



**South African Reserve Bank**

From the Office of  
the Registrar of Banks

C1/2010

2010-06-01

**To: All banks, controlling companies, branches of foreign banks and eligible institutions**

**Circular 1/2010 issued in terms of section 6(4) of the Banks Act, 1990**

**Status of previously issued circulars and directives**

### **Executive Summary**

**In order to ensure that banks (including branches of foreign banks), controlling companies, eligible institutions and auditors of a bank or controlling company are in no doubt as to which previously issued circulars remain effective, this Office will annually confirm their status.**

**Addressees should note that contrary to the process whereby the status of circulars are annually confirmed, directives issued in terms of section 6(6) of the Banks Act, 1990 (Act No. 94 of 1990 – the Banks Act), remain effective until such time that they are cancelled in writing by the Registrar of Banks (the Registrar) in terms of section 6(6)(c) of the Banks Act.**

#### **1. Introduction**

All previously issued circulars are deemed to be withdrawn/terminated/replaced except if such a circular is to remain effective and is then accordingly published in Circular 1 of that year. The circulars that remain effective will retain their original numbers and dates.

#### **2. Effective Circulars**

The circular listed below remains effective. Accordingly, banks, controlling companies, eligible institutions and auditors of a bank or controlling company are hereby requested to retain a copy of this circular.

**Circular****Brief Details**

- 2.1 Banks Act Circular 7/07 Recognition of eligible external credit assessment institutions in terms of the amended Banks Act, 1990

**3. Effective Directives**

Section 6(6)(a) of the Banks Act prescribes that this Office may, after consultation with the relevant bank, controlling company, eligible institution or auditor of a bank or controlling company, issue a directive to such a bank, controlling company, eligible institution or auditor of a bank or controlling company, either individually or collectively, regarding the application of the Banks Act.

This Office has issued a number of directives in terms section 6(6)(a) of the Banks Act. It is hereby confirmed that all such issued directives will remain effective until such time as they are cancelled in writing by the Registrar in terms of section 6(6)(c) of the Banks Act.

<b><u>Directive</u></b>	<b><u>Brief Details</u></b>
3.1 Directive 1/08	Use of divisional names
3.2 Directive 2/08	Procedure to be followed in respect of applications in terms of the provisions of sections 37, 52 and/or 54 of the Banks Act, 1990
3.3 Directive 3/08	Appointment of directors or executive officers and completion of Form BA 020
3.4 Directive 4/08	Disclosure of repurchase and resale agreements and similar transactions
3.5 Directive 5/08	Composition of board-appointed committee to approve large exposures
3.6 Directive 6/08	Auditor rotation
3.7 Directive 7/08	Mapping of the international scale rating symbols of Fitch Ratings and Moody's Investors Service to the prescribed risk weights available in terms of regulation 23 of the Regulations relating to Banks
3.8 Directive 8/08	Completion of specified items of form BA 320 for commodities and foreign exchange including gold
3.9 Directive 1/09	Matters related to capital floors
3.10 Directive 2/09	Investments and loans and advances by controlling companies: Section 50 of the Banks Act, 1990
3.11 Directive 3/09	Limit in respect of effective net open foreign-currency position, and matters related to the unencumbered assets to be held by branches of foreign institutions

#### 4. Acknowledgement of Receipt

Two additional copies of this circular are enclosed for the use of your institution's independent auditors. The attached 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.



E M Kruger  
**Registrar of Banks**

The previous circular issued was Banks Act Circular 2/2008 dated 14 May 2008.