



GOVERNMENT GAZETTE

OF THE REPUBLIC OF SOUTH AFRICA

REPUBLIEK VAN SUID-AFRIKA

STAATSKOERANT

Registered at the Post Office as a Newspaper

As 'n Nuusblad by die Poskantoor Geregistreer

Selling price • Verkoopprijs
(GST excluded/AVB uitgesluit)

Local **50c** Plaaslik
Other countries 70c Buitelands
Post free • Posvry

Vol. 285

CAPE TOWN, 15 MARCH 1989

No. 11748

KAAPSTAD, 15 MAART 1989

STATE PRESIDENT'S OFFICE

KANTOOR VAN DIE STAATSPRESIDENT

No. 448. 15 March 1989

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

No. 13 of 1989: Banking Institutions, Mutual Building Societies and Building Societies Amendment Act, 1989.

No. 448. 15 Maart 1989

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

No. 13 van 1989: Wysigingswet op Bankinstellings, Onderlinge Bouverenigings en Bouverenigings, 1989.

Act No. 13, 1989 **BANKING INSTITUTIONS, MUTUAL BUILDING SOCIETIES AND BUILDING SOCIETIES AMENDMENT ACT, 1989**

“(b) in maklik leesbare letters op elke staat, kennisgewing, advertensie of brief wat uitgegee of aan enige lid van die publiek in die Republiek deur of namens die bankinstelling uitgereik word.”.

Amendment of section 28D of Act 23 of 1965, as substituted by section 31 of Act 106 of 1985 and amended by section 12 of Act 96 of 1988 5

3. Section 28D of the Banks Act, 1965, is hereby amended by the addition to subsection (9) of the following proviso:

“Provided that the Minister may in a special case, if he is satisfied that such a step is desirable in the public interest, approve that a financial company and its associates may, either generally or on a particular occasion, exercise the voting rights attached to all the shares in the relevant banking institution or bank controlling company, as the case may be, which are registered in their names.” 10

Amendment of section 29 of Act 23 of 1965, as substituted by section 33 of Act 106 of 1985

4. Section 29 of the Banks Act, 1965, is hereby amended by the substitution, in subsection (1), for the words preceding the proviso of the following words:

“A bank which has a branch system and which accepts money on deposit which is withdrawable by cheque and which has been admitted to the clearing house of banks, shall not carry on any business in the Republic through a person who is not its full-time servant, except with the written approval of the Registrar and subject to such conditions as the Registrar may determine.” 20

Substitution of section 39 of Act 23 of 1965

5. The following section is hereby substituted for section 39 of the Banks Act, 1965:

“Powers of inspection of Registrar” 25

39. (1) In addition to the powers and duties conferred or imposed upon him by this Act, the Registrar shall, for the purposes of the performance of his functions under this Act have [all the] powers and duties [conferred or imposed upon him] in all respects corresponding to the powers and duties conferred or imposed by the Inspection of Financial Institutions Act, [1962 (Act No. 68 of 1962)] 1984 (Act No. 38 of 1984), upon a registrar contemplated in the last-mentioned Act. 30

(2) Any reference in this Act to an inspection or investigation made under this section shall be construed as a reference to an inspection made [under] in accordance with the provisions of the Inspection of Financial Institutions Act, [1962] 1984.” 35

Amendment of section 49 of Act 23 of 1965, as amended by section 6 of Act 23 of 1970, section 32 of Act 86 of 1984 and section 36 of Act 106 of 1985

6. Section 49 of the Banks Act, 1965, is hereby amended by the substitution for subsection (7) of the following subsection: 40

“(7) Any person convicted of any offence under this Act (other than fraud or falsity) shall be liable—

(a) in the case of the offence of contravening section 7 (1) or (2), to a fine not exceeding R100 000 or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment; and 45

(b) in the case of any other offence, to a fine not exceeding [one] five thousand rand.”

Act No. 13, 1989 **BANKING INSTITUTIONS, MUTUAL BUILDING SOCIETIES AND BUILDING SOCIETIES AMENDMENT ACT, 1989**

Amendment of section 42 of Act 24 of 1965, as substituted by section 29 of Act 81 of 1986

7. Section 42 of the Mutual Building Societies Act, 1965, is hereby amended by the substitution for paragraph (a) of the following paragraph:

“(a) shall in writing and in a summarized form as approved by the registrar 5
inform a depositor **[in writing]**, when opening a savings account in his
name, of the conditions applicable to such savings account;”.

Substitution of section 46 of Act 24 of 1965, as substituted by section 29 of Act 81 of 1986

8. The following section is hereby substituted for section 46 of the Mutual Building 10
Societies Act, 1965:

“Disclosure of conditions applicable to transmission accounts

46. A society shall in writing and in a summarized form as approved by
the registrar inform a depositor [in writing], when opening a transmis- 15
sion account in his name, of the conditions applicable to transmission
accounts kept by that society.”.

Substitution of section 48 of Act 24 of 1965, as substituted by section 29 of Act 81 of 1986

9. The following section is hereby substituted for section 48 of the Mutual Building 20
Societies Act, 1965:

“Disclosure of conditions applicable to fixed deposits

48. Whenever any depositor invests an amount as a fixed deposit with
a society, the society shall in writing and in a summarized form as
approved by the registrar inform him [in writing] of the term, rate of 25
interest and other conditions applicable to such fixed deposit.”.

Amendment of section 76 of Act 24 of 1965, as amended by section 30 of Act 96 of 1988

10. Section 76 of the Mutual Building Societies Act, 1965, is hereby amended by
the substitution for subsection (2) of the following subsection:

“(2) No officer of a society **[or]** and no firm in which such officer has a direct
interest shall purchase or be interested in the purchase of any property or a right 30
to property owned by or mortgaged to the society and which is sold by or at the
instance of the society or is sold at a judicial sale at the instance of any other
person, unless the property is purchased at a duly advertised public sale or the
sale is approved by the registrar.”.

Amendment of section 58 of Act 82 of 1986 35

11. Section 58 of the Building Societies Act, 1986, is hereby amended by the
substitution for paragraph (a) of the following paragraph:

“(a) shall in writing and in a summarized form as approved by the Registrar
inform a depositor **[in writing]**, when opening a savings account in his 40
name, of the conditions applicable to such savings account;”.

Substitution of section 62 of Act 82 of 1986

12. The following section is hereby substituted for section 62 of the Building
Societies Act, 1986:

“Disclosure of conditions applicable to transmission accounts

62. A building society shall in writing and in a summarized form as 45
approved by the Registrar inform a depositor [in writing], when opening

Act No. 13, 1989 **BANKING INSTITUTIONS, MUTUAL BUILDING SOCIETIES AND BUILDING SOCIETIES AMENDMENT ACT, 1989**

a transmission account in his name, of the conditions applicable to transmission accounts kept by that building society.”.

Substitution of section 64 of Act 82 of 1986

13. The following section is hereby substituted for section 64 of the Building Societies Act, 1986: 5

“Disclosure of conditions applicable to fixed deposits

64. Whenever any depositor invests an amount as a fixed deposit with a building society, the building society shall in writing and in a summarized form as approved by the Registrar inform him **[in writing]** of the term, interest rate and other conditions applicable to such fixed deposit.”. 10

Amendment of section 104 of Act 82 of 1986

14. Section 104 of the Building Societies Act, 1986, is hereby amended by the substitution for subsection (2) of the following subsection:

- “(2) A director, alternate director, local director, local committee member or employee of a building society or control company who, or a firm in which such a person has a direct interest and which— 15
- (a) accepts from any person any benefit for or in connection with any advance granted by that building society or by the building society in respect of which that control company is registered; or 20
- (b) otherwise than with the written consent of the Registrar or at a duly advertised public auction purchases any property or any right to property owned by or mortgaged to that building society or the building society in respect of which that control company is registered, and which is sold by or at the instance of the building society in question or is sold at a judicial sale at the instance of any other person, 25
- shall be guilty of an offence.”.

Short title

15. This Act shall be called the Banking Institutions, Mutual Building Societies and Building Societies Amendment Act, 1989. 30