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STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

REPUBLIC OF SOUTH AFRICA

GOVERNMENT GAZETTE

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DEPARTEMENT VAN DIE EERSTE MINISTER

DEPARTMENT OF THE PRIME MINISTER

No. 1173.

1 Julie 1977.

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:—

No. 94 van 1977: Wysigingswet op Finansiële Instellings, 1977.

No. 1173.

1 July 1977.

It is hereby notified that the State President has assented to the following Act which is hereby published for general information:—

No. 94 of 1977: Financial Institutions Amendment Act 1977.

ACT

To amend the Insurance Act, 1943, so as to redefine "insurance business"; to provide for an advisory committee on long-term insurance; to further regulate the holding of assets; to further regulate the transmission of short-term insurance premiums received by intermediaries; to extend the non-forfeiture provisions relating to funeral policies; to provide for the accrual of interest on a loan or advance, on the security of an insurance policy, to an amount beyond the principal debt, and to limit the prescription of a loan or advance, on the security of an insurance policy, to at least the period of prescription of liability under the policy; to amend the Pension Funds Act, 1956, so as to redefine "financial year"; to further regulate the exemption of pension funds from the Act; to further regulate the holding of assets; and to further regulate the protection of pension benefits; to amend the Inspection of Financial Institutions Act, 1962, so as to redefine "financial institution"; and to extend the registrar's powers of inspection; to amend the Banks Act, 1965, so as to further regulate prescribed investments and investments in Government securities; to further regulate the restrictions on the investment by banking institutions in certain assets; to further regulate the control over banking institutions and the transfer of part of the business of a banking institution; and to extend the powers of curators; to amend the Building Societies Act, 1965, so as to further regulate prescribed investments; and to exempt the State from providing additional security in connection with advances to its employees; and to provide for incidental matters.

*(Afrikaans text signed by the State President.)
(Assented to 20 June 1977.)*

BE IT ENACTED by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:—

Amendment of
section 1 of
Act 27 of 1943,
as amended by
section 2 of

1. Section 1 of the Insurance Act, 1943, is hereby amended by the insertion in subsection (1) after paragraph (a) of the definition of "insurance business" of the following paragraph:

WET

Tot wysiging van die Versekeringswet, 1943, ten einde „versekeringsbesigheid” te heromskryf; voorsiening te maak vir ’n advieskomitee oor langtermyn-versekeringswese; die besit van bates verder te reël; die oorbetalings van korttermyn-versekeringspremies deur tussengangers ontvang, verder te reël; die nie-verbeuringsbepalings betreffende begrafnispolisse uit te brei; voorsiening te maak vir die aanwas van rente op ’n lening of voorskot, met ’n versekeringspolis as sekuriteit, tot ’n bedrag hoër as die hoofskuld, en die verjaring van ’n lening of voorskot, met ’n versekeringspolis as sekuriteit, te beperk tot minstens die tydperk van verjaring van aanspreeklikheid kragtens die polis; tot wysiging van die Wet op Pensioenfondse, 1956, ten einde „boekjaar” te heromskryf; die vrystelling van pensioenfondse van die Wet verder te reël; die besit van bates verder te reël; en die beskerming van pensioenvoordele verder te reël; tot wysiging van die Wet op Inspeksie van Finansiële Instellings, 1962, ten einde „finansiële instelling” te heromskryf; en die registrateur se inspeksiebevoegdhede uit te brei; tot wysiging van die Bankwet, 1965, ten einde voorgeskrewe beleggings en beleggings in regeringseffekte verder te reël; die beperkings op beleggings deur bankinstellings in sekere bates verder te reël; die beheer oor bankinstellings en die oordrag van ’n gedeelte van ’n bankinstelling se besigheid verder te reël; en die bevoegdhede van kurators uit te brei; tot wysiging van die Bouverenigingswet, 1965, ten einde voorgeskrewe beleggings verder te reël; en die Staat vry te stel van die vereiste om bykomende sekuriteit te verstrek ten opsigte van voorskotte aan sy werknemers; en om vir bykomstige aangeleenthede voorsiening te maak.

*(Afrikaanse teks deur die Staatspresident geteken.)
(Goedgekeur op 20 Junie 1977.)*

DAAR WORD BEPAAL deur die Staatspresident, die Senaat en die Volksraad van die Republiek van Suid-Afrika, soos volg:—

1. Artikel 1 van die Versekeringswet, 1943, word hierby gewysig deur in subartikel (1) na paragraaf (a) van die omskrywing van „versekeringsbesigheid” die volgende paragraaf in te voeg:

Wysiging van artikel 1 van Wet 27 van 1943, soos gewysig deur artikel 2 van

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Act 73 of 1951,
section 39 of
Act 24 of 1956,
section 50 of
Act 25 of 1956,
section 1 of
Act 79 of 1959,
section 1 of
Act 10 of 1965,
section 1 of
Act 41 of 1966,
section 1 of
Act 65 of 1968,
section 1 of
Act 39 of 1969,
section 1 of
Act 91 of 1972
and section 1 of
Act 101 of 1976.

“(aA) the activities of a medical scheme as defined in section 1 of the Medical Schemes Act, 1967 (Act No. 72 of 1967);”.

Insertion of
section 2A in
Act 27 of 1943.

2. The following section is hereby inserted in the Insurance Act, 1943, after section 2:

“Advisory
committee.

- 2A. (1) (a) The Minister shall appoint an advisory committee on matters relating to long-term insurance, consisting of the registrar as chairman and such other members as the Minister may from time to time determine.
- (b) A member of the advisory committee shall hold office for such period as the Minister may determine and shall be eligible for reappointment upon the expiration of his period of office.
- (2) The advisory committee may from time to time conduct any investigation into, and advise the registrar or make recommendations to the Minister on, any matter relating to long-term insurance, and shall advise the Minister on any such matter referred to it by the Minister.
- (3) The registrar may submit to the advisory committee any information which is in his possession or which he may obtain and which is relevant to any matter which the advisory committee is investigating or considering.
- (4) (a) The advisory committee may appoint one or more sub-committees for the purpose of considering, and advising on, such matters relating to long-term insurance as may be referred to such a sub-committee by the advisory committee.
- (b) The advisory committee shall appoint as members of a sub-committee such of its members and such other persons, and for such periods of office, as it may from time to time determine.
- (5) The advisory committee may call to its assistance such person or persons as it may deem necessary to assist it, or to investigate matters relating to long-term insurance.
- (6) The registrar shall be responsible for the administration of the advisory committee and any sub-committee.”.

Amendment of
section 17 of
Act 27 of 1943,
as substituted by
section 12 of
Act 10 of 1965
and amended by
section 4 of
Act 41 of 1966,
section 2 of
Act 91 of 1972
and section 6 of
Act 101 of 1976.

3. Section 17 of the Insurance Act, 1943, is hereby amended—

- (a) by the insertion after paragraph (a) of subsection (2) of the following paragraph:
- “(aA) The percentages of thirty and fifty referred to in subparagraphs (i) and (ii) of paragraph (a) shall be increased—
- (i) (aa) with effect from 30 September 1977, to thirty-three and fifty-three, respectively;
- (bb) with effect from 31 December 1977, to thirty-four and fifty-four, respectively;
- and

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„(aA) die bedrywighede van 'n mediese skema soos in artikel 1 van die Wet op Mediese Skemas, 1967 (Wet No. 72 van 1967), omskryf;”.

Wet 73 van 1951,
artikel 39 van
Wet 24 van 1956,
artikel 50 van
Wet 25 van 1956,
artikel 1 van
Wet 79 van
1959,
artikel 1 van
Wet 10 van 1965,
artikel 1 van
Wet 41 van 1966,
artikel 1 van
Wet 65 van 1968,
artikel 1 van
Wet 39 van 1969,
artikel 1 van
Wet 91 van 1972
en artikel 1 van
Wet 101 van 1976.

2. Die volgende artikel word hierby in die Verseekeringswet, 1943, na artikel 2 ingevoeg:

Invoeging van
artikel 2A in
Wet 27 van 1943.

„Advies-
komitee.

2A. (1) (a) Die Minister stel 'n advieskomitee oor aangeleenthede betreffende langtermyn-versekeringswese aan, wat bestaan uit die registrateur as voorsitter en die ander lede wat die Minister van tyd tot tyd bepaal.

(b) 'n Lid van die advieskomitee beklee sy amp vir die tydperk wat die Minister bepaal en kan by verstryking van sy ampstermyn heraangestel word.

(2) Die advieskomitee kan van tyd tot tyd ondersoek instel na, en die registrateur adviseer of aanbevelings by die Minister doen aangaande, enige aangeleentheid betreffende langtermyn-versekeringswese, en adviseer die Minister oor so 'n aangeleentheid wat deur die Minister na hom verwys word.

(3) Die registrateur kan aan die advieskomitee enige inligting voorlê wat in sy besit is of wat hy mag verkry en wat ter sake is by 'n aangeleentheid wat die advieskomitee ondersoek of oorweeg.

(4) (a) Die advieskomitee kan een of meer subkomitees aanstel om die aangeleenthede betreffende langtermyn-versekeringswese wat deur die advieskomitee na so 'n subkomitee verwys word, te oorweeg en daaroor advies te gee.

(b) Die advieskomitee stel dié lede van die advieskomitee en dié ander persone as lede van 'n subkomitee aan, en vir dié ampstermyne, wat hy van tyd tot tyd bepaal.

(5) Die advieskomitee kan die hulp inroep van die persoon of persone wat hy nodig vind om hom by te staan, of om aangeleenthede betreffende langtermyn-versekeringswese te ondersoek.

(6) Die registrateur is verantwoordelik vir die administrasie van die advieskomitee en 'n subkomitee.”.

3. Artikel 17 van die Verseekeringswet, 1943, word hierby gewysig—

(a) deur die volgende paragraaf na paragraaf (a) van subartikel (2) in te voeg:

„(aA) Die persentasies van dertig en vyftig in subparagrafe (i) en (ii) van paragraaf (a) bedoel, word verhoog—

(i) (aa) met ingang van 30 September 1977, tot onderskeidelik drie-en-dertig en drie-en-vyftig;

(bb) met ingang van 31 Desember 1977, tot onderskeidelik vier-en-dertig en vier-en-vyftig; en

Wysiging van
artikel 17 van
Wet 27 van 1943,
soos vervang deur
artikel 12 van
Wet 10 van 1965
en gewysig deur
artikel 4 van
Wet 41 van 1966,
artikel 2 van
Wet 91 van 1972
en artikel 6 van
Wet 101 van 1976.

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- (cc) with effect from 31 March 1978, to thirty-five and fifty-five, respectively; or
- (ii) with effect from any or each of the dates stated in subparagraph (i), with such lower percentages as the Minister may by notice in the *Gazette* determine.”;
- (b) by the insertion after paragraph (b) of subsection (2) of the following paragraph:
 - “(bA) The percentages of fifteen and twenty referred to in subparagraphs (i) and (ii) of paragraph (b) shall be increased—
 - (i) (aa) with effect from 30 September 1977, to seventeen and twenty-two, respectively;
 - (bb) with effect from 31 December 1977, to seventeen and one-quarter and twenty-two and one-quarter, respectively; and
 - (cc) with effect from 31 March 1978, to seventeen and one-half and twenty-two and one-half, respectively; or
 - (ii) with effect from any or each of the dates stated in subparagraph (i), with such lower percentages as the Minister may by notice in the *Gazette* determine.”;
- (c) by the insertion after paragraph (a) of subsection (5) of the following paragraph:
 - “(aA) The percentage of thirty referred to in paragraph (a) shall be increased—
 - (i) (aa) with effect from 30 September 1977, to thirty-three;
 - (bb) with effect from 31 December 1977, to thirty-four; and
 - (cc) with effect from 31 March 1978, to thirty-five; or
 - (ii) with effect from any or each of the dates stated in subparagraph (i), with such lower percentage as the Minister may by notice in the *Gazette* determine.”; and
- (d) by the insertion after paragraph (c) of subsection (5) of the following paragraph:
 - “(cA) The percentage of fifteen referred to in paragraph (c) shall be increased—
 - (i) (aa) with effect from 30 September 1977, to seventeen;
 - (bb) with effect from 31 December 1977, to seventeen and one-quarter; and
 - (cc) with effect from 31 March 1978, to seventeen and one-half; or
 - (ii) with effect from any or each of the dates stated in subparagraph (i), with such lower percentage as the Minister may by notice in the *Gazette* determine.”.

Amendment of section 18 of Act 27 of 1943, as substituted by section 13 of Act 10 of 1965 and amended by section 5 of Act 41 of 1966, section 3 of Act 91 of 1972 and section 7 of Act 101 of 1976.

4. Section 18 of the Insurance Act, 1943, is hereby amended—

- (a) by the insertion after paragraph (a) of subsection (2) of the following paragraph:
 - “(aA) The percentages of thirty and fifty referred to in subparagraphs (i) and (ii) of paragraph (a) shall be increased—
 - (i) (aa) with effect from 30 September 1977, to thirty-three and fifty-three, respectively;
 - (bb) with effect from 31 December 1977, to thirty-four and fifty-four, respectively; and
 - (cc) with effect from 31 March 1978, to thirty-five and fifty-five, respectively; or

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- (cc) met ingang van 31 Maart 1978, tot onderskeidelik vyf-en-dertig en vyf-en-vyftig; of
- (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasies wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”;
- (b) deur die volgende paragraaf na paragraaf (b) van subartikel (2) in te voeg:
 - „(bA) Die persentasies van vyftien en twintig in subparagrafe (i) en (ii) van paragraaf (b) bedoel, word verhoog—
 - (i) (aa) met ingang van 30 September 1977, tot onderskeidelik sewentien en twee-en-twintig;
 - (bb) met ingang van 31 Desember 1977, tot onderskeidelik sewentien en 'n kwart en twee-en-twintig en 'n kwart; en
 - (cc) met ingang van 31 Maart 1978, tot onderskeidelik sewentien en 'n half en twee-en-twintig en 'n half; of
 - (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasies wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”;
- (c) deur die volgende paragraaf na paragraaf (a) van subartikel (5) in te voeg:
 - „(aA) Die persentasie van dertig in paragraaf (a) bedoel, word verhoog—
 - (i) (aa) met ingang van 30 September 1977, tot drie-en-dertig;
 - (bb) met ingang van 31 Desember 1977, tot vier-en-dertig; en
 - (cc) met ingang van 31 Maart 1978, tot vyf-en-dertig; of
 - (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasie wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”; en
- (d) deur die volgende paragraaf na paragraaf (c) van subartikel (5) in te voeg:
 - „(cA) Die persentasie van vyftien in paragraaf (c) bedoel, word verhoog—
 - (i) (aa) met ingang van 30 September 1977, tot sewentien;
 - (bb) met ingang van 31 Desember 1977, tot sewentien en 'n kwart; en
 - (cc) met ingang van 31 Maart 1978, tot sewentien en 'n half; of
 - (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasie wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”.

4. Artikel 18 van die Versekeringswet, 1943, word hierby gewysig—

- (a) deur die volgende paragraaf na paragraaf (a) van subartikel (2) in te voeg:
 - „(aA) Die persentasies van dertig en vyftig in subparagrafe (i) en (ii) van paragraaf (a) bedoel, word verhoog—
 - (i) (aa) met ingang van 30 September 1977, tot onderskeidelik drie-en-dertig en drie-en-vyftig;
 - (bb) met ingang van 31 Desember 1977, tot onderskeidelik vier-en-dertig en vier-en-vyftig; en
 - (cc) met ingang van 31 Maart 1978, tot onderskeidelik vyf-en-dertig en vyf-en-vyftig; of

Wysiging van artikel 18 van Wet 27 van 1943, soos vervang deur artikel 13 van Wet 10 van 1965 en gewysig deur artikel 5 van Wet 41 van 1966, artikel 3 van Wet 91 van 1972 en artikel 7 van Wet 101 van 1976.

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- (ii) with effect from any or each of the dates stated in subparagraph (i), with such lower percentages as the Minister may by notice in the *Gazette* determine.”;
- (b) by the insertion after paragraph (b) of subsection (2) of the following paragraph:
 - “(bA) The percentages of fifteen and twenty referred to in subparagraphs (i) and (ii) of paragraph (b) shall be increased—
 - (i) (aa) with effect from 30 September 1977, to seventeen and twenty-two, respectively;
 - (bb) with effect from 31 December 1977, to seventeen and one-quarter and twenty-two and one-quarter, respectively; and
 - (cc) with effect from 31 March 1978, to seventeen and one-half and twenty-two and one-half, respectively; or
 - (ii) with effect from any or each of the dates stated in subparagraph (i) with such lower percentages as the Minister may by notice in the *Gazette* determine.”;
- (c) by the insertion after paragraph (a) of subsection (5) of the following paragraph:
 - “(aA) The percentage of thirty referred to in paragraph (a) shall be increased—
 - (i) (aa) with effect from 30 September 1977, to thirty-three;
 - (bb) with effect from 31 December 1977, to thirty-four; and
 - (cc) with effect from 31 March 1978, to thirty-five; or
 - (ii) with effect from any or each of the dates stated in subparagraph (i), with such lower percentage as the Minister may by notice in the *Gazette* determine.”; and
- (d) by the insertion after paragraph (c) of subsection (5) of the following paragraph:
 - “(cA) The percentage of fifteen referred to in paragraph (c) shall be increased—
 - (i) (aa) with effect from 30 September 1977, to seventeen;
 - (bb) with effect from 31 December 1977, to seventeen and one-quarter; and
 - (cc) with effect from 31 March 1978, to seventeen and one-half; or
 - (ii) with effect from any or each of the dates stated in subparagraph (i), with such lower percentage as the Minister may by notice in the *Gazette* determine.”.

Amendment of section 18bis of Act 27 of 1943, as substituted by section 4 of Act 91 of 1972 and amended by section 8 of Act 101 of 1976.

5. Section 18bis of the Insurance Act, 1943, is hereby amended by the substitution for subsection (3) of the following subsection:

“(3) The registrar may, to the extent and subject to such conditions as he may determine, in exceptional circumstances permit an insurer to depart from any of the requirements of subsections (2) (aA) and (bA) and (5) (aA) and (cA) of section 17, subsections (2) (aA) and (bA) and (5) (aA) and (cA) of section 18 and subsections (1) and (2) of this section.”.

Amendment of section 20bis of Act 27 of 1943, as inserted by section 17 of Act 10 of 1965 and amended by section 7 of Act 41 of 1966.

6. Section 20bis of the Insurance Act, 1943, is hereby amended—

(a) by the substitution for subsections (1), (2) and (3) of the following subsections:

“(1) No registered insurer shall, except as provided in subsections (2) and (3), authorize or permit an agent, broker or other person, not being a registered insurer, to retain or deal with any moneys in respect of premiums

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- (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasies wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”;
- (b) deur die volgende paragraaf na paragraaf (b) van subartikel (2) in te voeg:
 - „(bA) Die persentasies van vyftien en twintig in subparagraaf (i) en (ii) van paragraaf (b) bedoel, word verhoog—
 - (i) (aa) met ingang van 30 September 1977, tot onderskeidelik sewentien en twee-en-twintig;
 - (bb) met ingang van 31 Desember 1977, tot onderskeidelik sewentien en 'n kwart en twee-en-twintig en 'n kwart; en
 - (cc) met ingang van 31 Maart 1978, tot onderskeidelik sewentien en 'n half en twee-en-twintig en 'n half; of
 - (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasies wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”;
- (c) deur die volgende paragraaf na paragraaf (a) van subartikel (5) in te voeg:
 - „(aA) Die persentasie van dertig in paragraaf (a) bedoel, word verhoog—
 - (i) (aa) met ingang van 30 September 1977, tot drie-en-dertig;
 - (bb) met ingang van 31 Desember 1977, tot vier-en-dertig; en
 - (cc) met ingang van 31 Maart 1978, tot vyf-en-dertig; of
 - (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasie wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”; en
- (d) deur die volgende paragraaf na paragraaf (c) van subartikel (5) in te voeg:
 - „(cA) Die persentasie van vyftien in paragraaf (c) bedoel, word verhoog—
 - (i) (aa) met ingang van 30 September 1977, tot sewentien;
 - (bb) met ingang van 31 Desember 1977, tot sewentien en 'n kwart; en
 - (cc) met ingang van 31 Maart 1978, tot sewentien en 'n half; of
 - (ii) met ingang van enige of elkeen van die datums in subparagraaf (i) genoem, met die laer persentasie wat die Minister by kennisgewing in die *Staatskoerant* bepaal.”.

5. Artikel 18bis van die Versekeringswet, 1943, word hierby gewysig deur subartikel (3) deur die volgende subartikel te vervang:

„(3) Die registrateur kan, in die mate en behoudens die voorwaardes wat hy bepaal, 'n versekeraar in buitengewone omstandighede toelaat om af te wyk van enige van die vereistes van subartikels (2) (aA) en (bA) en (5) (aA) en (cA) van artikel 17, subartikels (2) (aA) en (bA) en (5) (aA) en (cA) van artikel 18 en subartikels (1) en (2) van hierdie artikel.”.

Wysiging van artikel 18bis van Wet 27 van 1943, soos vervang deur artikel 4 van Wet 91 van 1972 en gewysig deur artikel 8 van Wet 101 van 1976.

6. Artikel 20bis van die Versekeringswet, 1943, word hierby gewysig—

(a) deur subartikels (1), (2) en (3) deur die volgende subartikels te vervang:

„(1) Behoudens die bepalings van subartikels (2) en (3), mag geen geregistreerde versekeraar 'n agent, makelaar of ander persoon wat nie 'n geregistreerde versekeraar is nie, magtig of toelaat om gelde wat ten

Wysiging van artikel 20bis van Wet 27 van 1943, soos ingevoeg deur artikel 17 van Wet 10 van 1965 en gewysig deur artikel 7 van Wet 41 van 1966.

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received or deemed to have been received in terms of subsection (2) (a) (ii) or (iii) on behalf of such insurer and relating to short-term insurance business carried on by such insurer in the Republic.

(2) (a) Every such agent, broker or person who receives such premiums on behalf of such insurer shall—

(i) within six days of receipt thereof, transmit the amount thereof to such insurer; or

(ii) forthwith deposit the amount thereof in a separate trust account, and, in respect of premiums received before 1 October 1977, within forty-five days, in respect of premiums received on or after 1 October 1977, but before 1 January 1979, within ninety days, and, in respect of premiums received on or after 1 January 1979, within sixty days, of the end of the month during which such premiums were received by such agent, broker or person, transmit to such insurer all moneys so deposited, and for the purposes of this subparagraph premiums with a due date of 1 October 1977 or later shall be deemed to have been received on the due date of such premiums, if not received on an earlier date; or

(iii) pay the amount thereof to such insurer, in respect of premiums received before 1 January 1979, within ninety days, and, in respect of premiums received on or after 1 January 1979, within sixty days, of the end of the month during which such premiums were received by such agent, broker or person, and for the purposes of this subparagraph premiums with a due date earlier than 1 October 1977 shall be deemed to have been received on the date on which they became due to the insurer by the owners of the policies in question, if not received on an earlier date, and premiums with a due date of 1 October 1977 or later shall be deemed to have been received on the due date of such premiums, if not received on an earlier date.

(b) Any such agent, broker or person may before remitting any moneys in terms of subparagraph (i), (ii) or (iii) of paragraph (a), set off any moneys owing to him by such insurer.

(3) (a) Every such agent, broker or person shall forthwith upon becoming indebted to any insurer, elect to remit in terms of either subparagraph (i) or subparagraph (ii) or subparagraph (iii) of paragraph (a) of subsection (2), and in writing advise such insurer of the election made by him, and any such agent, broker or person who desires to change his election shall give not less than ninety days' written notice of the change to every insurer to whom he has given notice of such election or of any such change.

(b) Any such agent, broker or person who intends to remit in terms of subparagraph (iii) of subsection (2) (a) shall furnish security for any amount which may become payable by him to insurers in terms of that subparagraph, and such security shall be in the form of a banker's guarantee issued by the Land

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opsigte van premies ten behoeve van die versekeraar ontvang is of ooreenkomstig subartikel (2) (a) (ii) of (iii) geag word aldus ontvang te gewees het en wat betrekking het op korttermyn-versekeringsbesigheid deur dié versekeraar in die Republiek gedryf, te behou of daarmee te handel nie.

(2) (a) Elke sodanige agent, makelaar of persoon wat sodanige premies ten behoeve van so 'n versekeraar ontvang, moet—

(i) binne ses dae na ontvangs daarvan die betrokke bedrag aan bedoelde versekeraar stuur; of

(ii) die bedrag daarvan onverwyld in 'n aparte trustrekening stort, en, ten opsigte van premies ontvang voor 1 Oktober 1977, binne vyf-en-veertig dae, ten opsigte van premies ontvang op of na 1 Oktober 1977 maar voor 1 Januarie 1979, binne negentig dae, en, ten opsigte van premies ontvang op of na 1 Januarie 1979, binne sestig dae, vanaf die einde van die maand waarin sodanige premies deur bedoelde agent, makelaar of persoon ontvang is, al die aldus gestorte geld aan die betrokke versekeraar stuur, en by die toepassing van hierdie subparagraaf word premies met 'n betaaldatum van 1 Oktober 1977 of later geag ontvang te gewees het op die betaaldag van daardie premies, indien hulle nie op 'n vroeër datum ontvang is nie; of

(iii) bedoelde bedrag aan die betrokke versekeraar betaal, ten opsigte van premies ontvang voor 1 Januarie 1979, binne negentig dae, en, ten opsigte van premies ontvang op of na 1 Januarie 1979, binne sestig dae, vanaf die einde van die maand waarin sodanige premies deur bedoelde agent, makelaar of persoon ontvang is, en by die toepassing van hierdie subparagraaf word premies met 'n betaaldatum vroeër as 1 Oktober 1977 geag ontvang te gewees het op die datum waarop dit deur die eienaars van die betrokke polisse aan die versekeraar betaalbaar geword het, indien hulle nie op 'n vroeër datum ontvang is nie, en premies met 'n betaaldatum van 1 Oktober 1977 of later word geag ontvang te gewees het op die betaaldag van daardie premies, indien hulle nie op 'n vroeër datum ontvang is nie.

(b) So 'n agent, makelaar of persoon kan, voordat hy enige gelde ingevolge subparagraaf (i), (ii) of (iii) van paragraaf (a) oorbetal, enige gelde deur die versekeraar aan hom verskuldig in rekening bring.

(3) (a) So 'n agent, makelaar of persoon moet onverwyld wanneer geld deur hom aan 'n versekeraar verskuldig word, kies om ingevolge of subparagraaf (i) of subparagraaf (ii) of subparagraaf (iii) van paragraaf (a) van subartikel (2) oor te betaal, en moet daardie versekeraar skriftelik van die keuse deur hom gedoen in kennis stel, en so 'n agent, makelaar of persoon wat sy keuse wil verander, moet van die verandering minstens negentig dae skriftelike kennis gee aan elke versekeraar aan wie hy van so 'n keuse of so 'n verandering kennis gegee het.

(b) So 'n agent, makelaar of persoon wat voornemens is om ooreenkomstig subparagraaf (iii) van subartikel (2) (a) oor te betaal, moet vir enige bedrag wat ingevolge daardie subparagraaf deur hom aan versekeraars verskuldig mag word, sekerheid stel wat in die vorm moet wees van 'n bankwaarborg uitgereik deur die Land- en Landboubank van

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and Agricultural Bank of South Africa or a banking institution registered otherwise than provisionally in terms of the Banks Act, 1965 (Act No. 23 of 1965).

- (c) Such guarantee shall be in favour of the registrar and in a form prescribed by regulation for the benefit of all such insurers, and shall be for an amount certified by the auditor of the agent, broker or person concerned to be equal to not less than twenty-five per cent of the premiums which became due to registered insurers by such agent, broker or person in his last financial year after setting off any moneys which were owing to such agent, broker or person by such insurers, but shall not be for less than ten thousand rand or more than one hundred thousand rand or, with effect from 1 October 1977, for less than one hundred thousand rand or for more than two hundred and fifty thousand rand.”; and

- (b) by the addition of the following subsection:

“(9) For the purposes of this section—

‘deposit premium’ means a provisional premium which is agreed upon in the event of it being impossible at the due date of the premium to determine the exact premium, and which represents a reasonable estimate of the premium;

‘due date’, in relation to a premium, means—

- (a) in the case of a new policy, the inception date of the policy;

- (b) in the case of an existing policy which has been renewed, the renewal date of the policy; and

- (c) in the case of any extension or other change of an existing policy, the inception date of such extension or other change;

‘premium’ includes a deposit premium.”.

Amendment of section 62 of Act 27 of 1943, as amended by section 40 of Act 73 of 1951.

7. Section 62 of the Insurance Act, 1943, is hereby amended—

- (a) by the insertion in subsection (4) after the word “Act” of the words “but before the commencement of the Financial Institutions Amendment Act, 1977,”; and

- (b) by the insertion after subsection (4) of the following subsections:

“(4A) (a) If any premium under a funeral policy which is a domestic policy and which was issued on or after the date of commencement of the Financial Institutions Amendment Act, 1977, is not paid within the period mentioned in subsection (3)*bis*, the policy shall nevertheless remain in force for the full sum insured without payment of further premiums for a period which shall be calculated from the following table:

Number of completed years for which premiums were paid under policy, expressed as a percentage of the premium term.		Period (in years) for which the policy remains in force as from the date when first unpaid premium became due.
	Less than 10%	0
10% or more, but less than 19%		1
19%	26%	2
26%	32%	3
32%	38%	4
38%	43%	5
43%	48%	6
48%	54%	7
54%	60%	8
60%	67%	9
67%	76%	10
76%	85%	11
85%	100%	12

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Suid-Afrika of 'n bankinstelling wat anders as voorlopig geregistreer is ingevolge die Bankwet, 1965 (Wet No. 23 van 1965).

- (c) So 'n waarborg moet ten gunste van die registrateur en in 'n by regulasie voorgeskrewe vorm wees ten bate van al die betrokke versekeraars, en wel vir 'n bedrag wat volgens die sertifikaat van die betrokke agent, makelaar of persoon se ouditeur gelyk is aan minstens vyf-en-twintig persent van die premies wat deur bedoelde agent, makelaar of persoon gedurende sy jongste boekjaar aan geregistreerde versekeraars verskuldig geword het, nadat gelde deur bedoelde versekeraars aan daardie agent, makelaar of persoon verskuldig in rekening gebring was, maar bedra nie minder as tienduiseend of meer as honderdduiseend rand nie of, met ingang van 1 Oktober 1977, minder as honderdduiseend rand of meer as tweehonderd-en-vyftig duiseend rand nie.”;

- (b) deur die volgende subartikel by te voeg:

„(9) By die toepassing van hierdie artikel beteken—
„betaaldatum”, met betrekking tot 'n premie—

- (a) in die geval van 'n nuwe polis, die aanvangsdatum van die polis;
(b) in die geval van 'n bestaande polis wat hernieu is, die hernuwingsdatum van die polis; en
(c) in die geval van 'n uitbreiding van, of ander verandering aan, 'n bestaande polis, die aanvangsdatum van sodanige uitbreiding of ander verandering;

„deposito-premie” 'n voorlopige premie waarop ooreengekom word in die geval waar dit onmoontlik is om op die betaaldatum van die premie die juiste premie te bepaal, en wat 'n redelike skatting van die premie verteenwoordig;
„premie” ook 'n deposito-premie.”

7. Artikel 62 van die Versekeringswet, 1943, word hierby gewysig—

- (a) deur in subartikel (4) na die woord „Wet” die woorde „maar voor die inwerkingtreding van die Wysigingswet op Finansiële Instellings, 1977,” in te voeg; en

- (b) deur na subartikel (4) die volgende subartikels in te voeg:

„(4A) (a) Indien 'n premie op 'n begrafnispolis wat 'n binnelandse polis is en wat op of na die datum van die inwerkingtreding van die Wysigingswet op Finansiële Instellings, 1977, uitgereik is, nie binne die in subartikel (3)bis vermelde tydperk betaal is nie, bly die polis desnietemin van krag vir die volle versekerde bedrag sonder betaling van verdere premies vir 'n tydperk wat bereken word vanaf die volgende tabel:

Wysiging van artikel 62 van Wet 27 van 1943, soos gewysig deur artikel 40 van Wet 73 van 1951.

Aantal voltooide jare waarvoor premies kragtens polis betaal is, uitgedruk as 'n persentasie van die premietermyn.		Tydperk (in jare) waarvoor die polis van krag bly vanaf die datum waarop eerste onbetaalde premie verskuldig geword het.
	Minder as 10%	0
10% of meer, maar minder as 19%	19%	1
19%	26%	2
26%	32%	3
32%	38%	4
38%	43%	5
43%	48%	6
48%	54%	7
54%	60%	8
60%	67%	9
67%	76%	10
76%	85%	11
85%	100%	12

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Provided that—

- (i) if the insurer's liability under the policy is contingent upon the death of one person only, who was under nine years of age when the policy was issued, the number of completed years for which premiums were paid under the policy and the premium term shall be computed as if the policy had been issued on its anniversary when the said person was between nine and ten years of age;
- (ii) if the insurer's liability under the policy is contingent upon the death of two or more persons, and if the policy provides for any benefit on the death of any person who is under the age of twenty-one years and who is not the owner of the policy or his wife or her husband, no benefit shall be claimable under that policy on the said person's death if it occurs after he attained the age of twenty-one years.

- (b) The provisions of this subsection shall not apply if the premium term and the number of completed years for which premiums were paid under the policy are as set out in the following table:

Premium term.	Number of completed years for which premiums were paid under policy.
20 years or more	Less than 5
15 years or more, but less than 20 years	" 4
10 years or more, but less than 15 years	" 3
5 years or more, but less than 10 years	" 2
Less than 5 years	" 1

- (c) For the purpose of this subsection 'premium term' means the lesser of fifty years and—

- (i) in the case of a policy under which premiums are payable for the whole of life, the number of years between the date of commencement of the policy and the ninetieth anniversary of the birthday of the eldest life assured; and
- (ii) in the case of a policy under which premiums are payable for a stated term, the number of years in such term.

(4B) The provisions of subsections (4) and (4A) shall not apply with reference to any particular kind of funeral policy which an insurer has issued or proposes to issue, if the registrar is satisfied that the actuarial nature of such kind of policy prevents the insurer from accumulating, in respect of policies of that kind, sufficient funds to enable him to grant any substantial benefit of a kind described in the said subsections."

Insertion of
section 68A in
Act 27 of 1943.

8. The following section is hereby inserted in the Insurance Act, 1943, after section 68:

"Interest
on and
prescription
of policy
loans.

68A. (1) Interest on a loan or advance made by a registered insurer on the sole security of a policy under which the insurer is liable, shall not cease to accrue when interest has accumulated to an amount equal to the principal debt.

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Met dien verstande dat—

- (i) indien die versekeraar se aanspreeklikheid kragtens die polis afhanklik is van die dood van slegs een persoon wat onder die ouderdom van nege jaar was toe die polis uitgereik is, die aantal voltooide jare waarvoor premies kragtens die polis betaal is en die premietermyn bereken word asof die polis uitgereik was op sy verjaarsdag toe bedoelde persoon tussen nege en tien jaar oud was;
 - (ii) indien die versekeraar se aanspreeklikheid kragtens die polis afhanklik is van die dood van twee of meer persone, en indien die polis vir 'n voordeel voorsiening maak by die afsterwe van enige persoon wat onder die ouderdom van een-en-twintig jaar is en wat nie die eienaar van die polis of sy eggenote of haar eggenoot is nie, geen voordeel kragtens die polis by die afsterwe van bedoelde persoon opeisbaar is nie, indien dit plaasvind nadat hy die ouderdom van een-en-twintig jaar bereik het.
- (b) Die bepalinge van hierdie subartikel is nie van toepassing nie indien die premietermyn en die aantal voltooide jare waarvoor premies kragtens die polis betaal is, is soos in die volgende tabel uiteengesit:

Premietermyn.	Aantal voltooide jare waarvoor premies kragtens polis betaal is.
20 jaar of meer	Minder as 5
15 jaar of meer, maar minder as 20 jaar	" 4
10 jaar of meer, maar minder as 15 jaar	" 3
5 jaar of meer, maar minder as 10 jaar	" 2
Minder as 5 jaar	" 1

- (c) By die toepassing van hierdie subartikel beteken 'premietermyn' die kleinste van vyftig jaar en—
- (i) in die geval van 'n polis waarkragtens premies lewenslank betaalbaar is, die aantal jare tussen die aanvangsdatum van die polis en die negentigste verjaarsdag van die geboortedag van die oudste versekerde lewe; en
 - (ii) in die geval van 'n polis waarkragtens premies vir 'n bepaalde termyn betaalbaar is, die aantal jare in sodanige termyn.

(4B) Die bepalinge van subartikels (4) en (4A) is nie van toepassing nie met betrekking tot 'n besondere klas begrafnispolis wat deur 'n versekeraar uitgereik is of wat hy voornemens is om uit te reik, indien die registrateur oortuig is dat dit, weens die aard van bedoelde klas polis, uit 'n aktuariële oogpunt vir die versekeraar nie doenlik is om ten opsigte van polisse in daardie klas voldoende fondse op te hoop ten einde hom in staat te stel om aansienlike voordele van die aard in daardie subartikels beskryf, toe te staan nie."

8. Die volgende artikel word hierby in die Versekeringswet, 1943, na artikel 68 ingevoeg:

Invoeging van artikel 68A in Wet 27 van 1943.

„Rente op en verjaring van polissenings.

68A. (1) Rente op 'n lening of voorskot deur 'n geregistreerde versekeraar gemaak teen die uitsluitlike sekuriteit van 'n polis waarkragtens die versekeraar aanspreeklik is, hou nie op om te loop wanneer rente opgeloop het tot 'n bedrag gelyk aan die hoofskuld nie.

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(2) A debt which arose or arises out of a loan or advance such as is contemplated in subsection (1), shall not become prescribed before the liability of the insurer under the policy in question becomes prescribed, if such policy was issued after 31 December 1973.”.

Amendment of section 1 of Act 24 of 1956, as amended by section 21 of Act 101 of 1976.

9. Section 1 of the Pension Funds Act, 1956, is hereby amended by the substitution in subsection (1) for the definition of “financial year” of the following definition:

““financial year”, in relation to a fund, means—

- (a) each period of twelve months, at the end of which the balance of its accounts is required to be struck in terms of its rules; or
- (b) such other period as may on any particular occasion be determined by the registrar at the written request of the fund, on such conditions as the registrar may impose; or
- (c) in the case of a fund which is registered at the commencement of the Financial Institutions Amendment Act, 1977, and which notifies the registrar in writing before 1 January 1979 that it intends changing the date on which its financial year ends from 31 December to another date, the period extending from its last financial year, which ends on 31 December, to such other date, provided such period does not exceed eighteen months.”.

Amendment of section 2 of Act 24 of 1956.

10. Section 2 of the Pension Funds Act, 1956, is hereby amended—

- (a) by the substitution for the words following subsection (3) (a) (ii) of the following words:

“he may, subject to the provisions of paragraph (aA), in writing exempt that fund on such conditions as he may specify from the operation of such provisions of this Act as he may deem expedient.”;

- (b) by the insertion after paragraph (a) of subsection (3) of the following paragraph:

“(aA) (i) The provisions of sections 37A, 37B and 37C shall as from the commencement of the Financial Institutions Amendment Act, 1977, apply also with reference to any registered fund to which those provisions did not apply immediately before the said commencement.

(ii) Any provision inserted in this Act by, or after the commencement of, the Financial Institutions Amendment Act, 1977, shall apply with reference to all registered funds, including any fund previously exempted in terms of this subsection, except in so far as any exemption may have been granted from any such provision in terms of this subsection.

(iii) No fund shall be exempted from the provisions of sections 37A, 37B, 37C and 37D.”;

- (c) by the substitution for paragraph (b) of subsection (3) of the following paragraph:

“(b) The registrar may at any time by notice in writing to the fund withdraw, wholly or in part and on any ground which he deems sufficient, any exemption granted under paragraph (a).”.

Amendment of section 19 of Act 24 of 1956, as amended by section 13 of Act 80 of 1959,

11. Section 19 of the Pension Funds Act, 1956, is hereby amended by the insertion after subsection (1) of the following subsection:

“(1A) The percentages of fifty and twenty referred to in subsection (1) shall be increased—

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(2) 'n Skuld wat ontstaan of ontstaan het uit 'n in subartikel (1) bedoelde lening of voorskot verjaar nie voordat die aanspreeklikheid van die versekeraar kragtens die betrokke polis verjaar het nie, indien die polis uitgereik is na 31 Desember 1973."

9. Artikel 1 van die Wet op Pensioenfondse, 1956, word hierby gewysig deur in subartikel (1) die omskrywing van „boekjaar” deur die volgende omskrywing te vervang:

Wysiging van artikel 1 van Wet 24 van 1956, soos gewysig deur artikel 21 van Wet 101 van 1976.

„boekjaar”, met betrekking tot 'n fonds—

- (a) elke tydperk van twaalf maande, aan die einde waarvan die balans van sy rekenings volgens sy statute opgemaak moet word; of
- (b) so 'n ander tydperk as wat die registrateur by 'n besondere geleentheid op die skriftelike versoek van die fonds mag bepaal, op die voorwaardes wat die registrateur ople; of
- (c) in die geval van 'n fonds wat by die inwerkingtreding van die Wysigingswet op Finansiële Instellings, 1977, geregistreer is en wat die registrateur voor 1 Januarie 1979 skriftelik in kennis stel dat hy van voorneme is om die datum waarop sy boekjaar eindig te verander vanaf 31 Desember na 'n ander datum, die tydperk wat strek vanaf die einde van sy laaste boekjaar, wat op 31 Desember eindig, tot sodanige ander datum, mits die tydperk nie agtien maande oorskry nie."

10. Artikel 2 van die Wet op Pensioenfondse, 1956, word hierby gewysig—

Wysiging van artikel 2 van Wet 24 van 1956.

- (a) deur die woorde wat op subartikel (3) (a) (ii) volg deur die volgende woorde te vervang:
„kan hy, behoudens die bepalings van paragraaf (aA), daardie fonds skriftelik van die toepassing van die bepalings van hierdie Wet vrystel wat hy dienstig ag, op die voorwaardes wat hy bepaal.”;
- (b) deur die volgende paragraaf na paragraaf (a) van subartikel (3) in te voeg:
„(aA) (i) Die bepalings van artikels 37A, 37B en 37C is vanaf die inwerkingtreding van die Wysigingswet op Finansiële Instellings, 1977, ook van toepassing met betrekking tot 'n geregistreerde fonds waarop daardie bepalings nie onmiddellik voor bedoelde inwerkingtreding van toepassing was nie.
(ii) 'n Bepaling deur, of na die inwerkingtreding van, die Wysigingswet op Finansiële Instellings, 1977, by hierdie Wet ingevoeg, is op alle geregistreerde fondse van toepassing, met inbegrip van 'n fonds wat voorheen kragtens hierdie subartikel vrygestel is, behalwe vir sover as wat enige vrystelling van so 'n bepaling kragtens hierdie subartikel toegestaan is.
(iii) Geen fonds word van die bepalings van artikels 37A, 37B, 37C en 37D vrygestel nie.”; en
- (c) deur paragraaf (b) van subartikel (3) deur die volgende paragraaf te vervang:
„(b) Die registrateur kan te eniger tyd by skriftelike kennisgewing aan die fonds enige kragtens paragraaf (a) verleende vrystelling in sy geheel of gedeeltelik intrek op enige grond wat hy voldoende ag.”.

11. Artikel 19 van die Wet op Pensioenfondse, 1956, word hierby gewysig deur die volgende subartikel na subartikel (1) in te voeg:

Wysiging van artikel 19 van Wet 24 van 1956, soos gewysig deur artikel 13 van Wet 80 van 1959,

- „(1A) Die persentasies van vyftig en twintig in subartikel (1) bedoel, word verhoog—

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section 9 of
Act 58 of 1966,
section 1 of
Act 80 of 1969,
section 2 of
Act 23 of 1970,
section 7 of
Act 91 of 1972
and section 23 of
Act 101 of 1976.

- (a) (i) with effect from 30 September 1977, to fifty-three and twenty-two, respectively;
- (ii) with effect from 31 December 1977, to fifty-four and twenty-two and one-quarter, respectively; and
- (iii) with effect from 31 March 1978, to fifty-five and twenty-two and one-half, respectively; or
- (b) with effect from any or each of the dates stated in paragraph (a), with such lower percentages as the Minister may by notice in the *Gazette* determine.”.

Substitution of
section 37A of
Act 24 of 1956,
as inserted by
section 24 of
Act 101 of 1976.

12. The following section is hereby substituted for section 37A of the Pension Funds Act, 1956:

“Pension
benefits not
reducible,
transferable
or
executable.

37A. (1) Save to the extent permitted by this Act, the Income Tax Act, 1962 (Act No. 58 of 1962), and the Maintenance Act, 1963 (Act No. 23 of 1963), no benefit provided for in the rules of a registered fund (including an annuity purchased or to be purchased by the said fund from an insurer for a member), or right to such benefit, or right in respect of contributions made by or on behalf of a member, shall, notwithstanding anything to the contrary contained in the rules of such a fund, be capable of being reduced, transferred or otherwise ceded, or of being pledged or hypothecated, or be liable to be attached or subjected to any form of execution under a judgment or order of a court of law, or to the extent of not more than three thousand rand per annum, be capable of being taken into account in a determination of a judgment debtor's financial position in terms of section 65 of the Magistrates' Courts Act, 1944 (Act No. 32 of 1944), and in the event of the member or beneficiary concerned attempting to transfer or otherwise cede, or to pledge or hypothecate, such benefit or right, the fund concerned may withhold, suspend or entirely discontinue payment thereof: Provided that the fund may pay any such benefit or any benefit in pursuance of such contributions, or part thereof, to any one or more of the dependants of the member or beneficiary or to a guardian or trustee for the benefit of such dependant or dependants during such period as it may determine.

- (2) (a) If in terms of the rules of a fund the residue of a full benefit, after deduction of any debt due by the person entitled to the benefit, represents the benefit due to that person, such reduction shall for the purposes of subsection (1) be construed as a reduction of the benefit.
- (b) The set-off of any debt against a benefit shall for the purposes of subsection (1) be construed as a reduction of the benefit.
- (3) The provisions of subsection (1) shall not apply with reference to anything done towards reducing or obtaining settlement of a debt—
 - (a) which, in the case of a fund to which the Financial Institutions Amendment Act, 1976 (Act No. 101 of 1976), applies, arose before the commencement of that Act;
 - (b) which, in the case of a fund to which the Financial Institutions Amendment Act, 1976, does not apply, arose before the commencement of the Financial Institutions Amendment Act, 1977; or
 - (c) which a fund may reduce or settle under section 37D, to the extent to which a fund may reduce or settle such debt.”.

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- (a) (i) met ingang van 30 September 1977, tot onderskeidelik drie-en-vyftig en twee-en-twintig;
 (ii) met ingang van 31 Desember 1977, tot onderskeidelik vier-en-vyftig en twee-en-twintig en 'n kwart; en
 (iii) met ingang van 31 Maart 1978, tot onderskeidelik vyf-en-vyftig en twee-en-twintig en 'n half; of
 (b) met ingang van enige of elkeen van die datums in paragraaf (a) genoem, met die laer persentasies wat die Minister by kennisgewing in die *Staatskoerant* bepaal."

artikel 9 van
 Wet 58 van 1966,
 artikel 1 van
 Wet 80 van 1969,
 artikel 2 van
 Wet 23 van 1970,
 artikel 7 van
 Wet 91 van 1972
 en artikel 23 van
 Wet 101 van 1976.

12. Artikel 37A van die Wet op Pensioenfondse, 1956, word hierby deur die volgende artikel vervang:

Vervanging van
 artikel 37A van
 Wet 24 van 1956,
 soos ingevoeg deur
 artikel 24 van
 Wet 101 van 1976.

„Pensioen-
 voordele kan
 nie verminder,
 oorgedra of
 in beslag
 geneem word
 nie.

37A. (1) Behalwe in die mate by hierdie Wet, die Inkomstebelastingwet, 1962 (Wet No. 58 van 1962), en die Wet op Onderhoud, 1963 (Wet No. 23 van 1963), veroorloof, kan geen voordeel waarvoor in die statute van 'n geregistreerde fonds voorsiening gemaak word (met inbegrip van 'n jaargeld wat so 'n fonds vir 'n lid by 'n versekeraar gekoop het of sal koop), of reg op so 'n voordeel, of reg ten opsigte van bydraes deur of ten behoeve van 'n lid gestort, ondanks andersluidende bepalings van die statute van so 'n fonds, verminder, oorgedra of andersins gese-
 deer, of verpand of met verband beswaar word nie, of ingevolge 'n vonnis of bevel van 'n geregshof in beslag geneem of aan enige vorm van tenuitvoerleg-
 ging onderwerp word nie, of tot die bedrag van hoogstens drieduisend rand per jaar in berekening gebring word nie by 'n vasstelling van 'n vonnisskul-
 denaar se finansiële toestand ingevolge artikel 65 van die Wet op Landdroshoue, 1944 (Wet No. 32 van 1944), en in die geval waar die betrokke lid of bevoordeelde poog om so 'n voordeel of reg oor te dra of andersins te se-
 deer, of om dit te verpand of met verband te beswaar, kan die betrokke fonds betaling daarvan terughou, opskort of geheel en al staak: Met dien verstande dat die fonds, gedurende die tydperk wat hy bepaal, so 'n voordeel of enige voordeel uit hoofde van sodanige bydraes, of gedeelte daarvan, kan betaal aan een of meer van die lid of bevoor-
 deelde se afhanklikes of aan 'n voog of kurator vir die voordeel van sodanige afhanklike of afhanklikes.

(2) (a) Indien volgens die statute van 'n fonds die restant van 'n volle voordeel, na aftrekking van enige skuld verskuldig deur die persoon wat op die voordeel geregtig is, die voordeel verteenwoordig wat aan daardie persoon verskuldig is, word daardie aftrekking by die toepassing van subartikel (1) uitgelê as 'n vermindering van die voordeel.

(b) Die verrekening van 'n skuld teen 'n voordeel word by die toepassing van subartikel (1) uitgelê as 'n vermindering van die voordeel.

(3) Die bepalings van subartikel (1) is nie van toepassing nie met betrekking tot 'n handeling ter vermindering of vereffening van 'n skuld—

(a) wat, in die geval van 'n fonds waarop die Wysigingswet op Finansiële Instellings, 1976 (Wet No. 101 van 1976), van toepassing is, voor die inwerkingtreding van daardie Wet ontstaan het;

(b) wat, in die geval van 'n fonds waarop die Wysigingswet op Finansiële Instellings, 1976, nie van toepassing is nie, voor die inwerkingtreding van die Wysigingswet op Finansiële Instellings, 1977, ontstaan het; of

(c) wat 'n fonds kragtens artikel 37D kan verminder of vereffen, in die mate waarin 'n fonds so 'n skuld mag verminder of vereffen."

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Substitution of section 37B of Act 24 of 1956, as inserted by section 24 of Act 101 of 1976.

13. The following section is hereby substituted for section 37B of the Pension Funds Act, 1956:

“Effect of insolvency on pension benefits.

37B. If the estate of any person entitled to a benefit payable in terms of the rules of a registered fund (including an annuity purchased by the said fund from an insurer for that person) is sequestrated or surrendered, such benefit or any part thereof which became payable after the commencement of the Financial Institutions Amendment Act, 1976 (Act No. 101 of 1976), shall not be deemed to form part of the assets in the insolvent estate of that person and may not in any way be attached or appropriated by the trustee in his insolvent estate or by his creditors, notwithstanding anything to the contrary in any law relating to insolvency.”

Insertion of section 37D in Act 24 of 1956.

14. The following section is hereby inserted in the Pension Funds Act, 1956, after section 37C:

“Fund may make certain deductions from pension benefits.

37D. A registered fund, may—

(a) deduct any amount due to the fund in respect of—

(i) a loan granted to a member in terms of section 19 (5) (a); or

(ii) any amount for which the fund is liable under a guarantee furnished in respect of a loan by some other person to a member for any purpose referred to in section 19 (5) (a), from the benefit to which the member or a beneficiary is entitled in terms of the rules of the fund, to an amount not exceeding the amount which in terms of the Income Tax Act, 1962 (Act No. 58 of 1962), may be taken by a member or beneficiary as a lump sum benefit as defined in the Second Schedule to that Act;

(b) deduct any amount due by a member to his employer on the date of his retirement or on which he ceases to be a member of the fund, in respect of—

(i) (aa) a loan granted by the employer to the member for any purpose referred to in section 19 (5) (a); or

(bb) any amount for which the employer is liable under a guarantee furnished in respect of a loan by some other person to the member for any purpose referred to in section 19 (5) (a),

to an amount not exceeding the amount which in terms of the Income Tax Act, 1962, may be taken by a member or beneficiary as a lump sum benefit as defined in the Second Schedule to that Act; or

(ii) compensation (including any legal costs recoverable from the member in a matter contemplated in subparagraph (bb)) in respect of any damage caused to the employer by reason of any theft, dishonesty, fraud or misconduct by the member, and in respect of which—

(aa) the member has in writing admitted liability to the employer; or

(bb) judgment has been obtained against the member in any court, including a magistrate's court,

from any benefit payable in respect of the member or a beneficiary in terms of the rules of

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13. Artikel 37B van die Wet op Pensioenfondse, 1956, word hierby deur die volgende artikel vervang:

„Uitwerking van insolvensie op pensioen-voordele.

37B. Indien die boedel van iemand wat op 'n voordeel geregtig is wat ingevolge die statute van 'n geregistreerde fonds betaalbaar is (met inbegrip van 'n jaargeld wat bedoelde fonds vir daardie persoon by 'n versekeraar gekoop het), gesekwestreer of oorgegee word, word sodanige voordeel of enige gedeelte daarvan wat betaalbaar geword het na die inwerking-treding van die Wysigingswet op Finansiële Instellings, 1976 (Wet No. 101 van 1976), nie geag deel van die bates in die insolvente boedel van daardie persoon uit te maak nie, en mag dit, ondanks andersluidende bepalings van 'n wet op insolvensie, op generlei wyse deur die kurator van sy insolvente boedel of deur sy skuldeisers in beslag geneem of toegeëien word nie.”

Vervanging van artikel 37B van Wet 24 van 1956, soos ingevoeg deur artikel 24 van Wet 101 van 1976.

14. Die volgende artikel word hierby in die Wet op Pensioenfondse, 1956, na artikel 37C ingevoeg:

„Fonds kan sekere af-trekkings van pensioen-voordele maak.

37D. 'n Geregistreerde fonds kan—

(a) enige bedrag verskuldig aan die fonds ten opsigte van—

(i) 'n lening aan 'n lid kragtens artikel 19 (5) (a) toegestaan; of

(ii) 'n bedrag waarvoor die fonds aanspreeklik is ingevolge 'n waarborg verstrekt ten opsigte van 'n lening deur iemand anders aan 'n lid vir 'n doel in artikel 19 (5) (a) bedoel,

van die voordeel waarop die lid of 'n bevoor-deelde ingevolge die statute van die fonds geregtig is, aftrek tot 'n bedrag van hoogstens die bedrag wat ingevolge die Inkomstebelasting-wet, 1962 (Wet No. 58 van 1962), deur 'n lid of bevoordeelde as 'n enkelbedragvoordeel soos omskryf in die Tweede Bylae by daardie Wet geneem mag word;

(b) enige bedrag verskuldig deur 'n lid aan sy werkgewer op die datum van sy uitdienstreding of waarop hy ophou om 'n lid van die fonds te wees, ten opsigte van—

(i) (aa) 'n lening deur die werkgewer aan die lid toegestaan vir 'n doel in artikel 19 (5) (a) bedoel; of

(bb) 'n bedrag waarvoor die werkgewer aanspreeklik is ingevolge 'n waarborg verstrekt ten opsigte van 'n lening deur iemand anders aan die lid vir 'n doel in artikel 19 (5) (a) bedoel,

tot 'n bedrag van hoogstens die bedrag wat ingevolge die Inkomstebelastingwet, 1962, deur 'n lid of bevoordeelde as 'n enkel-bedragvoordeel soos omskryf in die Tweede Bylae by daardie Wet geneem mag word; of

(ii) vergoeding (met inbegrip van regs-koste wat op die lid verhaalbaar is in 'n geval in subparagraaf (bb) beoog) ten opsigte van enige skade aan die werkgewer veroorsaak deur enige diefstal, oneerlikheid, bedrog of wangedrag deur die lid, en ten opsigte waarvan—

(aa) die lid skriftelik aanspreeklikheid teenoor die werkgewer erken het; of

(bb) vonnis teen die lid in 'n hof, met inbegrip van 'n landdroshof, verkry is, van enige voordeel wat aan die lid of 'n bevoordeelde ingevolge die statute van die fonds

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the fund, and pay such amount to the employer concerned;

- (c) deduct any amount which the fund has paid or will pay by arrangement with, and on behalf of, a member or beneficiary in respect of—

(i) such member's or beneficiary's subscription to a medical scheme, registered otherwise than provisionally in terms of the Medical Schemes Act, 1967 (Act No. 72 of 1967); or

(ii) any insurance premium payable by such member or beneficiary to an insurer registered in terms of the Insurance Act, 1943 (Act No. 27 of 1943),

from the benefit to which the member or beneficiary is entitled in terms of the rules of the fund, and pay such amount, if due, to such medical scheme or such insurer, as the case may be.”.

Amendment of section 1 of Act 68 of 1962, as amended by section 33 of Act 43 of 1975 and section 32 of Act 101 of 1976.

15. Section 1 of the Inspection of Financial Institutions Act, 1962, is hereby amended by the insertion in the definition of “financial institution” after the words “underwriters at Lloyds,” of the words “or any other person in respect of whom section 20*bis* of the last-mentioned Act or a regulation made in terms of section 23A of that Act applies,”.

Amendment of section 3 of Act 68 of 1962.

16. Section 3 of the Inspection of Financial Institutions Act, 1962, is hereby amended by the insertion of the following paragraph after paragraph (d):

“(dA) if the registrar has reason to believe that the financial institution has contravened a provision of section 20*bis* of the Insurance Act, 1943 (Act No. 27 of 1943), or of a regulation made in terms of section 23A of that Act; or”.

Amendment of section 18 of Act 23 of 1965, as substituted by section 15 of Act 91 of 1972.

17. Section 18 of the Banks Act, 1965, is hereby amended—

- (a) by the substitution for the words “ten per cent” of the words “fifteen per cent”, and for the words “five per cent” of the words “eight and a half per cent”; and

- (b) by the addition of the following subsection, the existing section becoming subsection (1):

“(2) The amendment effected by the Financial Institutions Amendment Act, 1977, to subsection (1), shall come into operation on 31 March 1978: Provided that a banking institution (other than a discount house) shall as from the dates mentioned in the first column of the table hereunder maintain prescribed investments, to an amount not less than the percentage mentioned opposite those dates in the second column of such table, of the long-term liabilities mentioned in subsection (1), and of which prescribed investments an amount equal to not less than the percentage of the said liabilities mentioned opposite those dates in the third column of such table, shall consist of securities issued by the Government of the Republic.

Date	Percentage of long-term liabilities to be held in	
	Prescribed Investments	Securities issued by the Government of the Republic
1 July 1977	12	6
1 October 1977	13	7
1 January 1978	14	8”

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- betalbaar is, aftrek en die bedrag aan die betrokke werkgewer betaal;
- (c) enige bedrag wat die fonds volgens reëling met, en namens, 'n lid of bevoordeelde betaal het of sal betaal ten opsigte van—
- (i) so 'n lid of bevoordeelde se ledegeld van 'n mediese skema wat anders as voorlopig kragtens die Wet op Mediese Skemas, 1967 (Wet No. 72 van 1967), geregistreer is; of
 - (ii) 'n versekeringspremie wat betaalbaar is deur so 'n lid of bevoordeelde aan 'n versekeraar wat ingevolge die Versekeringswet, 1943 (Wet No. 27 van 1943), geregistreer is,
- van die voordeel waarop die lid of bevoordeelde ingevolge die statute van die fonds geregtig is, aftrek en die bedrag, indien verskuldig, aan die mediese skema of die versekeraar, na gelang van die geval, betaal.”.

15. Artikel 1 van die Wet op Inspeksie van Finansiële Instellings, 1962, word hierby gewysig deur in die omskrywing van „finansiële instelling” na die woorde „versekeraars van Lloyds,” die woorde „of enige ander persoon met betrekking tot wie artikel 20*bis* van laasgenoemde Wet of 'n regulasie uitgevaardig kragtens artikel 23A van daardie Wet van toepassing is,” in te voeg.

Wysiging van artikel 1 van Wet 68 van 1962, soos gewysig deur artikel 33 van Wet 43 van 1975 en artikel 32 van Wet 101 van 1976.

16. Artikel 3 van die Wet op Inspeksie van Finansiële Instellings, 1962, word hierby gewysig deur die volgende paragraaf na paragraaf (d) in te voeg:

Wysiging van artikel 3 van Wet 68 van 1962.

„(dA) indien die registrateur rede het om te glo dat die finansiële instelling 'n bepaling van artikel 20*bis* van die Versekeringswet, 1943 (Wet No. 27 van 1943), of van 'n kragtens artikel 23A van daardie Wet uitgevaardigde regulasie oortree het; of”.

17. Artikel 18 van die Bankwet, 1965, word hierby gewysig—

(a) deur die woorde „tien persent” deur die woorde „vyftien persent” en die woorde „vyf persent” deur die woorde „agt en 'n half persent” te vervang; en

(b) deur die volgende subartikel by te voeg, terwyl die bestaande artikel subartikel (1) word:

Wysiging van artikel 18 van Wet 23 van 1965, soos vervang deur artikel 15 van Wet 91 van 1972.

„(2) Die wysiging deur die Wysigingswet op Finansiële Instellings, 1977, aan subartikel (1) aangebring, tree in werking op 31 Maart 1978: Met dien verstande dat 'n bankinstelling (behalwe 'n diskontohuis) vanaf die datums in die eerste kolom van die tabel hieronder vermeld, voorgeskrewe beleggings in stand moet hou, ten bedrae van minstens die persentasie vermeld teenoor daardie datums in die tweede kolom van die tabel, van die langtermynverplichtings in subartikel (1) bedoel, en van welke voorgeskrewe beleggings 'n bedrag gelyk aan minstens die persentasie van genoemde verplichtings, vermeld teenoor daardie datums in die derde kolom van die tabel, moet bestaan uit effekte deur die Regering van die Republiek uitgereik.

Datum	Persentasie van langtermynverplichtings wat gehou moet word in	
	Voorgeskrewe beleggings	Effekte deur die Regering van die Republiek uitgereik
1 Julie 1977	12	6
1 Oktober 1977	13	7
1 Januarie 1978	14	8”

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Amendment of section 21A of Act 23 of 1965, as inserted by section 47 of Act 101 of 1976.

18. Section 21A (1) of the Banks Act, 1965, is hereby amended by the substitution for the words preceding the proviso of the following words:

"The total amount of a banking institution's investment in fixed property, in loans and advances to subsidiaries of the banking institution of which the main object is the holding of fixed property and in shares (excluding building society shares and redeemable preference shares but not preference shares which can be converted into ordinary shares), including shares in subsidiary companies of the banking institution, shall not exceed the banking institution's paid-up capital and unimpaired reserves:"

Substitution of section 27C of Act 23 of 1965, as inserted by section 48 of Act 101 of 1976.

19. The following section is hereby substituted for section 27C of the Banks Act, 1965:

"Limitation on banks under control of a controlling company.

27C. A banking institution or a registered bank controlling company shall not without the written approval of the registrar, directly or indirectly control more than one banking institution in any class of banking institution mentioned in section 1 (1), or, in the case of a controlling banking institution, a banking institution of the same class as it: Provided that a registered bank controlling company which controls a discount house shall not control any other banking institution."

Substitution of section 30bis of Act 23 of 1965, as inserted by section 11 of Act 82 of 1965.

20. The following section is hereby substituted for section 30bis of the Banks Act, 1965:

"Transfer of part of bank's business to another banking institution.

30A. (1) When—

- (a) a general bank carries on other business in addition to accepting deposits and proposes to transfer its business of accepting deposits to any other banking institution;
- (b) a banking institution proposes to transfer to another banking institution, approved for the purpose by the registrar, that part of its business which it conducts in a particular area and which constitutes a minor portion of its total business, it shall furnish a return to the registrar setting forth to the satisfaction of the registrar all its assets and liabilities and, separately, those assets and liabilities which it proposes to transfer to such other banking institution.

(2) The part of the assets and liabilities referred to in subsection (1) may, with the written consent of the Minister and on the conditions determined by him, be transferred to or taken over by another banking institution: Provided that no such consent shall be given by the Minister unless—

- (a) he is satisfied that—
 - (i) the transfer or taking over in question will not be detrimental to the public interest;
 - (ii) having regard to all the circumstances, a reasonable and fair division of the assets, the capital and reserves and the other liabilities of the bank or banking institution concerned has been made with regard to the transfer of the relevant part of its business;
- (b) in the case of a banking institution referred to in subsection (1) (b), the banking institution furnishes the Minister with an undertaking to his satisfaction that for such period or periods as are acceptable to the Minister, the transferee banking institution will be in a position to meet its obligations in respect of the liabilities to the public transferred to it.

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18. Artikel 21A (1) van die Bankwet, 1965, word hierby gewysig deur die woorde wat die voorbehoudsbepaling voorafgaan, deur die volgende woorde te vervang:

Wysiging van artikel 21A van Wet 23 van 1965, soos ingevoeg deur artikel 47 van Wet 101 van 1976.

„Die totale bedrag van 'n bankinstelling se belegging in vaste eiendom, in lenings en voorskotte aan filiale van die bankinstelling waarvan die hoofdoelstelling die besit van vaste eiendom is, en in aandele (uitgesonderd bouvereniging-aandele en aflosbare voorkeuraandele maar nie voorkeuraandele wat in gewone aandele omskepbaar is nie), met inbegrip van aandele in filiaalmaatskappye van die bankinstelling, mag nie die bankinstelling se opbetaalde kapitaal en onaangestaste reserwes oorskry nie:”.

19. Artikel 27C van die Bankwet, 1965, word hierby deur die volgende artikel vervang:

Vervanging van artikel 27C van Wet 23 van 1965, soos ingevoeg deur artikel 48 van Wet 101 van 1976.

„Beperking op banke onder beheer van 'n beherende maatskappy.

27C. 'n Bankinstelling of 'n geregistreerde bankbeheermaatskappy mag nie sonder die skriftelike goedkeuring van die registrateur, meer as een bankinstelling in enige klas bankinstelling vermeld in artikel 1 (1), of, in die geval van 'n beherende bankinstelling, 'n bankinstelling van dieselfde klas as hy, regstreeks of onregstreeks beheer nie: Met dien verstande dat 'n geregistreerde bankbeheermaatskappy wat 'n diskontohuis beheer, geen ander bankinstelling mag beheer nie.”.

20. Artikel 30*bis* van die Bankwet, 1965, word hierby deur die volgende artikel vervang:

Vervanging van artikel 30*bis* van Wet 23 van 1965, soos ingevoeg deur artikel 11 van Wet 82 van 1965.

„Oordrag van gedeelte van bank se sake aan ander bankinstelling.

30A. (1) Wanneer—

(a) 'n algemene bank, benewens die neem van deposito's, ook ander sake doen en voornemens is om sy sake betreffende die neem van deposito's aan 'n ander bankinstelling oor te dra;

(b) 'n bankinstelling voornemens is om dié gedeelte van sy besigheid wat in 'n bepaalde gebied gedryf word en wat 'n ondergeskikte deel van sy totale besigheid uitmaak, aan 'n ander bankinstelling oor te dra wat vir dié doel deur die registrateur goedgekeur is,

moet hy 'n opgawe aan die registrateur verstrek waarin hy tot bevrediging van die registrateur al sy bates en laste, en, afsonderlik, die bates en laste wat hy voornemens is om aan die ander bankinstelling oor te dra, uiteensit.

(2) Die in subartikel (1) bedoelde gedeelte van bates en laste kan met die skriftelike toestemming van die Minister en op die voorwaardes wat hy bepaal, aan 'n ander bankinstelling oorgedra of deur hom oorgeneem word: Met dien verstande dat die Minister nie sodanige toestemming verleen nie tensy—

(a) hy oortuig is dat—

(i) die betrokke oordrag of oorname nie vir die openbare belang skadelik sal wees nie;

(ii) met inagneming van al die omstandighede, 'n redelike en billike verdeling van die bates, die kapitaal en reserwes en die ander verpligtings van die betrokke bank of bankinstelling gemaak is met betrekking tot die oordrag van die betrokke gedeelte van sy besigheid;

(b) in die geval van 'n in subartikel (1) (b) bedoelde bankinstelling, die bankinstelling 'n onderneeming aan die Minister tot sy bevrediging verstrek dat, vir die tydperk of tydperke wat vir dié Minister aanneemlik is, die oordragnemende bankinstelling in 'n posisie sal wees om sy aanspreeklikheid na te kom ten opsigte van die verpligtings teenoor die publiek, wat aan hom oorgedra is.

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(3) The provisions of subsections (2), (3) and (4) of section 30 shall *mutatis mutandis* apply in relation to the assets and liabilities transferred in terms of subsection (2) of this section."

Substitution of
section 40 of
Act 23 of 1965.

21. The following section is hereby substituted for section 40 of the Banks Act, 1965:

"Appointment
of curator
to banking
institution.

40. (1) If any banking institution is in financial difficulties, the Minister may, if he deems it desirable in the public interest, after consultation with the institution and with the written consent of such institution, appoint a curator to the institution and thereupon the provisions of paragraphs (b) to (g), inclusive, and (i) to (l), inclusive, of section 433 and sections 434 (2), 436, 437 and 440 of the Companies Act, 1973 (Act No. 61 of 1973), shall apply *mutatis mutandis*, in so far as such provisions are not inconsistent with the provisions of this section, in relation to the institution and to the curator: Provided that for the purposes of this section the powers conferred and the duties imposed by the said provisions upon the court, the Master and the judicial manager, respectively, shall devolve upon the Minister, the Registrar and the curator, respectively.

(2) The Minister shall appoint a curator by letter of appointment which shall set out—

- (a) the name of the institution in respect of which the curator is appointed and the address of its head office;
- (b) directions in regard to the security which the curator has to furnish for the proper performance of his duties;
- (c) directions in regard to the remuneration of the curator;
- (d) such other directions as to the management of the institution or any matter incidental thereto, including directions in regard to the raising of money by the institution, as the Minister may deem necessary.

(3) The Minister may, in the letter of appointment or at any time subsequent thereto, empower the curator in his discretion but subject to any condition which the Minister may impose—

- (a) to suspend or reduce, as from the date of his appointment as curator or any subsequent date, the right of any creditor of the institution to claim or receive interest on any moneys owing to him by the institution;
- (b) to make payments, whether in respect of capital or interest, to any creditor or creditors of the institution at such time, in such order and in such manner as he may deem fit;
- (c) to cancel any agreement between the institution and any other party to advance moneys due after the date of his appointment as curator, or to cancel any agreement to extend any existing facility, if, in the opinion of the curator, such advance or any loan under such facility would not be adequately secured or would not be repayable on terms satisfactory to the curator or if the institution lacks the necessary funds to meet its obligations under any such agreement or if it would not otherwise be in the interests of the institution.

(4) The Minister may, at any time and in any manner, amend or withdraw the directions in the letter

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(3) Die bepalings van subartikels (2), (3) en (4) van artikel 30 is met betrekking tot die bates en laste wat ingevolge subartikel (2) van hierdie artikel oorgedra word, *mutatis mutandis* van toepassing.”.

21. Artikel 40 van die Bankwet, 1965, word hierby deur die volgende artikel vervang:

Vervanging van
artikel 40 van
Wet 23 van 1965.

„Aanstelling
van kurator
oor bankin-
stelling.

40. (1) Wanneer 'n bankinstelling in finansiële moeilikhede verkeer, kan die Minister, as hy dit in die openbare belang wenslik ag, na raadpleging met die instelling en met die skriftelike toestemming van daardie instelling, 'n kurator oor die instelling aanstel, en daarna is die bepalings van paragrafe (b) tot en met (g) en (i) tot en met (l) van artikel 433 en artikels 434 (2), 436, 437 en 440 van die Maatskappywet, 1973 (Wet No. 61 van 1973), *mutatis mutandis*, vir sover daardie bepalings nie onbestaanbaar is met die bepalings van hierdie artikel nie, ten opsigte van die instelling en die kurator van toepassing: Met dien verstande dat by die toepassing van hierdie artikel die bevoegdhede en verpligtings wat voormelde bepalings onderskeidelik aan die hof, die Meester en die geregtelike bestuurder verleen en hulle oplê, oorgaan op onderskeidelik die Minister, die Registrateur en die kurator.

(2) Die Minister stel 'n kurator per aanstellingsbrief aan waarin uiteengesit word—

- (a) die naam van die instelling ten opsigte waarvan die kurator aangestel word en die adres van sy hoofkantoor;
- (b) voorskrifte ten opsigte van die sekuriteit wat die kurator moet stel vir die behoorlike uitvoering van sy pligte;
- (c) voorskrifte betreffende die vergoeding van die kurator;
- (d) die ander voorskrifte wat die Minister nodig ag aangaande die bestuur van die instelling of 'n aangeleentheid in verband daarmee, met inbegrip van voorskrifte in verband met die opneem van geld deur die instelling.

(3) Die Minister kan, in die aanstellingsbrief of te eniger tyd daarna, aan die kurator die bevoegdheid verleen om in sy diskresie maar behoudens enige voorwaarde wat die Minister oplê—

- (a) die reg van enige krediteur van die instelling om rente te vorder of te ontvang op geld wat deur die instelling aan hom verskuldig is, op te skort of te verminder vanaf die datum van sy aanstelling as kurator of enige latere datum;
- (b) aan enige krediteur of krediteure van die instelling betalings te maak, hetsy ten opsigte van kapitaal of rente, op die tyd, in die volgorde en op die wyse wat hy goed ag;
- (c) 'n ooreenkoms tussen die instelling en enige ander persoon om geld voor te skiet wat betaalbaar word na die datum van sy aanstelling as kurator, of 'n ooreenkoms om 'n bestaande fasiliteit te verleng, te kanselleer, indien, na die oordeel van die kurator, so 'n voorskot of 'n lening ooreenkomstig so 'n fasiliteit nie voldoende versekureer sal wees nie of nie terugbetaalbaar sal wees op voorwaardes wat vir die kurator aanneemlik is nie of indien die instelling nie oor die nodige fondse beskik om sy verpligtings uit hoofde van enige sodanige ooreenkoms na te kom nie of indien dit andersins nie in belang van die instelling sal wees nie.

(4) Die Minister kan te eniger tyd en op enige wyse die voorskrifte in die aanstellingsbrief, en die

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of appointment, and the powers granted by him under subsection (3), to the curator.

(5) On the appointment of a curator—

- (a) the management of the institution in question shall vest in the curator, subject to the supervision of the Registrar, and any other person vested with the management of the affairs of the institution shall be divested thereof; and
- (b) the curator shall recover and take possession of all the assets of the institution.

(6) While such institution is under curatorship—

- (a) all actions, legal proceedings, the execution of all writs, summonses and other legal process against the institution shall be stayed and not be instituted or proceeded with without the leave of the court;
- (b) the operation of set-off in respect of any amount owing by a creditor to the institution shall be suspended.

(7) The Registrar shall as soon as is practicable notify the appointment of a curator and the powers granted to him on his appointment, and any amendment or withdrawal of such powers, by notice in the *Gazette*.

(8) A curator appointed by the Minister under this section after 28 November 1976 but prior to the commencement of the Financial Institutions Amendment Act, 1977, shall be deemed to have been appointed, as from the date of his original appointment, in terms of, and to have been vested with all the powers which can be granted to a curator under, the provisions of this section, as amended by that Act."

Amendment of section 32 of Act 24 of 1965, as amended by section 19 of Act 91 of 1972.

22. Section 32 of the Building Societies Act, 1965, is hereby amended by the substitution for subsection (1) of the following subsection:

"(1) A permanent society shall maintain prescribed investments to an amount not less than ten per cent of its liabilities to the public inclusive of all classes of shares issued by it but excluding the amount of advances granted but not yet paid out and the amount of advances made by the State to the society, as shown in the last preceding monthly return furnished by it to the registrar in terms of section 34 (1): Provided that of such prescribed investments an amount at least equal to the percentage of the said liabilities which the Minister may from time to time prescribe by notice in the *Gazette*, subject to such conditions as he may determine, shall consist, whether wholly as, or in accordance with the ratio, determined by the Minister, of securities issued by the Government of the Republic, which do not rank as liquid assets, or of stocks of, or loans to, a local authority in the Republic, or of debentures, bonds or securities issued by a public corporation in the Republic: Provided further that the Minister may exempt permanent societies from the provisions of this subsection to such extent, for such periods and on such conditions as he may determine."

Amendment of section 46 of Act 24 of 1965, as amended by section 13 of Act 67 of 1973.

23. Section 46 (1) of the Building Societies Act, 1965, is hereby amended by the addition of the following proviso:

"Provided that the registrar, after consultation with the Treasury, the Department of Community Development and the Association of Building Societies of South Africa, may approve that, for such period as he may determine, the said additional security shall not be required in respect of guarantees furnished by the Minister of Finance or an Administrator of a province in respect of persons referred to

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bevoegdhede deur hom kragtens subartikel (3) aan die kurator verleen, wysig of intrek.

(5) By die aanstelling van 'n kurator—

(a) gaan die bestuur van die betrokke instelling oor op die kurator, onderworpe aan die toesig van die Registrateur, en word 'n ander persoon by wie die bestuur van die sake van die instelling berus, daarvan ontdoen; en

(b) moet die kurator al die bates van die instelling opvorder en in besit neem.

(6) Terwyl so 'n instelling onder kuratorskap is—

(a) word alle gedinge, geregtelike verrigtinge, die tenuitvoerlegging van alle lasbriewe, dagvaardings en ander regsproses teen die instelling opgeskort en nie sonder toestemming van die hof ingestel of voortgesit nie;

(b) word die werking van skuldvergelyking ten opsigte van enige bedrag deur 'n krediteur aan die instelling verskuldig, opgeskort.

(7) Die Registrateur moet die aanstelling van 'n kurator en die bevoegdhede aan hom verleen by sy aanstelling, en enige wysiging of intrekking van daardie bevoegdhede, so spoedig doenlik by kennisgewing in die *Staatskoerant* bekend maak.

(8) 'n Kurator wat na 28 November 1976 en voor die inwerkingtreding van die Wysigingswet op Finansiële Instellings, 1977, deur die Minister ingeвоelge hierdie artikel aangestel is, word geag ooreenkomstig die bepalings van hierdie artikel, soos deur genoemde Wet gewysig, en met al die bevoegdhede wat kragtens hierdie artikel aan 'n kurator verleen kan word, aangestel te gewees het vanaf die datum van sy oorspronklike aanstelling.”.

22. Artikel 32 van die Bouverenigingswet, 1965, word hierby gewysig deur subartikel (1) deur die volgende subartikel te vervang:

Wysiging van artikel 32 van Wet 24 van 1965, soos gewysig deur artikel 19 van Wet 91 van 1972.

„(1) 'n Permanente vereniging moet voorgeskrewe beleggings in stand hou ten bedrae van minstens tien persent van sy verpligtings teenoor die publiek, met inbegrip van alle soorte aandele deur hom uitgereik, maar uitgesonderd die bedrag van voorskotte toegestaan maar nog nie uitbetaal nie en die bedrag van voorskotte deur die Staat aan die vereniging toegestaan, soos aangegee in die jongste vorige maandopgawe wat hy ingevoelge artikel 34 (1) aan die registrateur verstrek het: Met dien verstande dat van gemelde voorgeskrewe beleggings 'n bedrag minstens gelyk aan die persentasie van bedoelde verpligtings wat die Minister van tyd tot tyd by kennisgewing in die *Staatskoerant* voorskryf, onderworpe aan die voorwaardes wat hy bepaal, moet bestaan, hetsy in die geheel soos, of volgens die verhouding, deur die Minister bepaal, uit effekte deur die Regering van die Republiek uitgereik en wat nie as likwiede bates geld nie, of uit effekte van, of lenings aan, 'n plaaslike bestuur in die Republiek, of uit obligasies, skuldbriewe of effekte deur 'n openbare korporasie in die Republiek uitgereik: Met dien verstande voorts dat die Minister permanente verenigings van die bepalings van hierdie subartikel kan vrystel in die mate, vir die tydperke en op die voorwaardes wat hy bepaal.”.

23. Artikel 46 (1) van die Bouverenigingswet, 1965, word hierby gewysig deur die volgende voorbehoudsbepaling by te voeg:

Wysiging van artikel 46 van Wet 24 van 1965, soos gewysig deur artikel 13 van Wet 67 van 1973.

„Met dien verstande dat die registrateur, na oorleg met die Tesourie, die Departement van Gemeenskapsbou en die Genootskap van Suid-Afrikaanse Bouverenigings, kan goedkeur dat genoemde bykomende sekuriteit, vir die tydperk wat hy bepaal, nie ten opsigte van waarborge wat deur die Minister van Finansies of 'n Administrateur van 'n provinsie verstrek word ten opsigte van persone in subparagraaf (i) of

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in subparagraph (i) or (ii) of section 50 (2) (a) of the Finance and Financial Adjustments Acts Consolidation Act, 1977 (Act No. 11 of 1977).”.

Short title and
commencement.

24. (1) This Act shall be called the Financial Institutions Amendment Act, 1977.

(2) The provisions of sections 21 and 23 shall be deemed to have come into operation on 28 November 1976 and 1 May 1974, respectively.

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(ii) van artikel 50 (2) (a) van die Konsolidasiewet op Finansiële en Finansiële Reëlingswette, 1977 (Wet No. 11 van 1977), bedoel, vereis word nie.”.

24. (1) Hierdie Wet heet die Wysigingswet op Finansiële Instellings, 1977. Kort titel en inwerkingtreding.

(2) Die bepalings van artikels 21 en 23 word geag in werking te getree het op onderskeidelik 28 November 1976 en 1 Mei 1974.

