

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to what action to take, please immediately consult your broker, Central Securities Depository Participant ("CSDP"), banker, attorney, accountant, tax or other professional advisor.

**Action required**

1. **No action is required if you want to receive the scrip dividend.**
2. If, instead of the **scrip dividend**, you wish to elect to receive the **cash dividend alternative** and you are holding certificated Finbond Group Limited ("Finbond") shares, you must complete the accompanying **Form of Election** in respect of all or part of your shareholding in accordance with the instructions contained in the Form of Election and lodge it with, or post it to, the transfer secretaries or email it to [specialprojects@jseinvestorservices.co.za](mailto:specialprojects@jseinvestorservices.co.za) so as to be received by them by no later than **12:00 on Friday, 28 March 2025**. Forms of Election received after this date and time will not be accepted. You are not required to pay for the shares to which you are entitled in terms of the scrip dividend.
3. Finbond shareholders who have already **dematerialised** their shares through a CSDP or broker and wish to receive the cash dividend alternative *in lieu* of the **scrip dividend** must **instruct their CSDP or broker** accordingly. This should be done in terms of the agreement in existence between the dematerialised shareholder and the CSDP or broker.
4. If you have disposed of all your shares in Finbond on or before Thursday, 13 March 2025, but those shares are included in the number shown in Block (2) on the accompanying Form of Election, you should consult your broker or other professional advisor immediately for advice on how to deal with the Form of Election.



**FINBOND GROUP LIMITED**

(Incorporated in the Republic of South Africa)  
(Registration number: 2001/015761/06)  
Share code: FGL ISIN: ZAE000138095  
Main Board – General Segment  
("Finbond" or "the Company" or "the Group")

**CIRCULAR TO FINBOND SHAREHOLDERS ("Circular")**

regarding:

**the declaration of a scrip dividend of 17.82809 ordinary shares for every 100 ordinary shares held, and the election to receive a cash dividend alternative of 9.57071 cents per share, *in lieu* of the scrip dividend, to be paid or issued to shareholders recorded in the register of the Company at the close of business on Friday, 28 March 2025. If no action is taken by shareholders, they will receive the scrip dividend.**

**IF YOU DO NOT COMPLETE AND SUBMIT THE ATTACHED FORM OF ELECTION, YOU WILL RECEIVE THE CAPITALISATION ISSUE SHARES**

**Sponsor**

**African Bank**



**Date of issue: Wednesday, 5 March 2025**

This Circular is available in English only. Copies of this Circular may be obtained from the registered offices of Finbond from Wednesday, 5 March 2025 until Friday, 28 March 2025. This Circular will also be available in electronic form on the Company's website [www.finbondgroup.com](http://www.finbondgroup.com)

---

## CORPORATE INFORMATION AND ADVISORS

---

### Directors

Dr W van Aardt (*Chief Executive Officer*)  
GW Labuschagne (*Chief Financial Officer*)  
Dr M Motlatla<sup>#</sup> (*Chairperson*)  
SM Riskowitz<sup>#</sup>  
Adv NJ Melville<sup>#</sup>  
HJ Wilken-Jonker<sup>#</sup>  
PA Naudé<sup>#</sup>  
DC Pentz<sup>#</sup>

<sup>#</sup> *Non-executive*

<sup>\*</sup> *Independent*

### Company Secretary, Registration Number and Registered Office

Mr. BC Bredenkamp (*BCom (Accounting), LLB, MBA*)

(Registration number 2001/015761/06)

Rigel Park  
446 Rigel Avenue  
Erasmusrand  
Pretoria  
0181

(PO Box 2127, Brooklyn Square, 0075)

**Website:** [www.finbondgroup.com](http://www.finbondgroup.com)

**Date of incorporation:** 2 July 2001

**Place of Incorporation:** Pretoria, South Africa

### Sponsor

African Bank Limited (Business and Commercial  
Banking Division)

(Registration number 2014/176899/06)

4<sup>th</sup> Floor, Grindrod Tower

8A Protea Place

Sandton

2196

(PO Box 78011, Sandton, 2146)

### Transfer Secretaries

JSE Investor Services Proprietary Limited

(Registration number 2000/007239/07)

Fifth Floor, One Exchange Square

2 Gwen Lane

Sandown, Sandton, 2196

(PO Box 4844, Johannesburg, 2000)

---

## IMPORTANT DATES AND TIMES

---

**2025**

|   |                     |
|---|---------------------|
| Record date for shareholders to be registered in the Company's securities register in order to be entitled to receive this Circular   | Friday, 28 February |
| Finalisation announcement for scrip dividend and cash dividend alternative on SENS  | Wednesday, 5 March  |
| Distribution of Circular announced on SENS on   |                     |
| Circular and form of election posted to shareholders  | Wednesday, 5 March  |
| Last day to trade in order to be eligible for scrip dividend and the cash dividend alternative  | Tuesday, 25 March   |
| Shares trade ex-entitlement   | Wednesday, 26 March |
| Provisional listing of maximum number of shares for the scrip dividend at commencement of trade on the JSE Limited  | Wednesday, 26 March |
| SENS announcement in respect of the cash payment applicable to fractional entitlements, based on the volume weighted average price on Wednesday, 26 March 2025, discounted by 10%, by no later than 11:00 | Thursday, 27 March  |
| Last day to elect to receive the cash dividend alternative. Forms of election to reach the Transfer Secretaries by 12:00  | Friday, 28 March    |
| Record date in respect of the scrip dividend and the cash dividend alternative  | Friday, 28 March    |
| Share certificates posted and cash dividend alternative payments made, CSDP/broker accounts updated/credited, as applicable on  | Monday, 31 March    |
| Announcement of the results of the scrip dividend and the cash dividend alternative on SENS   | Monday, 31 March    |
| Announcement of the results of the scrip dividend and cash dividend alternative in the press  | Tuesday, 1 April    |
| Adjustment of number of new shares listed on or about   | Wednesday, 2 April  |

### Notes:

1. All times quoted in this Circular are South African local times. The above dates and times are subject to change. Any material change will be announced on SENS.
2. No shares will be dematerialised or rematerialised between Wednesday 26 March 2025 and Friday, 28 March 2025 (both days inclusive).
3. Finbond shareholders who have already dematerialised their shares through a CSDP or broker must not complete the Form of Election but should instruct their CSDP or broker as to their cash dividend alternative election. Dematerialised shareholders are required to notify their duly appointed CSDP or broker of their cash dividend alternative election in the manner and time stipulated in the agreement governing the relationship between the shareholder and his/her/its CSDP or broker.



**FINBOND GROUP LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number: 2001/015761/06)

Share code: FGL ISIN: ZAE000138095

Main Board – General Segment

(“Finbond” or “the Company”)

---

## CIRCULAR TO FINBOND SHAREHOLDERS

---

### 1. INTRODUCTION

In the announcement regarding the terms of the scrip dividend in the form of the transfer of fully paid Finbond treasury shares in the ratio of 17.82809 ordinary shares for every 100 ordinary shares held up to a maximum of 59 118 708 ordinary shares. Any remainder will be issued as new fully paid ordinary shares, the value of which will be capitalised from cash reserves of the company. However, shareholders will be entitled to elect to receive a cash dividend alternative from cash reserves of 9.57071 cents per share, to ordinary shareholders recorded in the Finbond register on the record date, Friday, 28 March 2025.

### 2. THE ELECTION TO RECEIVE THE CASH DIVIDEND ALTERNATIVE *IN LIEU* OF RECEIVING THE SCRIP DIVIDEND

#### 2.1 Terms of the scrip dividend

- 2.1.1 Subject to the terms contained in this Circular and the accompanying Form of Election, ordinary shareholders recorded in the register of Finbond at the close of business on the record date will receive a scrip dividend in respect of all or part of their shareholdings, provided that such shareholders have not elected to instead receive the cash dividend alternative of 9.57071 cents per share. The ordinary shares to be transferred from Finbond’s treasury shares or issued as new fully paid ordinary shares pursuant to the elections received under the scrip dividend will be transferred or issued at the issue price as described in paragraph 2.1.4 below, as fully paid-up by way of capitalisation of retained earnings and will, upon their issue, rank *pari passu* in all respects with the other Finbond shares then in issue.
- 2.1.2 Based on the 515 720 092 ordinary shares in issue (no par value) as at 28 February 2025 being the last practicable date before the finalisation of this Circular (“last practicable date”) excluding the 59 118 708 treasury shares and the cash dividend alternative of 9.57071 cents per share, the maximum cash dividend alternative will amount to R43 700 000. This maximum amount is clearly subject to the extent to which elections are made by shareholders to receive the cash dividend alternative.
- 2.1.3 The **ratio of entitlement** of shareholders in respect of the scrip dividend will be **17.82809 shares for every 100 Finbond shares held** at the record date (“the ratio of entitlement”). Therefore, based on the shares in issue as at the last practicable date, excluding the 59 118 708 treasury shares, of 456 601 384, the maximum number of potential shares that will be transferred and/or issued by the Company, if no shareholders elect to receive the cash dividend alternative, is 81 403 296 shares.
- 2.1.4 The ratio of entitlement is based on the volume weighted average traded price per Finbond share on the JSE over the **five trading days up to and including Friday, 14 February 2025** of 53.68333 cents per share, which will be the transfer price per Finbond share (“the transfer price”).

## **2.2 Fractions**

The settlement and clearing system (Strate) used by the JSE does not permit fractions and fractional entitlements. Accordingly, where a shareholder's entitlement to treasury shares calculated in accordance with the above formula gives rise to a fraction of a treasury share, such fraction of a treasury share will be rounded down to the nearest whole number resulting in allocations of whole securities and a cash payment to the shareholder for the fraction. This payment at the volume weighted average price of an ordinary Finbond share traded on the JSE on Tuesday, 25 March 2025, discounted by 10%, will be announced on SENS on Thursday, 27 March 2025.

## **2.3 Section 46 and 47 of the Companies Act, No 71 of 2008**

A resolution of the board of directors has been passed authorising the distribution and confirming that the Company has passed the solvency and liquidity test and that, since the test was done, there have been no material changes to the financial position of the Group.

## **2.4 Nominee companies**

Arrangements have been made with the transfer secretaries to treat applications from nominee companies as separate applications on the submission of a breakdown of the beneficial owners of shares registered in the name of the nominee companies.

## **2.5 Tax implications**

The scrip dividend and cash paid for a fraction of a share will not be subject to South African Dividends Withholding Tax ("Dividends Tax"). However, there are possible tax implications, for both resident as well as non-resident shareholders, of receiving shares under the scrip dividend and shareholders are advised to obtain their own professional advice in this regard.

The cash dividend alternative will be paid out of cash reserves and subject to Dividends Tax at a rate of 20%, resulting in a net cash dividend alternative of 7.65657 cents per share, unless the relevant shareholder is exempt from Dividends Tax or is entitled to a reduced rate in terms of the applicable double tax agreement.

The Company's income tax reference number is 9194313145. At the last practicable date the company had 515 720 092 ordinary shares in issue, of which 59 118 708 are held as treasury shares by Finbond Private Equity.

## **3. PROCEDURE FOR SHAREHOLDERS WHO ELECT TO RECEIVE THE CASH DIVIDEND ALTERNATIVE**

- 3.1 Shareholders, who are holding certificated Finbond shares and wish to elect to receive the cash dividend alternative, must complete the attached Form of Election in accordance with the instructions contained therein and lodge it with, or post it to JSE Investor Services (Pty) Ltd, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196, (PO Box 4844, Johannesburg, 2000) or email it to [specialprojects@jseinvestorservices.co.za](mailto:specialprojects@jseinvestorservices.co.za) so as to be received by them by no later than 12:00 on Friday, 28 March 2025.
- 3.2 Shareholders who have already dematerialised their Finbond shares through a CSDP or broker **must not** complete the Form of Election attached but should instruct their CSDP or broker as to their election in the manner and time stipulated by the CSDP or broker.
- 3.3 Shareholders may make the election in respect of all or any of their shares held on the record date. If an election is made in respect of part of a shareholding, shareholders will receive the scrip dividend in respect of the ordinary shares for which the election to receive the cash dividend alternative is not made, subject to any fractions arising which will be dealt with as set out in paragraph 2.2 above.

## **4. POSTING OF SHARE CERTIFICATES, EFT PAYMENTS AND UPDATING/CREDITING OF CSDP OR BROKER ACCOUNTS**

- 4.1 Share certificates, where applicable, in respect of the scrip dividend will be posted to certificated shareholders by registered post and ordinary mail, respectively, at the risk of such shareholders, on or about Monday, 31 March 2025 to their registered addresses or in accordance with instructions given to the transfer secretaries. Dividend payments will be made via EFT.

- 4.2 Dematerialised shareholders' CSDP/broker accounts will be credited/updated, according to the election made, on Monday, 31 March 2025.

## **5. TRANSFER OF FINBOND SHARES**

The total amount of shares to be transferred to shareholders who did not elect to receive the cash dividend alternative will be transferred from Finbond's treasury shares held by Finbond Private Equity, a wholly-owned subsidiary of Finbond, up to a maximum of 59 118 708 ordinary shares. Any remainder will be issued as new fully paid ordinary shares, the value of which will be capitalised from cash reserves of the company.

## **6. EXCHANGE CONTROL**

The following summary is intended as a guide only and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your CSDP, broker, attorney, accountant, banker or other professional adviser immediately.

Please note that shareholders may receive the scrip dividend if they are subject to regulations of overseas jurisdictions which do not permit them to receive the scrip dividend unless certain exemptions from requirements of those jurisdictions are applicable. Restrictions must be applied at beneficial owner level, therefore, should no instruction be received to elect the cash dividend alternative, it will be deemed that the beneficial owner is entitled to participate in the scrip dividend.

In terms of the Exchange Control Regulations of the Republic of South Africa:

### **6.1 In the case of certificated shareholders:**

- any share certificate that might be issued to non-resident shareholders will be endorsed "nonresident";
- any new share certificates and cash dividend alternative payments based on emigrants' shares controlled in terms of the Exchange Control Regulations will be forwarded to the authorised dealer in foreign exchange controlling their remaining assets. The election by emigrants for the above purpose must be made through the authorised dealer in foreign exchange controlling their blocked assets. Such new share certificates will be endorsed "non-resident"; and
- cash dividend alternative payments due to non-residents are freely transferable from South Africa. In respect of all non-residents of the common monetary area (collectively the Republic of South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini), the cash dividend alternative payments due will be sent to the registered address of the shareholder concerned or in accordance with instructions given to the Transfer Secretaries.

### **6.2 In the case of dematerialised shareholders:**

- any shares issued to emigrants from the common monetary area and all other non-residents of the common monetary area, will be credited to their CSDP or Broker's account and a "nonresident" annotation will appear in the CSDP or Broker's register;
- any cash dividend alternative paid to emigrants from the common monetary area, will be credited to their CSDP or Broker's accounts which will arrange for the same to be credited directly to the shareholder's blocked Rand account held by that shareholder's authorised dealer and held to the order of that authorised dealer; and
- any cash dividend alternative paid to non-resident shareholders who are not emigrants from the common monetary area, will be credited directly to the bank account nominated for the relevant shareholders, by their duly appointed CSDP or Broker. Non-resident and emigrant dematerialised shareholders will have all aspects relating to exchange control managed by their CSDP or Broker.

By order of the Board

**FINBOND GROUP LIMITED**  
Dr W van Aardt  
**Chief Executive Officer**

Pretoria  
5 March 2025

**TABLE OF ENTITLEMENT**

The following table sets out the number of Finbond shares to which shareholders will be entitled, should the shareholders not elect to receive the cash dividend alternative. Shareholders shall be entitled to receive 17.82809 shares for every 100 Finbond shares held, as illustrated below:

| <i>Number of Shares held</i> | <i>Number of shares entitled to</i> | <i>Number of Finbond Shares held</i> | <i>Number of shares entitled to</i> |
|------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| 1                            | 0,17828                             | 1,000,000                            | 178 280,90000                       |
| 10                           | 1,78281                             | 2,000,000                            | 356 561,80000                       |
| 100                          | 17,82809                            | 3,000,000                            | 534 842,70000                       |
| 500                          | 89,14045                            | 4,000,000                            | 713 123,60000                       |
| 1,000                        | 178,28090                           | 5,000,000                            | 891 404,50000                       |
| 5,000                        | 891,40450                           | 6,000,000                            | 1 069 685,40000                     |
| 10,000                       | 1 782,80900                         | 7,000,000                            | 1 247 966,30000                     |
| 15,000                       | 2 674,21350                         | 8,000,000                            | 1 426 247,20000                     |
| 20,000                       | 3 565,61800                         | 9,000,000                            | 1 604 528,10000                     |
| 25,000                       | 4 457,02250                         | 10,000,000                           | 1 782 809,00000                     |
| 30,000                       | 5 348,42700                         | 20,000,000                           | 3 565 618,00000                     |
| 35,000                       | 6 239,83150                         | 30,000,000                           | 5 348 427,00000                     |
| 40,000                       | 7 131,23600                         | 40,000,000                           | 7 131 236,00000                     |
| 45,000                       | 8 022,64050                         | 50,000,000                           | 8 914 045,00000                     |
| 50,000                       | 8 914,04500                         | 60,000,000                           | 10 696 854,00000                    |
| 55,000                       | 9 805,44950                         | 70,000,000                           | 12 479 663,00000                    |
| 60,000                       | 10 696,85400                        | 80,000,000                           | 14 262 472,00000                    |
| 65,000                       | 11 588,25850                        | 90,000,000                           | 16 045 281,00000                    |
| 70,000                       | 12 479,66300                        | 100,000,000                          | 17 828 090,00000                    |
| 75,000                       | 13 371,06750                        |                                      |                                     |
| 80,000                       | 14 262,47200                        |                                      |                                     |
| 85,000                       | 15 153,87650                        |                                      |                                     |
| 90,000                       | 16 045,28100                        |                                      |                                     |
| 95,000                       | 16 936,68550                        |                                      |                                     |
| 100,000                      | 17 828,09000                        |                                      |                                     |
| 200,000                      | 35 656,18000                        |                                      |                                     |
| 300,000                      | 53 484,27000                        |                                      |                                     |
| 400,000                      | 71 312,36000                        |                                      |                                     |
| 500,000                      | 89 140,45000                        |                                      |                                     |
| 600,000                      | 106 968,54000                       |                                      |                                     |
| 700,000                      | 124 796,63000                       |                                      |                                     |
| 800,000                      | 142 624,72000                       |                                      |                                     |
| 900,000                      | 160 452,81000                       |                                      |                                     |

**IMPORTANT:** If you are in doubt as to how to deal with this Form of Election, you should consult your CSDP, Broker, banker, legal adviser, accountant, banker or other professional adviser immediately.

*This Form of Election requires your immediate attention, however is only for use if you hold Finbond Group Limited ("Finbond") shares in certificated form.*

*Finbond shareholders who have already dematerialised their shares through a CSDP or broker must not complete this Form of Election but should instruct their CSDP or broker as to their cash dividend election in the manner and time stipulated in the agreement governing their relationship.*

If you have disposed of all your shares in Finbond on or before Tuesday, 25 March 2025, this Form of Election should be handed to the purchaser of such shares or the broker or agent through whom you have disposed of such shares.



**FINBOND GROUP LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number: 2001/015761/06)  
Share code: FGL ISIN: ZAE000138095  
Main Board – General Segment  
("Finbond" or "the Company")

Election offered to Finbond shareholders recorded in the register at the close of business on Friday, 28 March 2025 to receive, instead of a scrip dividend of 17.82809 shares for every 100 shares held on the record date, a cash dividend alternative of 9.57071 cents per share, payable or issued as the case may be on Monday, 31 March 2025.

**IF YOU HOLD YOUR FINBOND SHARES IN CERTIFICATED FORM AND YOU WISH TO RECEIVE A CASH DIVIDEND ALTERNATIVE FOR ALL OR PART OF YOUR SHAREHOLDING YOU MUST COMPLETE THIS FORM OF ELECTION AND RETURN IT TO JSE INVESTOR SERVICES (PTY) LTD. IF YOU WISH TO RECEIVE THE SCRIP DIVIDEND YOU NEED NOT COMPLETE AND RETURN THIS FORM OF ELECTION AND NO FURTHER ACTION IS REQUIRED**

## FORM OF ELECTION

### NO LATE POSTAL DELIVERIES WILL BE ACCEPTED

To: The Transfer Secretaries  
JSE Investor Services (Pty) Ltd  
(Registration number 2000/007239/07)  
One Exchange Square  
2 Gwen Lane  
Sandown  
Sandton  
2196  
(PO Box 4844, Johannesburg, 2000)

**I/We**

### Regarding the election of a cash dividend alternative instead of the scrip dividend

- hereby irrevocably, and on the terms and conditions contained in the Form of Election and in the Circular, elect to accept the cash dividend alternative of 9.57071 cents per share, in respect of the number of ordinary shares reflected in Block (3) overleaf and on the terms and conditions contained in this Form of Election and in the accompanying Circular; instead of the scrip dividend;
- Acknowledge that the Form of Election is applicable only in respect of the Finbond Shares of which I/we was/were the registered holder(s) at the close of business on the record date, being Friday, 28 March 2025; and
- Acknowledge that I/we am/are not entitled to a scrip dividend, in respect of the number of ordinary shares reflected in Block (3) overleaf, held or deemed to be held, by me/us at the close of business on the record date being Friday, 28 March 2025 in respect of which I/we have elected to accept the cash dividend alternative.

Date

Signature

Assisted by me (where applicable)

Telephone number including area  
code and international code if outside  
South Africa  
Email address:

(Home)

(Work)

Cellphone number



The Transfer Secretaries  
JSE Investor Services (Pty) Ltd  
(Registration number 2000/007239/07)  
One Exchange Square  
2 Gwen Lane  
Sandown  
Sandton  
2196  
(PO Box 4844, Johannesburg, 2000)

Serial number

|  |
|--|
|  |
|--|

Name and address of Finbond Shareholder

|  |
|--|
|  |
|--|

| Account number | Number of Finbond Shares deemed to be held at the close of business on Friday, 28 March 2025 | Maximum scrip dividend to which you are entitled |
|----------------|--|--|
|                | (2)  |  |

Number of Finbond shares for which the cash dividend alternative is elected – the remaining scrip dividend will be calculated by the transfer secretaries.

The maximum cash dividend alternative is reflected in Block (2) above

(3)

|                   |           |
|-------------------|-----------|
| Date of signature | Signature |
|-------------------|-----------|

**Instructions on how to complete the Form of Election:**

1. For the terms and conditions of this election, refer to the accompanying Circular.
2. If you elect to receive the cash dividend alternative in respect of all or part of your shareholding, you should complete Block (3) above in accordance with the instructions herein and lodge this Form of Election with JSE Investor Services (Pty) Ltd, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196, (PO Box 4844, Johannesburg, 2000) or email it to [specialprojects@jseinvestorservices.co.za](mailto:specialprojects@jseinvestorservices.co.za) so as to be received by them by no later than 12:00 on Friday, 28 March 2025.

The non-receipt of Forms of Election by 12:00 on Friday, 28 March 2025 will be construed by Finbond as indicating that such shareholders do not wish to receive the cash dividend alternative *in lieu* of the scrip dividend.

**NOTES:**

1. The election may be made in respect of all or any of the Finbond certificated ordinary shares registered in the name of the shareholder at the close of business on Friday, 28 March 2025.
2. Any person who is required to sign this Form of Election and who is under legal disability shall be assisted by such person's husband, wife, guardian or legal representatives, as the case may be who shall also sign this Form of Election.
3. In order to be valid, this Form of Election must be properly completed and lodged with or posted to the transfer secretaries of Finbond at the appropriate address indicated above or email it to [specialprojects@jseinvestorservices.co.za](mailto:specialprojects@jseinvestorservices.co.za) so as to reach them by no later than 12:00 on Friday, 28 March 2025. Late deliveries of this Form of Election will not be accepted.
4. Finbond reserves the right in its discretion to:
  - treat as invalid (in which case the scrip dividend will be transferred) any Form of Election not complying with the terms of the cash dividend alternative election or any instruction contained herein;
  - require proof of the authority of the person signing this Form of Election where such proof has not yet been lodged with or recorded by JSE Investor Services (Pty) Ltd
5. Fractional entitlements to shares will not be allocated, but will be dealt with as explained in paragraph 2.2 of the Circular.