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EXTRAORDINARY



BUITENGEWONE

REPUBLIC OF SOUTH AFRICA

GOVERNMENT GAZETTE

STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

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CAPE TOWN, 10TH APRIL, 1968.

[No. 2038.

KAAPSTAD, 10 APRIL 1968.

DEPARTMENT OF THE PRIME MINISTER.

No. 570.]

[10th April, 1968.

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

PAGE

No. 33 of 1968: Cape of Good Hope Savings Bank
Society Act, 1968 9

No. 33, 1968.]

ACT

To consolidate and amend the laws relating to the Cape of Good Hope Savings Bank Society.

(Afrikaans text signed by the Acting State President.)
(Assented to 27th March, 1968.)

WHEREAS, at a public meeting of certain persons, inhabitants of the former Colony of the Cape of Good Hope, duly holden at the Commercial Hall in Cape Town on the twenty-second day of November, in the year of Our Lord 1830, it was considered and agreed upon that it would be expedient and necessary that a new Bank for Savings should be forthwith established in the said Colony, for the purpose of receiving deposits from benevolent and charitable societies, tradesmen, mechanics, labourers, servants, children and others, as nearly according to the principles upon which similar institutions had been established in Great Britain, as the circumstances of the said Colony would permit: Preamb e.

AND WHEREAS at the said meeting certain persons were elected to form a Society for the establishment and management of a Bank in Cape Town, for the purposes aforesaid, according to a plan agreed on at the said meeting:

AND WHEREAS the said persons made application to His Excellency the Governor, Sir George Lowry Cole, that an Ordinance be passed to sanction and confirm the plan agreed upon at the said meeting, and to provide for carrying the same into effect and it was deemed expedient that the same should be done:

AND WHEREAS an Ordinance No. 86 of 1831 was thereafter enacted whereunder it was made lawful from and after the passing of the said Ordinance for the persons so elected and for any other persons who should from time to time in manner therein provided be elected, to be the president, vice-president, directors and members of the said Society, to be and form, and the said persons were thereby constituted and declared to be, a Society for the establishment and management of a Bank in Cape Town for the purposes aforesaid, which said Society was called "The Cape of Good Hope Savings Bank Society":

AND WHEREAS it was enacted under the said Ordinance that the persons who at the meeting aforesaid were elected to be the vice-presidents and trustees of the said Society, and whose names are inserted in Schedule 1 hereunto annexed should be respectively the first vice-presidents and directors thereof, and that the persons who at the Meeting aforesaid were elected to be the members of the said Society, and whose names are inserted in Schedule 2 hereunto annexed should be the members of the said Society:

AND WHEREAS the said Ordinance was subsequently amended by Ordinance No. 10 of 1848 and further amended by Act No. 24 of 1894 (Cape), Act No. 3 of 1924 and Act No. 11 of 1938:

AND WHEREAS owing to the length of time which had elapsed since the incorporation of the Society, and the many changes which had occurred in the methods and means of carrying on the business of a Savings Bank, and the practical inconvenience which the Society had experienced in the past through the powers of the Society being contained in a number of Ordinances and Acts of Parliament and the requirements of the Banks Act, it became expedient that the laws regulating the constitution, powers and affairs of the Society should with certain amendments be embodied in one consolidating Act:

AND WHEREAS the laws relating to the constitution, powers and affairs of the Society were with certain amendments embodied in one consolidating Act by Act No. 4 of 1949, which Act has been amended by Act No. 15 of 1965 in certain respects:

AND WHEREAS the Society has suffered prejudice and practical inconvenience because the scope of its powers and business has been unduly and unnecessarily restricted:

AND WHEREAS it is expedient that the Society should be empowered to extend the scope of its powers and business activities in order to enable it to compete on a more equal and equitable basis with other banking institutions and to conduct its business more efficiently and in accordance with modern banking methods and requirements and the provisions of the Banks Act, 1965:

AND WHEREAS it is desirable that the designations President and Vice-President respectively of the Society should be changed to Chairman and Vice-Chairman respectively of the Society:

AND WHEREAS it is expedient that the Society should be authorized to exercise its powers and conduct its business under the name of The Cape of Good Hope Savings Bank:

AND WHEREAS it is expedient that the laws relating to the constitution, powers and affairs of the Society should, with certain amendments, once more be embodied in one consolidating measure:

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

1. In this Act, unless the context otherwise indicates— Definitions.
- (i) "Articles" means the Articles set forth in Schedule 3; (xii)
 - (ii) "Banks Act" means the Banks Act, 1965 (Act No. 23 of 1965), and includes any amendment thereto or any Act or law substituted therefor generally or in a particular respect and made before or after the commencement of this Act; (ii)
 - (iii) "Board" means the Board of Directors of the Society; (iii)
 - (iv) "borrower" means any person who owes money to the Society upon an advance or a loan received from it; (vi)
 - (v) "general meeting" means the annual general meeting of members referred to in Article 2 of the Articles or a general meeting convened in terms of Articles 3 to 8 inclusive; (i)
 - (vi) "member" means a member of the Society; (vii)
 - (vii) "notice" means written notice forwarded to the registered address of a member, depositor or borrower, or failing any such registered address, to the last known address, given to the Society by such member, depositor or borrower, and in the absence of any address, includes publication of a notice in the *Gazette* or in a newspaper; (v)

- (viii) "person" includes a trust account, a joint account, a club and a partnership; (viii)
- (ix) "registered" means recorded in the appropriate register of the Society; (iv)
- (x) "Registrar" means the Registrar of Banks appointed in terms of the Banks Act; (ix)
- (xi) "Society" means "The Cape of Good Hope Savings Bank Society" as constituted under this Act and as existing immediately prior to the commencement of this Act; (x)
- (xii) "special resolution" means a resolution which has been passed by not less than three quarters of the members present in person at a general meeting of which not less than fourteen days notice, specifying the intention to propose the resolution as a special resolution, has been duly given. (xi)

2. The Cape of Good Hope Savings Bank Society Act, 1949 (Act No. 4 of 1949), and the Cape of Good Hope Savings Bank Society Amendment Act, 1965 (Act No. 15 of 1965), are hereby repealed with effect from the date of registration of this Act by the Registrar under the Banks Act. Repeal of laws.

3. (1) The Society as originally established and constituted under the Ordinances and Acts mentioned in the Preamble hereto shall, notwithstanding the repeal of the said Ordinances and Acts, continue in existence under the name of The Cape of Good Hope Savings Bank Society, and shall be a body corporate, with perpetual succession and the right to a common seal, with power to change the said common seal from time to time. Incorporation and continued existence of Society: Society to conduct its business under the name of The Cape of Good Hope Savings Bank.

(2) The Society shall conduct its business and exercise the powers conferred upon it by this Act under the name of The Cape of Good Hope Savings Bank.

(3) The Society shall under the name referred to in subsection (2) be capable in law of suing and being sued, and of acquiring, holding and alienating movable and immovable property, and of doing and performing such other acts and things as bodies corporate may lawfully do and perform, subject to the provisions of this Act and the Banks Act.

(4) Any reference to The Cape of Good Hope Savings Bank Society in any fund, contract, deed, bond, instrument, certificate, debenture, security, receipt, voucher, record, deposit or other book, document or writing of whatsoever nature established, issued, executed or made prior to the date of commencement of this Act, shall for all purposes be construed as a reference to The Cape of Good Hope Savings Bank.

4. (1) Subject to the provisions of section 3—

- (a) all movable and immovable property of whatsoever kind and nature including all interests and rights in and to movable and immovable property and all mortgage bonds, debts, securities, and obligations and the benefit of all existing contracts which immediately prior to the date of commencement of this Act belonged to or were held by or vested in the Society, shall at the commencement of this Act continue to vest in and belong to and be receivable, recoverable and enforceable by the Society as constituted by this Act without the necessity of any transfer, conveyance or other continuing or connecting title or separate investiture other than this Act, and nothing in this Act shall be deemed to alter or affect the continued corporate existence or the rights or liabilities of the Society;

Vesting in Society of existing property, rights and liabilities.

- (b) all causes and rights of action, suits, references, arbitrations or other proceedings which existed and were in any manner enforceable by or against the Society immediately prior to the commencement of this Act shall be and remain as good, valid and effectual by or for or against the Society as they would or might have been by or for or against the Society if this Act had not been passed;
- (c) all persons who immediately prior to the commencement of this Act were depositors or creditors of the Society shall be and remain depositors or creditors as the case may be of the Society as constituted by this Act, and shall be subject to the provisions thereof; and
- (d) all debts, liabilities and obligations of whatsoever kind incurred or undertaken by the Society or by the directors or officers thereof or by any other person in the name and on behalf of the Society and valid and subsisting against the Society immediately prior to the commencement of this Act shall be and are hereby declared to be valid and subsisting against the Society as if the said debts, liabilities and obligations had been incurred or undertaken by the Society under this Act, and any person entitled to any right, claim, demand or relief against the Society immediately prior to the commencement of this Act shall continue to be so entitled.

(2) Subject to the provisions of this Act, any appointment or regulation made or action taken or thing done or deemed to have been made, taken or done under or by virtue of any provision of any law repealed by section 2 of this Act, including all resolutions, regulations and byelaws approved or made by the Society or the Board shall be deemed to have been approved, made, taken, or done under or by virtue of the corresponding provision of this Act, and shall be as valid as if this Act had not been passed.

5. (1) The objects of the Society shall be as follows:

Objects and Powers.

- (a) to carry on, continue, extend and develop as the Board may deem expedient the business of a banking institution as defined in section 1 of the Banks Act, at Cape Town and at such other places as the Board may from time to time determine;
- (b) to acquire in any manner and take over in whole or in part the business, goodwill, assets and liabilities of any other banking institution, company or society having objects similar to those of the Society;
- (c)
 - (i) to amalgamate with any other banking institution, company or society having objects similar to those of the Society;
 - (ii) to enter into any agreement for the sharing of profits, consolidation of interests, co-operation or otherwise with any person doing business or about to do business or taking part in business which the Society is empowered to do;
 - (iii) to acquire, purchase, sell, own or trade in any shares, debentures or obligations or any interest in the capital, income or profit of any other banking institution, company or person having objects wholly or partly similar to those of the Society;
- (d) to make, sign, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments and to deal in any manner in hire purchase agreements, contracts of sale with suspensive conditions, leases with options to purchase,

agreements providing for suspended payments and similar agreements and to acquire rights under such agreements, to discount same and to lend and advance money against security thereof on such terms and conditions as the Board may determine;

- (e) (i) to acquire land or leases of land and to erect buildings thereon primarily required for the administration of the Society's affairs, and from time to time to alienate such land or terminate or cede such leases and acquire or hire other or further land for like purposes, and to let such portion of the buildings in which the business of the Society is carried on as may not be required for the purposes of the Society;
 - (ii) subject to the approval of the Registrar in writing to purchase or otherwise acquire immovable property other than that referred to in subparagraph (i) whether for the purpose of erecting dwellings or other buildings thereon or otherwise and to sell, let or otherwise dispose of such immovable property, dwellings or other buildings on such terms and conditions as the Board may determine;
 - (iii) to act as agents for the purchase and sale of any movable or immovable property, shares, stock, debentures or securities of any company registered in the Republic or elsewhere or in connection with any financial, commercial or other transaction, and to hold, sell or deal in any manner with such shares, stock, debentures or securities for its own account;
- (f) to buy in, dispose of or administer immovable property or other assets mortgaged or pledged to the Society;
 - (g) subject to the provisions of the Banks Act and to such terms and conditions as the Board may in its discretion determine, to receive deposits from any person including a married woman or person under legal disability, and to reject or refuse to receive such deposits;
 - (h) to lend out and invest the funds of the Society in the manner hereinafter provided;
 - (i) to invest or re-invest from time to time such funds as are the property or are under the management or control of the Society in any or all of the following institutions, equities or securities—
 - (i) first mortgage of immovable property in the Republic: Provided that the Society may invest in a mortgage other than a first mortgage upon any such immovable property if the Society is registered in the Deeds Registry as the holder of all existing mortgage bonds on any such property: Provided further that the Society may hold as collateral security for the amount due on any mortgage bond any personal suretyship or pledge of any other asset not being immovable property;
 - (ii) deposits with or stock or securities of or loans to any local institution contemplated by section 84 (f) of the Republic of South Africa Constitution Act, 1961 (Act No. 32 of 1961), within the Republic or the territory of South-West Africa;
 - (iii) deposits with or stock or securities of or loans to the National Finance Corporation of South Africa, established by the National Finance Corporation Act, 1949 (Act No. 33 of 1949);
 - (iv) deposits with a permanent building society registered under the Building Societies Act, 1965 (Act No. 24 of 1965);

- (v) debentures, stock or securities of the Rand Water Board, or the Electricity Supply Commission, or any other body established by or under any law and supported wholly or partly by public funds;
 - (vi) deposits with or loans to any banking institution as defined in section 1 of the Banks Act;
 - (vii) deposits or credit balances with the Reserve Bank;
 - (viii) debentures, bills or stock issued by the Land and Agricultural Bank of South Africa;
 - (ix) deposits with or bills, bonds or securities issued or guaranteed by the Government of the Republic; or
 - (x) such other investments as the Registrar may, by notice in the *Gazette*, approve as liquid assets or prescribed investments in terms of section 1 of the Banks Act;
- (j) subject to the provisions of section 12, to lend money to members and other persons against the security of their deposits with the Society and any other collateral security required and approved by the Board;
- (k) subject to the approval of the Registrar in writing, to borrow or raise any sum or sums of money from time to time for any of the purposes of the Society, upon pledge of its assets or otherwise;
- (l) (i) to promote and support schemes for providing pensions and allowances and guarantee, benefit and other funds for or in connection with the employees and former employees of the Society and their widows and dependants;
- (ii) to donate moneys from the Society's nett profits to charitable, benevolent, educational, scholastic or other public bodies;
- (m) (i) to act on a commission basis as agent of an insurance company or society in effecting insurance in respect of immovable property mortgaged or to be mortgaged to the Society and designed to secure any debt to the Society, or any other insurance and to collect on behalf of any such company or society the premiums in respect of any insurance so effected and of any insurance policy pledged to the Society;
- (ii) generally to act as agents or trustees or insurance brokers and to appoint agents to act generally or for a particular purpose in its stead;
- (n) to appoint and employ conveyancers, surveyors, lawyers and other professional men for the purpose of drafting plans, bills, petitions, bonds, deeds of transfer and other deeds, documents and instruments, and surveying, giving notice and performing all such other acts as the Board may deem necessary or expedient in the interests of the Society, but which the Society is not empowered to perform as part of its authorized business;
- (o) to act as managers, secretaries, transfer secretaries, underwriters, financial and economic advisers or advisers in any other capacity;
- (p) subject to the provisions of section 20, to distribute to depositors of the Society from time to time, out of the nett profits of the Society, such sum or sums of money as the Board may deem fit;
- (q) generally, to do all such things as may be conducive or incidental to the attainment of any or all of the Society's aforesaid objects.

(2) Subject to the provisions of the Banks Act, this Act and any other applicable law, the Society shall have full and unrestricted power to do everything that may be necessary to enable it to achieve all or any of its aforesaid objects: Provided

that nothing contained in this section shall be construed as authorizing the Society to acquire the controlling interest in a company without the prior approval in writing of the Registrar.

6. The Society shall consist of the directors and members whose qualifications shall be as provided in the Articles. Constitution of Society.

7. The directors of the Society in office immediately prior to the commencement of this Act shall continue in office as directors until they retire in rotation as provided in the Articles, unless they shall sooner die, resign, or become disqualified. Directors to continue in office.

8. All members who were members immediately prior to the commencement of this Act shall, subject to the provisions of this Act, continue to be members. Members to continue as members.

9. All officers and employees of the Society who were in office or in the employ of the Society immediately prior to the commencement of this Act shall continue to hold and enjoy their respective offices and employment as officers and employees of the Society and shall be subject to the like conditions, obligations and penalties and to the like powers of removal and to the like rules, restrictions and regulations in all respects as if they had been appointed under this Act and had been and were at all times officers and employees of the Society. Officers and employees to continue in office.

10. The auditors of the Society who were in office immediately prior to the commencement of this Act shall continue in office as auditors of the Society until the first annual general meeting of the Society to be held thereafter unless they shall sooner die, resign, become disqualified or be removed from office. Auditors to continue in office.

11. The business of the Society shall be conducted and managed by a Board of not less than five and not more than nine directors, who shall, subject to the provisions of this Act, be empowered to do all such things as it shall consider necessary for the achievement of the objects and the promotion of the welfare of the Society and for the efficient transaction of its business. Board of directors.

12. The Society shall not lend money to any of its directors or to the spouse of any director or to any company or syndicate of which a director of the Society is a director or to any partnership of which a director of the Society is a partner. Directors shall not borrow from Society.

13. The directors shall be remunerated for their services as directors by payment out of the funds of the Society of a sum of sixteen thousand five hundred rand per annum or such greater sum as the members in general meeting shall from time to time determine, which sum shall be divided among the directors in such proportions as the Board may determine. Remuneration of directors.

14. (1) (a) When a director of the Society is required to perform special or extra services he may be paid such remuneration as the Board may determine in respect of such services, from the funds of the Society. Director or member may act for the Society for remuneration.
- (b) Such remuneration shall be in addition to and not in lieu of the remuneration referred to in section 13.
- (2) (a) Any member (not being a director) may be employed by or act for the Society and may be paid such remuneration as the Board may determine in respect of such employment or service.
- (b) Such remuneration shall be in addition to and not in lieu of the fee or allowance referred to in section 17(2).

15. If the membership of the Society at any time falls below one hundred, and the members at the first general meeting held thereafter fail after notification to elect additional members so as to bring the membership up to not less than one hundred, the Board shall elect sufficient members to bring the membership up to that number.

Number of members.

16. The members of the Society may at any general meeting—
- (a) give to the Board all such directions relative to the transaction of the business of the Society as the said meeting may deem fit, and as are not inconsistent with the provisions of this Act or the Articles;
 - (b) confirm, repeal, alter or amend any of the Articles or make such new Articles as they may deem expedient;
 - (c) elect as members such fit and proper adult male persons ordinarily resident in Cape Town or within fifty miles from the head office of the Society as they may deem fit, and who shall signify in writing their acceptance of the said office;
 - (d) elect fit, proper and qualified adult male persons to fill any vacancies which may have occurred on the Board.

Powers of members at general meeting.

17. (1) Two members of the Society shall attend at the office or place of business thereof in rotation, in such manner and at such times for the purpose of rendering such services as the Board may determine.

Members to perform duties.

(2) Such members shall be paid, in respect of such services, the fee or allowance provided for in the Articles.

18. (1) The Reserves of the Society, representing the amount standing to the credit of the General Reserve, the Government and other Stock Reserve, the Special Reserve, and the Special Provisions reflected in the books of the Society immediately prior to the commencement of this Act, shall remain vested in the Society and may at the discretion of the Board be applied to meet any contingency or for any other purpose to which the profits of the Society may properly be applied.

Finance.

(2) The Board may in its discretion from time to time increase the said Reserves or Special Provisions or establish similar or any other Reserves or Special Provisions out of the profits accruing to the Society from time to time, or merge or re-designate such Reserves or Special Provisions for the purposes referred to in subsection (1).

19. (1) Whenever the Board makes a donation from the profits of the Society as contemplated in section 5 (1) (l) (ii), the amount of such donation shall be disclosed in the annual report to members.

Grants for charitable or other purposes.

(2) The total amount of such donations shall not in any one year exceed an amount equal to ten per cent of the nett profits of the Society for the immediately preceding year: Provided that the members may at the annual general meeting authorize the payment of a greater amount.

20. In the exercise of its powers under section 5 (1) (p), the Board may from time to time, set aside out of the nett profits of the Society in any year, such sum as it may deem expedient for the purpose of making a distribution by way of bonus interest to depositors of the Society in such manner as the Board may in its discretion determine.

Distribution to depositors.

21. (1) If a depositor has at any time failed to operate on his account for a period of twenty-one years, and fails to reply within three months to a notice calling upon him to accept payment of the amount due to him, the Board may pay into

Payment into Guardian's Fund of certain deposits in certain circumstances.

the Guardian's Fund as constituted under the Administration of Estates Act, 1965 (Act No. 66 of 1965), the amount standing to the credit of such depositor on the date when the account was last operated on, together with such interest as may be due from that date: Provided that the amount of such interest shall not exceed the amount standing to the credit of such depositor at such date.

(2) The Society shall, after such payment into the Guardian's Fund, be absolved from any further liability in respect of such depositor's account.

22. Subject to the provisions of the Banks Act and to such terms and conditions as the Board in its discretion may determine, the Society shall repay to any depositor or his lawful representative any deposit or part thereof together with interest at such rates as the Society may from time to time allow, and the receipt of any such depositor or his lawful representative shall be a sufficient discharge to the Society to the extent of such repayment, notwithstanding any legal disability of such depositor or his lawful representative. Repayment of deposits.

23. (1) Subject to the provisions of the Pension Funds Act, 1956 (Act No. 24 of 1956), the Amalgamated Pension Fund of the Cape of Good Hope Savings Bank Society, established under section 22 (1) of the Cape of Good Hope Savings Bank Society Act, 1949 (and hereinafter in this section referred to as "the Fund") shall, notwithstanding the repeal of that Act by this Act, continue in existence in all respects as if established under this Act. Pension Fund.

(2) The trustees of the Fund shall be the members of the Board and the general manager or secretary for the time being of the Society.

(3) The trustees shall have the same powers of investment and administration in respect of the Fund as they have in respect of the general funds of the Society, including the power to administer, purchase and dispose of immovable property and other assets mortgaged or charged as security for its investments.

(4) Subject to the provisions of the Pension Funds Act, 1956, the trustees shall have power in consultation with the members of the Fund, to alter, amend or add to, or rescind and substitute new rules and regulations for the existing rules and regulations for the administration of the Fund.

(5) The Fund shall not form part of the assets nor be liable for the debts and liabilities of the Society, and may be augmented from time to time by the Board out of the profits of the Society.

(6) The capital and income of the Fund shall be employed for the payment of any pension, annuity, retiring allowance or other benefit to any officer or employee or former officer or employee of the Society or the widow or dependant of such officer or employee or former officer or employee, in consideration of service, old age, need or other sufficient cause: Provided that the balance of any income not required for the payment of any such pension, annuity, retiring allowance or other benefit shall be added to the capital amount of the Fund.

24. (1) As from the date of commencement of this Act, the Articles set forth in Schedule 3 shall be the Articles of the Society. Articles of the Society.

(2) The Society may at any time by special resolution add to, or alter, or revoke any of, the Articles, and any alteration or addition so made shall, subject to the provisions of the Banks Act, be as valid as if originally contained in the Articles, and be subject in like manner to alteration, addition or revocation by special resolution from time to time.

25. As from the date of commencement of this Act any reference to the president or vice-president respectively of the Society shall be construed as a reference to the chairman or vice-chairman respectively of the Society.

References to President and Vice-President to be construed as references to Chairman and Vice-Chairman respectively.

26. In the event of the liquidation or winding up of the Society, the surplus assets of the Society remaining after payment of all amounts due to depositors with interest thereon, all liabilities due by the Society and all costs of liquidation, shall be distributed to such religious, charitable, benevolent, educational, scholastic and other bodies as the members at or before the time of dissolution or in default thereof, the Minister of Finance may determine.

Dissolution of the Society.

27. (1) In the event of the Banks Act being amended in such manner that any provision of this Act shall be in conflict with or repugnant to the said Banks Act as so amended, it shall not be necessary to amend this Act so as to conform with the provisions of the Banks Act as so amended, but the said Banks Act as so amended shall in all respects be deemed to have superseded any provision of this Act so in conflict with or repugnant to the provisions of the Banks Act as so amended from time to time.

Effect of amendments to Banks Act on this Act.

(2) Any power conferred upon a banking institution by any amendment of the said Banks Act or any other law, after the commencement of this Act, shall be deemed to have been conferred, in so far as it may be applicable, upon the Society.

28. This Act shall be called the Cape of Good Hope Savings Bank Society Act, 1968, and shall come into operation upon the date referred to in section 2.

Short title and commencement.

Schedule 1.

Vice-Presidents: The Hon. Sir John Truter, The Hon. Lt.-Col. John Bell, The Hon. J. W. Stoll, Anthony Oliphant, J. Smuts.
Trustees: W. W. Bird, C. Burton, J. B. Ebdon, W. Hawkins, J. A. Joubert, D. Kuys, H. G. Muntingh, J. Nisbet, C. Pillans, Major Rogers.

Schedule 2.

Members: C. Ludwig, Advocate Cloete, Advocate Brand, Advocate de Wet, Advocate Hofmeyr, G. H. Maasdorp, J. F. Dreyer, F. Collison, C. M'Kenzie, G. J. Vos, G. Thompson, A. Thomson, H. Murphy, W. Hayward, A. de Smidt, J. H. Tredgold, H. Buckton, R. Hoets, H. E. Rutherford, D. F. Lehman, Jr., W. Hawkins, W. Hunt, T. Ansdell, J. Deane, G. Reitz, H. Hencke, T. Elliott, F. Russouw, Sr., T. Sutherland, H. Ross, A. J. van Breda, W. Liesching, R. J. van der Riet, J. C. Gie, E. Norton, J. Bance, A. Chiappini, A. Jardine, L. Twentymann, P. Surreurier, J. Simpson, J. D. Gregory, G. Grieg, F. S. Watermeyer, G. W. Prince, R. J. Jones, A. Robertson, P. H. Poleman, J. Synne, F. Stegmann, T. Tennant, R. A. Zederberg, B. Phillips, J. Clark, R. W. Eaton, W. Gadney, W. Bridekirk, W. Heideman, E. Christian, W. Dickson, J. Lawton, W. Billingsley, M. de Kock, L. Herman, F. Hertzog, P. Roux, W. Hayward, R. Waters, J. Saunders, P. M. Brink, J. G. Muller, H. Hewitt, J. Marshall.

Schedule 3.

ARTICLES OF THE CAPE OF GOOD HOPE SAVINGS BANK SOCIETY.

PRELIMINARY.

1. (a) In these Articles unless the context or this Act indicates otherwise, expressions defined in the Companies Act, 1926, or the Banks Act in force at the date on which these Articles become binding upon the Society, shall have the meaning so defined:
- (b) The regulations contained in Table A in the First Schedule to the Companies Act, 1926, shall not apply to the Society.

GENERAL MEETINGS.

2. The annual general meeting of the Society shall be held at Cape Town in the month of April in each year, at a convenient time and place appointed for that purpose by the Board of which not less than six weeks' prior notice shall be given by the Board by advertisement in such local English and Afrikaans language newspapers as the Board shall from time to time determine.
3. (1) The Board may call a general meeting of the Society whenever it shall think fit.
- (2) (a) Not less than 14 days' notice of all general meetings, including an annual general meeting, shall be given to members in the manner hereinafter set forth.
- (b) The said notice shall specify the place, the day and the hour of the meeting, and in the case of an annual general meeting, shall include—
- (i) the names of the directors and auditors retiring at the meeting, and the names of those whose offices are vacant already and are to be filled at the meeting;
 - (ii) the names of the persons in respect of whom nominations as directors and as auditors and as members have been duly received; and in the case of special business, the general nature of such special business.
- (c) Where the purpose of the meeting is to elect a director to fill an interim vacancy on the Board, six weeks' notice calling for nominations shall also be given in the manner provided in Article 2.
- (3) With the consent of the majority of members entitled to receive notice of a particular meeting, that meeting may be convened by shorter notice and in such manner as the Board may think fit.
- (4) Accidental omission to give notice of a meeting to, or non-receipt of notice of a meeting by, any member shall not invalidate the proceedings at that meeting.
- (5) The Board shall, on the requisition in writing of 20 members, forthwith proceed to convene a general meeting in the manner provided in Article 3 (2).
- (6) The requisition shall state the objects of the meeting and shall be signed by the requisitionists and delivered at the head office of the Society to the general manager or secretary, and may consist of several documents in like form, each signed by one or more requisitionists.
- (7) If the Board does not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists may themselves convene a meeting: Provided that any meeting so convened by the requisitionists shall be held not later than three months after the said date.
- (8) Any meeting convened under subarticle (7) by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Board.
- (9) The requisitionists shall be reimbursed by the Society for any reasonable expense incurred by them by reason of the failure of the Board duly to convene a meeting, and any sum so reimbursed shall be retained by the Society out of any sum due or to become due from the Society by way of remuneration in respect of their services to such of the directors as were in default.

PROCEEDINGS AT GENERAL MEETINGS.

4. (a) The business of the annual general meeting shall be to receive and consider the profit and loss account and the balance sheet presented by the Board, and the reports of the Board and auditors, to elect directors and auditors in the place of those retiring, to elect members, to fix the remuneration of the auditors in respect of the audit for the preceding financial year and to transact any other business which under these Articles ought to be transacted at such meeting.
- (b) (i) All business transacted at an annual general meeting, with the exception of the consideration of the profit and loss account and the balance sheet, the ordinary reports of the directors and auditors, the election of directors in the place of those retiring by rotation, the election of members and auditors, and the fixing of the remuneration of the auditors, shall be deemed special and be the subject of a special resolution.
- (ii) Subject to the provisions of subparagraph (i) all business transacted at any general meeting shall likewise be deemed special and be the subject of a special resolution.
5. (a) No business shall be transacted at any general meeting unless a quorum of members is present.
- (b) Save as hereinafter otherwise provided, 25 members present in person shall constitute a quorum: Provided that a quorum shall not be required during the conduct of a poll.
6. (1) If within half an hour from the time appointed for a meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or if that day be

a public holiday, to the day next succeeding that day other than a public holiday, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present thereat shall constitute a quorum.

(2) When a meeting has been adjourned as aforesaid, the general manager or secretary of the Society shall, upon a date not later than two days after the adjournment, or as soon thereafter as is practicable publish in one or more newspapers circulating in Cape Town a notice setting forth—

- (a) the time and place to which the meeting was adjourned; and
- (b) that the meeting was adjourned because of the lack of a quorum; and
- (c) that if at the adjourned meeting a quorum is not present within half an hour of the appointed time, the members present shall constitute a quorum.

7. (1) The Chairman of the Board shall preside at all general meetings.

(2) In the absence of the chairman the vice-chairman shall preside.

(3) In the absence of both the chairman and vice-chairman one of the directors or members present shall be elected by the members present at the meeting to preside there at.

8. (1) The chairman may, with the consent of any meeting of members at which a quorum is present (and shall, if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business other than the business not completed at the meeting which has been adjourned shall be transacted at any meeting held pursuant to such adjournment.

(2) When a meeting has been adjourned as aforesaid, the general manager or secretary of the Society shall, upon a date not later than two days after the adjournment, publish in such newspaper as the Board may determine, a notice setting forth—

- (a) the time and place to which the meeting was adjourned; and
- (b) the matter before the meeting at the time when it was adjourned; and
- (c) the reason for the adjournment.

9. At any general meeting, save when a poll is taken, a declaration by the chairman presiding thereat, that a resolution has been carried or defeated on a show of hands, and an entry to that effect in the minutes of proceedings of the Society, shall be sufficient evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

10. If at any general meeting, more directors have been nominated for election than there are vacancies to be filled, the voting shall be by ballot and if upon any other question a poll is demanded by not less than three of the members present, the voting shall be by ballot.

11. (1) If a poll is demanded it shall be taken in such manner, at such place and either immediately or at such other time within fourteen days as the chairman directs.

(2) Scrutineers shall be elected to declare the result of the poll and their decision, which shall be announced by the chairman of the meeting, shall be deemed to be the resolution of the meeting at which the poll was demanded.

12. (1) In the event of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which a show of hands takes place or at which the poll is taken shall be entitled to a second or casting vote.

(2) Upon a show of hands or a poll every member shall have one vote.

13. (1) A poll demanded on the election of a chairman or on a question of adjournment, shall be taken forthwith.

(2) A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.

(3) The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.

(4) The demand for a poll may be withdrawn at any time before a poll is taken pursuant to the demand; provided such withdrawal is requested by not less than three of the members who called for the poll.

14. The Board shall cause minutes to be kept in books provided for the purpose recording the proceedings at all meetings of the Board and of all other meetings of whatsoever nature held in connection with the business of the Society.

DIRECTORS.

15. (1) At the annual general meeting in every year, three of the directors shall retire from office.

(2) The directors to retire in every year shall be those who have been longest in office since their last election, whether such election took place prior or subsequent to the date of commencement of these Articles.

(3) For the purposes of this Article, the provisions of Article 22 (2) shall *mutatis mutandis* apply to any director who is elected to fill an interim vacancy.

16. (1) The Society may at the general meeting at which a director retires in manner aforesaid, fill the vacated office by electing a member thereto.

(2) If at any meeting at which the election of directors ought to take place the vacancies are not filled, the meeting shall stand adjourned till the same day of the next succeeding week at the same time and place, or, if that day be a public holiday, to the day next succeeding that day which is not a public holiday, and if at such adjourned meeting the vacancies are not filled, the retiring directors, the vacancies in respect of whom have not been filled, shall be deemed to have been re-elected at such adjourned meeting.

17. (1) No member shall be eligible to be elected a director unless he has been nominated in writing, and the nomination has been signed by not less than two members and by himself, intimating his acceptance of the nomination.

(2) Such nomination shall be lodged at the Society's head office not less than twenty-one days prior to the date on which the election in question is appointed to take place.

18. The Board on receiving any such nomination shall give notice thereof to members as hereinafter provided, not less than fourteen days prior to the day on which the election in question is to take place.

19. The qualification of a director shall be that he shall be a member under the age of seventy-five (75) years, and any retiring director under the age of seventy-five (75) years shall be eligible for re-election: Provided that the age limit of seventy-five (75) years aforesaid, shall not apply to the directors in office on the 25th day of March, 1963, nor to their retirement by rotation and re-election, if they are otherwise eligible for re-election.

20. A director shall vacate his office—

- (a) if he is found to be lunatic or becomes of unsound mind;
- (b) if he becomes insolvent, or compounds or arranges with his creditors or becomes subject to, or takes the benefit of any Act for the time being in force for the relief of insolvent debtors;
- (c) if he has been absent from the Republic for more than six months without the consent of the Board in writing;
- (d) if he has been absent from four consecutive Board meetings without the consent of the Board in writing;
- (e) when for any reason he ceases to be a member;
- (f) if he is convicted (whether in the Republic or elsewhere) of theft, fraud, forgery or uttering a forged document, or perjury, and is sentenced therefor to serve a term of imprisonment without the option of a fine or to a fine exceeding twenty rand;
- (g) if he resigns his office by notice in writing to the Society;
- (h) upon the last day of the month in which he attains the age of seventy-five (75) years: Provided, however, that this subarticle shall not apply to a director holding office on the 25th day of March, 1963, or to the retirement by rotation and re-election of such a director.

21. The following persons shall be disqualified from being appointed a director of the Society:

- (a) a minor, or other person under legal disability;
- (b) save by order of a competent Court, an unrehabilitated insolvent;
- (c) any person referred to in Article 20 (e) and (f).

22. (1) The Society may by special resolution remove any director before the expiration of his period of office, and may notwithstanding the provisions of Article 17 by an ordinary resolution appoint another member in his stead.

(2) The member so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

23. (1) At its first meeting after the annual general meeting, the Board shall elect one of its number to be chairman and one to be vice-chairman, who shall hold office until the next election in terms of this Article.

(2) If an interim vacancy occurs in either of these offices, the Board shall elect one of its number to fill the vacancy for the unexpired portion of the relevant period of office.

(3) The chairman, and in his absence the vice-chairman, shall preside at all Board meetings; in the absence of both the chairman and vice-chairman one of the directors present shall be elected to preside.

24. Five directors present at any meeting of directors shall constitute a quorum for the transaction of business.

25. (1) The Board shall meet weekly for the despatch of business and it may adjourn and otherwise regulate its meetings as it thinks fit.

(2) The chairman may at any time, and shall at the request of two directors, call a special meeting of directors, which shall be summoned by the general manager or secretary of the Society.

26. Questions arising at any meeting of the Board shall be decided by a majority of votes of the directors present, and in the event of an equality of votes the chairman, vice-chairman, or presiding director, as the case may be, shall have a second or casting vote.

27. The remaining directors may act notwithstanding any vacancy on the Board, but if, and so long as, their number is reduced below the prescribed quorum, the remaining directors may act in the interim and shall forthwith summon a general meeting for the purpose of electing directors to fill the vacancies.

28. Subject to the provisions of the Banks Act, the Board shall have the power to make all such bye-laws for the management of the Society, as it may from time to time deem fit, and to confirm, repeal or amend any existing or other bye-law or rule, provided such bye-law is not inconsistent with the provisions of this Act or these Articles.

29. The Board shall have the power at its discretion and when it is deemed necessary, to appoint one or more of its members for such period as it may think fit, to act individually or as a committee, in order to render special services for and on behalf of the Society for the purposes of the Society's business, and it may delegate any of its powers to such director or directors as it thinks fit.

30. (1) A committee of the Board may elect a chairman to preside at its meetings.

(2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting in question, the directors present may choose one of their number to be chairman of the meeting.

31. (1) A committee of the Board may meet and adjourn as it thinks fit.

(2) Questions arising at any meeting of such a committee shall be determined by a majority of votes of the members present: Provided that when such a committee consists of two or more members, the chairman shall, in the event of an equality of votes, have a second or casting vote.

32. Everything done by any meeting of the Board or of a committee of the Board, or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such director or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

33. Whenever it shall be necessary for the Board to execute any deed, instrument or other writing, such deed, instrument or other writing shall be signed in the name of the Board in such manner and by such persons as the Board shall from time to time authorize thereto, and every deed, instrument or other writing signed in manner herein provided shall have the same force and effect in law, as if it had been signed by all the members of the Board.

34. (1) The Board may appoint local advisory committees, managers, agents and valuers and may determine their powers, duties, authorities and conditions of appointment and may remove, discharge or cancel the appointments of such persons and shall determine the remuneration of such persons.

(2) Any director of the Society shall be entitled to attend the meetings of such local advisory committees.

MEMBERS.

35. The qualification of a member shall be that he shall be ordinarily resident in Cape Town or within a radius of fifty miles from the head office of the Society.

36. (1) No person shall be eligible to be elected as a member unless he has been nominated in writing, and the nomination has been signed by not less than two members and he has himself in writing accepted the nomination.

(2) Such nomination shall be lodged at the Society's head office not less than twenty-one days prior to the date on which the next ensuing annual general meeting is to take place.

(3) The election of members shall be by show of hands: Provided that if a poll is demanded by not less than three members present at the meeting at which an election takes place, the voting shall be by ballot.

(4) Election shall be by majority vote of the members voting, and present in person at the meeting in question.

37. The following persons shall be disqualified from being elected as a member or remaining a member of the Society:

- (a) a minor or other person under legal disability;
- (b) save by order of a competent Court, an unrehabilitated insolvent;
- (c) any person referred to in Article 20 (f);
- (d) any person not ordinarily resident within fifty miles from the head office of the Society: Provided that a member residing temporarily beyond a radius of fifty miles from the said head office may at the discretion of the Board be permitted to remain a member.

38. If any member fails on three consecutive occasions either to attend for the performance of his rota of duties, or to provide a substitute to act for him, such member shall, unless his absence or failure was caused by illness, or other cause deemed sufficient by the directors, cease to be a member from the date of a notice to that effect posted to his last-known address.

39. A member who attends at the office or other place of business of the Society for the purpose of rendering such services as shall be laid down by the Board in terms of section 17 of this Act shall be paid out of the funds of the Society a fee or allowance of R4.00 for each such attendance.

DEPOSITORS.

40. Each depositor shall be furnished with a deposit book or any other form of deposit receipt by the Society in such form as the Board shall determine.

41. (1) Unless the Board otherwise determines from time to time, depositors shall produce their deposit books or any other form of deposit receipts to the Society when any deposit is made and when any amount is withdrawn.

(2) A depositor shall hand in his deposit book or any other form of deposit receipt to the Society at least once in each year for audit purposes.

42. Whenever a deposit book or any other form of deposit receipt has been defaced, destroyed, mislaid or lost the Board may, upon such terms and conditions as it may from time to time deem fit, issue a duplicate deposit book or any other form of deposit receipt to the depositor concerned.

43. (1) Members, depositors and borrowers shall register with the Society within three months of the date of commencement of this Act, an address, and shall thereafter advise the Society of any change in that address, and all notices, cheques or other documents of any kind whatsoever posted to the member, depositor or borrower at such address shall be deemed to have been received by such member, depositor or borrower.

(2) No liability whatsoever shall attach to the Society by reason of the non-receipt or loss of any of the aforesaid notices, cheques or other documents, as the case may be, duly posted to such address.

INDEMNITY OF DIRECTORS, MEMBERS AND EMPLOYEES.

44. Every director, member, officer or employee of the Society shall be indemnified out of its funds against all costs, charges, expenses, losses and liabilities incurred by him in the conduct of the Society's business or in the discharge of his duties, and no director, member, officer or employee of the Society shall be liable for the acts or omissions of any other director, member, officer or employee by reason of his having joined in any receipt for money not received by him personally, or for any loss on account of defect of title to any property acquired by the Society, or on account of the insufficiency of any security in or upon which any moneys of the Society shall be invested, or for any loss incurred upon any ground whatever other than his own wilful act, default or omission.

ACCOUNTS.

45. The Board shall cause to be kept the records referred to in the Banks Act.

46. The books and accounts shall be kept at the head office of the Society or at such other place or places as the directors may determine and shall at all times be open to inspection by the directors.

47. At the annual general meeting, the Board shall submit to the members a balance sheet and profit and loss account for the preceding financial year, audited as hereinafter provided.

48. Every annual balance sheet shall be accompanied by a report of the directors as to the state of affairs of the Society as provided for in the Banks Act, and shall comply with the provisions of section 19

of this Act, and the balance sheet shall be signed by two of the directors on behalf of the Board and countersigned by the general manager or secretary of the Society.

49. Subject to the provisions of the Banks Act a printed copy of such balance sheet, profit and loss account and report, shall be sent to each and every member together with the notice convening the annual general meeting in question.

AUDIT.

50. (1) The Society shall at each annual general meeting appoint auditors to hold office until the next annual general meeting.

(2) In the case of the nomination of an auditor other than a retiring auditor, the provisions of Articles 17 and 18 shall *mutatis mutandis* apply.

51. The provisions of the Banks Act and the Companies Act, 1926, shall *mutatis mutandis* regulate the appointment and duties of the auditors.

NOTICES.

52. Save as otherwise expressly provided, a notice by the Society to any member, depositor or borrower shall be in writing and shall be given by posting a prepaid letter containing such notice and addressed to such member, depositor or borrower at his registered address.

53. (1) Any notice, if given by post, shall be deemed to have been served at the time when the letter containing such notice was posted, and any notice given by advertisement shall be deemed to have been given on the day upon which the advertisement was published.

(2) Whenever it shall be necessary to prove that notice was duly given by posting it, evidence that the letter containing such notice was properly addressed and deposited in a post office shall be accepted as conclusive proof of the fact.

54. The signature on any notice given by the Society may be written or printed, or partly written and partly printed.