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SOUTH AFRICAN RESERVE BANK
Prudential Authority

Ref.: 15/8/2/1

MBC1/2023

To: All mutual banks and auditors of mutual banks

Mutual Banks Act Circular 1/2023 issued in terms of section 4(4) of the Mutual Banks Act 124 of 1993:

Status of previously issued circulars

Executive Summary

In order to ensure that mutual banks and auditors of a mutual bank are in no doubt as to which previously issued Mutual Banks Act circulars remain effective, the Prudential Authority (PA) will annually confirm their status.

1. Introduction

1.1 All previously issued Mutual Banks Act circulars are deemed to be withdrawn/terminated/replaced except if such a circular is to remain effective and is then accordingly confirmed in Mutual Banks Act Circular 1 of that year.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

2. Effective Mutual Banks Act circulars issued in terms of the Mutual Banks Act 124 of 1993

The circulars listed below remain effective. Accordingly, mutual banks and auditors of a mutual bank are hereby requested to retain a copy of these circulars.

Circular

Brief details

2.1 Mutual Banks Act Circular 1/2014 Interpretation of specified provisions of the Act

3. Effective Directives issued in terms of the Mutual Banks Act

Section 4(6) of the Mutual Banks Act prescribes that the PA may, in writing, after consultation with the relevant mutual bank or auditor of the mutual bank, issue a directive to such a mutual bank or auditor of a mutual bank, either individually or collectively, regarding the application of the Mutual Banks Act.

The Prudential Authority issued a number of directives in terms of section 4(6) of the Mutual Banks Act. It is hereby confirmed that all such issued directives will remain effective until such time as they are withdrawn in writing by the PA in term of section 6(7) of the Mutuals Banks Act.

Directive

Brief details

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| 3.1 | Directive 1/2022 | Matters relating to fit and proper assessment requirements pertaining to directors and executive officers |
| 3.2 | Directive 2/2022 | Matters relating to fit and proper assessment requirements pertaining to beneficial owners |
| 3.3 | Directive 3/2022 | Matters relating to domestic money or value transfer services |

4. Acknowledgement of Receipt

- 4.1 Kindly ensure that a copy of this Mutual Banks Act circular is made available to your institution's 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 the PA at the earliest convenience of the aforementioned signatories.

Fundi Tshazibana
Chief Executive Officer

Date:

The previous circular issued was Mutual Banks Act Circular 1/2022, dated 25 February 2022.