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THE PRESIDENCY

No. 1740

24 October 1996

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

No. 53 of 1996: Unit Trusts Control Amendment Act, 1996.



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GENERAL EXPLANATORY NOTE:

[] Words in bold type in square brackets indicate omissions from existing enactments.

_____ Words underlined with a solid line indicate insertions in existing enactments.

ACT

To amend the Unit Trusts Control Act, 1981, so as to provide for the inclusion of money market instruments in money market unit portfolios; and to provide for matters connected therewith.

*(Afrikans text signed by the President.)
(Assented to 20 October 1996.)*

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 1 of Act 54 of 1981, as amended by section 8 of Act 51 of 1988, section 29 of Act 97 of 1990, section 5 of Act 54 of 1991, section 9 of Act 41 of 1992 and section 39 of Act 104 of 1993 5

1. Section 1 of the Unit Trusts Control Act, 1981 (hereinafter referred to as the principal Act), is hereby amended—

(a) by the insertion after the definition of “Minister” of the following definitions:

“ ‘money market instruments’ means securities referred to in paragraph (c) of the definition of ‘securities’; 10

‘money market unit portfolio’ means a unit portfolio consisting solely of money market instruments;” and

(b) by the substitution for the definition of “securities” of the following definition:

“ ‘securities’ means— 15

(a) shares, stock, including loan stock as defined in section 1 of the Financial Markets Control Act, 1989 (Act No. 55 of 1989), units in a trust scheme in property shares, debentures, debenture stock and debenture bonds, and includes unsecured notes, whether or not they have inherent option rights or are convertible; **[and]** 20

(b) except for the purposes of section 6(1), the instruments referred to in paragraphs (a), (b) and (d) of the definition of “financial instrument” in section 1 of the Financial Markets Control Act, 1989; and

(c) except for the purposes of section 6(1), money market instruments of a maturity not exceeding 12 months, as determined from time to time by 25

the Registrar, by notice in the *Gazette*, after consultation with the Unit Trusts Advisory Committee.”.

Amendment of section 6 of Act 54 of 1981, as amended by section 7 of Act 54 of 1991 and section 42 of Act 104 of 1993

2. Section 6 of the principal Act is hereby amended— 5
- (a) by the deletion in subsection (1) of the word “and” at the end of paragraph (b); and
 - (b) by the addition to subsection (1) of the following paragraph:
“(d) shall, except in the prescribed manner and subject to the prescribed conditions, include in a money market unit portfolio, any money market instrument.” 10

Short title and commencement

3. This Act shall be called the Unit Trusts Control Amendment Act, 1996, and shall come into operation on a date fixed by the President by proclamation in the *Gazette*.