

2002-06-25

TO ALL BANKS, BRANCHES OF FOREIGN BANKS, MUTUAL BANKS AND REPRESENTATIVE OFFICES OF FOREIGN BANKING INSTITUTIONS

BANKS ACT CIRCULAR 6/2002

REQUIREMENTS FOR COMPLETION OF THE STATEMENT AND DECLARATION OF THE:

- **FORM DI 020 OF THE REGULATIONS RELATING TO BANKS AND THE REGULATIONS RELATING TO MUTUAL BANKS, AND**
- **OF THE FORMS RO 003 AND RO 004 OF THE REGULATIONS RELATING TO REPRESENTATIVE OFFICES OF FOREIGN BANKING INSTITUTIONS**

1. INTRODUCTION

The purpose of this circular is to inform banks, branches of foreign banks, controlling companies, mutual banks and representative offices of foreign banking institutions of the requirements for the completion of the declaration in the form DI 020, contained in the Regulations relating to Banks and the Regulations relating to Mutual Banks (hereinafter collectively referred to as “the Regulations”), and of the statement and declaration in the forms RO 003 and RO 004 contained in the Regulations relating to Representative Offices of Foreign Banking Institutions (hereinafter referred to as “the Representative Office Regulations”). The form DI 020 and the form RO 003, together with the form RO 004, have to be submitted to the Registrar of Banks in respect of any individual who is holding or who is proposing to hold the office of director or executive officer of a bank, a branch of a foreign bank, a controlling company or a mutual bank or of chief representative officer of a representative office of a foreign banking institution.

2. PRACTICE FOLLOWED

It has come to the attention of this Office that certain banks, branches of foreign banks, controlling companies, mutual banks and representative offices do not adhere to the requirements for the proper completion of the form DI 020 of the Regulations and of the form RO 003, together with form RO 004, of the Representative Office Regulations.

3. REQUIREMENTS

The requirements for the completion of the form DI 020 and the form RO 003, are as follows:

3.1 Completion of form DI 020

A form DI 020 has to be completed by the applicant and submitted to the Registrar of Banks at least 30 days **prior** to the appointment of a director or executive officer of a bank, a branch of a foreign bank, controlling company or mutual bank, becoming effective. The form DI 020 contains a declaration that has to be completed and signed by the applicant and, then, sworn to or affirmed by the applicant before a commissioner of oaths. The form DI 020 also contains a declaration that has to be completed and signed by the chairperson of the board of directors of the bank, a branch of a foreign bank, controlling company or mutual bank. Furthermore, each page of a form DI 020 and each additional page thereto, if any, have to be initialled by the applicant, the commissioner of oaths and the chairperson of the board of directors of the bank, branch of a foreign bank, controlling company or mutual bank concerned. When the applicant is to be appointed as an director or an executive officer of a **new** bank, a **new** branch of a foreign bank, a **new** controlling company or of a **new** mutual bank, and when a chairperson has not yet been appointed, the declaration of the form DI 020 has to be completed by the external auditor of the new bank, branch of a foreign bank, controlling company or mutual bank. The

external auditor also has to sign every page and every additional page, if any, of the form DI 020.

3.2 Completion of forms RO 003 and RO 004

A form RO 003 has to be completed by the applicant and submitted to the Registrar of Banks at least 30 days **prior** to the appointment of a chief representative officer of a representative office of a foreign banking institution becoming effective. The form RO 003 contains a declaration that has to be completed and signed by the applicant and, then, sworn to or affirmed by the applicant before a commissioner of oaths. The form RO 004 contains a declaration that has to be completed in respect of the form RO 003 by the chairperson or the authorised executive officer of the foreign institutions that maintains a representative office in the Republic of South Africa. Furthermore, each page of the forms RO 003 and RO 004 and each additional page thereto, if any, have to be initialled by the applicant, the commissioner of oaths and the chairperson or the authorised executive officer of the foreign institution that maintains a representative office in the Republic of South Africa.

4. ACKNOWLEDGEMENT OF RECEIPT

Two additional copies of this circular are enclosed for the use of your institution's external auditors. The acknowledgement of receipt, duly completed and signed by both the chief executive officer of the institution and the said auditors, should be returned to this Office at the earliest convenience of the aforementioned signatories.

C F Wiese
Registrar of Banks

The previous circular issued was Banks Act Circular 5/2002 dated 3 April 2002.