Racial Discrimination

*Spokesperson: Lee Mhlongo, CEO of FNB Home Finance*

**11 March 2019** – FNB has taken note of news reports around the Equality Court case that was initiated in 2013 on behalf of three individuals who took out home loans with Saambou. The Bank categorically refutes the baseless and appalling allegations of racial discrimination on this matter and is defending the case before the Equality Court.

The Bank further confirms that allegations of racial discrimination, which are now before the Equality Court, were resoundingly dismissed in 2013 by the North Gauteng High Court and subsequent appeal was also dismissed in the High Court and Supreme Court of Appeal. The claims were dismissed with punitive costs in favour of FNB. The matter dates to 2002 when Saambou was placed under curatorship FNB subsequently took over the administration of the home loan book.

After a review of the Saambou home loans, FNB announced its decision to act on behalf of ex-Saambou customers who may have been charged incorrect interest. FNB undertook to recalculate the approximately 80 000 Saambou home loan accounts that could have been affected by the interest calculation method used by Saambou.

In May 2006, FNB completed the recalculation and some 50 000 customers qualified for a refund as result of the incorrect interest charged by Saambou. The interest of the remaining 30 000 home loan customers was calculated correctly and required no adjustment to their accounts. In June 2006, FNB offered refunds totalling R154 million to ex-Saambou customers who had impacted home loans.

FNB can confirm that, throughout this process, the Bank acted to protect the interests of the affected ex-Saambou customers.

**ENDS**