

**NATIONAL TREASURY  
NASIONALE TESOURIE**

No. R. 1129

30 August 2002

**REGULATIONS UNDER THE UNIT TRUSTS  
CONTROL ACT, 1981**

The Minister of Finance has,  
under sections 37A(1)(b) and 42 of the Unit Trusts Control Act, 1981  
(Act No. 54 of 1981), made the regulations in the  
Schedule.

**SCHEDULE****Definitions**

1. In these regulations "the Act" means the Unit Trusts Control Act, 1981 (Act No. 54 of 1981), and any word or expression to which a meaning has been assigned in the Act shall, unless the context otherwise indicates, have the meaning so assigned to it.

**Lodging of certain copies by management companies with registrar**

- 2.1 Subject to the proviso to sections 10 (4) (a) and 33 (5) (a) of the Act, a management company must not less than 14 days before the intended date of publication of any advertisement, brochure or pamphlet referred to in those sections, lodge two copies thereof with the registrar.
- 2.2 The copies referred to in subregulation 2.1 must bear or be accompanied by a covering certificate, signed by the directors of the management company, or by a director or responsible officer of the management company properly authorised thereto, on behalf of the directors, to the effect that there has been compliance with the applicable requirements of section 12 or 34, as the case may be, of the Act.
- 2.3 No management company may publish any advertisement, brochure or pamphlet referred to in subregulation 2.1, before the management company has been informed by the registrar that he has no objection to the terms thereof or before a direction by the registrar contemplated in section 13 of the Act has been complied with.
- 2.4 Subregulations 2.1, 2.2 and 2.3 apply with the necessary changes required by the context to any addition to or variation of a published advertisement, brochure or pamphlet.

- 2.5 If the registrar has exempted a management company of the obligation contemplated in the proviso to section 10 (4) (a) or 33 (5) (a) of the Act, the management company concerned must within 14 days after the date of first publication of the relevant advertisement, brochure or pamphlet, lodge two copies thereof with the registrar.
- 2.6 One copy of every return or notice referred to in sections 10 (4) (b) and 33 (5) (b) of the Act, must be lodged by the management company concerned with the registrar within 14 days after the furnishing thereof to the Registrar of Companies.

#### **Rounding-off of dividend payments in terms of section 19 (2) of Act**

3. No management company may round off, in terms of subsection (2) of section 19 of the Act, any amount to be paid by way of dividends in such a manner that such amount includes any part of the underlying securities included in the unit portfolio concerned or of the proceeds of capital gains, rights or bonus issues.

#### **Calculation of selling and repurchase prices of units as required by section 22 of Act**

4. For the purposes of paragraphs (b) and (c) of section 22 (2) of the Act, the trust deed may determine that the lowest dealing offer prices and the highest dealing bid prices on a recognised stock exchange may be used to calculate the selling price and purchase price of units, respectively.

#### **Signing of statements for purposes of sections 31 (1) and 32 (1) of Act**

5. The statements which a management company in property shares is required to furnish to the registrar in accordance with sections 31 (1) and 32 (1) of the Act, must be signed on behalf of the directors of the company by a director or other responsible officer of the management company authorised thereto by the directors.

#### **Furnishing of documents and particulars in applications under section 37 (2) (b) of Act**

6. An application made in terms of paragraph (b) of section 37 (2) of the Act for the exemption from the provisions of the Act of a proposed scheme or arrangement permitting of participation in specified mortgage bonds must be made by or on behalf of the manager of the proposed scheme and must be accompanied by the following documents:

- 6.1 A description of the manner in which the scheme is proposed to be operated;
- 6.2 two copies of the rules which govern the operation of the scheme; and
- 6.3 two copies of the Memorandum and Articles of Association of the nominee company to be operated in connection with the scheme.

#### **Application of regulations for purposes of section 36 of Act**

7. A provision of these regulations which relates to a section of the Act which is by section 36 of the Act made applicable to or in respect of a management company in property shares and a trustee in terms of a unit trust scheme in property shares, applies with the necessary changes required by the context and in so far as it can be applied, also to such management company and trustee.

#### **Fees and penalties**

8. The following fees and penalties, which include VAT, are payable from the date of publication of these regulations at the times and by the persons indicated hereunder in respect of the following matters:
  - 8.1 on lodging of an application under section 4 of the Act for registration as a management company, payable by the applicant concerned, a fee of R25 800;
  - 8.2 on lodging of an application by a management company for approval of a supplemental trust deed constituting an additional unit portfolio, payable by the applicant concerned, a fee of R8 350;
  - 8.3 on lodging of an application under section 23 of the Act by a management company for an alteration or rescission of, or addition to a trust deed or supplemental trust deed, other than an application for an additional unit portfolio, payable by the management company, a fee of R5 200;
  - 8.4 on lodging of an application under section 30 of the Act for registration as a management company in property shares, payable by the applicant concerned, a fee of R25 800;
  - 8.5 on lodging of an application by a management company in property shares for approval of a supplemental trust deed constituting an additional unit portfolio, payable by the applicant concerned, a fee of R8 350;
  - 8.6 on lodging of an application in terms of paragraph (b) of section 37(2) of the Act for exemption from the provisions of the Act, payable by the applicant concerned, a fee of R15 000;

- 8.7 on lodging of an application under subparagraph (i) of section 37A(1)(b) of the Act for approval of a foreign collective investment scheme, payable by the applicant concerned, a fee of R28 300;
- 8.8 on lodging of an application under conditions imposed by the registrar under subparagraph (ii) of section 37A(1)(b) of the Act by a foreign collective investment scheme in respect of any additional fund or product in such scheme, payable by the applicant concerned, a fee of R8 350;
- 8.9 on lodging of an application under conditions imposed by the registrar under subparagraph (ii) of section 37A(1)(b) of the Act by a foreign collective investment scheme for an alteration or rescission of, or addition to such scheme, other than an application for an additional fund or product, payable by the applicant concerned, a fee of R13 100;
- 8.10 on lodging of an application under conditions imposed by the registrar under subparagraph (ii) of section 37A(1)(b) of the Act by a foreign collective investment scheme for an alteration or rescission of, or addition to a fund or product of such scheme, other than an application for an additional fund or product, payable by the applicant concerned, a fee of R5 200;
- 8.11 on lodging of an application for the approval of a ballot letter to be submitted to unit holders, payable in respect of each portfolio being balloted, a fee of R2 400;
- 8.12 on lodging of an application for the approval of the acquisition, by a party other than a management company in property shares, of the management company and/or the shares in fixed property companies included in the portfolio of the scheme, payable by the management company concerned, a fee of R14 300;
- 8.13 on lodging of an application for the approval for the conversion of a unit trust scheme in property shares to a loan stock company, payable by the applicant concerned, a fee of R14 300;
- 8.14 on lodging of an application for the approval of the acquisition by a management company in property shares of a loan stock company and/or its assets, payable by the applicant concerned, a fee of R14 300;
- 8.15 on lodging of an application for the approval of a change in the shareholding of a management company and/or its holding company, payable by the management company concerned, a fee of R500;
- 8.16 on lodging of an application for a copy of any document, per A4-sheet, or part thereof, payable by the applicant concerned, a fee of R3,50;

- 8.17 for late rendition by any person of any balance sheet, account, statement, document or report required to be furnished in terms of any provision of the Act, payable by the person concerned on receipt of a written request by the registrar, a penalty of R20,00 per day for every day during which the delay continues, to a maximum of R200,00.

#### **Manner of payment of fees and penalties**

9. Fees and penalties referred to in regulation 8 are payable by means of a cheque, postal order or money order made out in favour of the Financial Services Board: Provided that if such fee or penalty is delivered by hand, the payment may be made in cash.

#### **Interest in respect of unpaid fees and penalties**

10. Any fees and penalties which are not paid whenever they are payable in terms of these regulations, carry interest at a rate per annum equal to the prevailing prime overdraft rate of The Standard Bank of South Africa Limited.

#### **Repeal of regulations**

11. The Regulations published by Government Notice No. R.804 of 25 June 1999 (Government Gazette No. 20219) are hereby repealed.