

NOTICE 671 OF 2014**NOTICE BY THE REGISTRAR OF BANKS IN TERMS OF SECTION 69(7) OF
THE BANKS ACT, 1990 (Act No. 94 of 1990 – the “Banks Act”)**

Notice is hereby given under section 69(7) of the Banks Act that the Minister of Finance has placed African Bank Limited (“ABL”) under curatorship in terms of the provisions of sections 69(1) and 69(2) of the Banks Act with effect from 16:00 on Sunday 10 August 2014 and has appointed Mr Thomas Winterboer, a chartered accountant attached to the firm Pricewaterhouse Coopers of 2 Eglin Road, Sunninghill, Johannesburg as the Curator of ABL.

Duties and powers of the Curator:

The Curator shall perform such duties as imposed upon and shall have such powers as afforded to the Curator in terms of the provisions of section 69(2A) to and including section 69(2G) and sections 69(6A) and 69(6B) of the Banks Act, which includes the following.

1. The management of ABL vests in the Curator, subject to the supervision of the Registrar of Banks (“Registrar”), and any other person vested with the management of the affairs of ABL is divested thereof.
2. The Curator shall:-
 - 2.1 recover and take possession of all the assets of ABL.
 - 2.2 subject to the supervision of the Registrar, conduct the management of ABL in such a manner as the Registrar may deem to best promote the interest of the creditors of ABL and of the banking sector as a whole and comply with any direction of the Registrar;

- 2.3 keep such accounting records and prepare such annual financial statements, interim reports and provisional annual financial statements as ABL or its directors would have been obliged to keep or prepare if ABL had not been placed under curatorship; and
- 2.4 convene the annual general meeting and any other meeting of members of ABL provided for in the Companies Act, 2008 (Act No. 71 of 2008 – the “Companies Act”) and, in that regard, comply with all the requirements with which the directors of the bank would in terms of the Companies Act have been obliged to comply if ABL had not been placed under curatorship;
3. The Curator shall from the date of his appointment have the power to –
- 3.1 bring or defend in the name and on behalf of ABL any action or other legal proceedings of a civil nature and, subject to the provisions of any law relating to criminal proceedings, any criminal proceedings;
- 3.2 suspend or reduce the right of creditors of ABL to claim or receive interest on any money owing to them by ABL;
- 3.3 make payments, whether in respect of capital or interest, to any creditor or creditors of ABL at such time, in such order and in such manner as the Curator may deem fit;
- 3.4 cancel any agreement between ABL and any other party to advance moneys due after the date of his appointment as such, or to cancel any agreement to extend any existing facility, if, in the Curator’s opinion 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 ABL lacks the necessary funds to meet its obligations under any such agreement or if it would not otherwise be in the interests of ABL;

- 3.5 convene from time to time, in such manner as the Curator may deem fit, a meeting of creditors of ABL for the purpose of establishing the nature and extent of ABL's indebtedness to such creditors and for consultation with such creditors in so far as their interests may be affected by decisions taken by the Curator in the course of the management of the affairs of ABL;
- 3.6 negotiate with any individual creditor of ABL with a view to the final settlement of the affairs of such creditor of ABL;
- 3.7 make and carry out, in the course of the Curator's management of ABL, any decision which in terms of the provisions of the Companies Act would have been required to be made by way of a special resolution contemplated in the said Act;
- 3.8 cancel any lease of movable or immovable property entered into by ABL prior to its being placed under curatorship : Provided that a claim for damages in respect of such cancellation may be instituted against ABL after the expiration of a period of one year as from the date of such cancellation; and
- 3.9 cancel any guarantee issued by ABL prior to it being placed under curatorship, excluding such guarantee which ABL is required to make good within a period of 30 days as from the date of the appointment of the curator: Provided that a claim for damages in respect of any loss sustained by or damage caused to any person as a result of the cancellation of such a guarantee may be instituted against ABL after the expiration of a period of one year as from the date of such cancellation.
4. General
- 4.1 Other than in the normal course of ABL's business, the Curator may not dispose of any of ABL's assets otherwise than in accordance with the provisions of section 54 of the Banks Act and if a reasonable probability exists that such disposal will enable ABL to pay its debts or meet its obligations and become a successful concern.
- 4.2 If at any time the Curator is of the opinion that there is no reasonable probability that the continuation of the curatorship will enable ABL to pay its debts or meet its

obligations and become a successful concern, the Curator shall forthwith in writing inform the Registrar of his opinion in this regard.

- 4.3 Any money of ABL that becomes available under curatorship shall be applied by the Curator in paying the costs of the curatorship and in the conduct of ABL's business in accordance with the requirements of the curatorship and, as far as the circumstances permit, in the payment of the claims of creditors which arose before the date of the curatorship.
- 4.4 The Curator shall duly record the nature of and the reasons for each act performed by him as curator in terms of his letter of appointment and such records shall be examined as part of the normal audit performed in respect of the affairs of the bank concerned.
- 4.5 While ABL is under curatorship the Curator shall on a monthly basis furnish the Registrar with a written report containing an exposition of the affairs of ABL in which it is stated whether or not, in his opinion, a reasonable probability exists that the bank will be able to pay its debts or meet its obligations and become a successful concern.
- 4.6 While ABL is under curatorship, all actions, legal proceedings, the execution of all writs, summonses and other legal process against that bank shall be stayed and not be instituted or proceeded with without the leave of the court.

René van Wyk
Registrar of Banks"