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GOVERNMENT NOTICES

DEPARTMENT OF FINANCE

No. 1920

1 September 1989

AMENDMENT OF REGULATIONS MADE UNDER THE PENSION FUNDS ACT, 1956 (ACT No. 24 OF 1956)

The Minister of Finance has under section 36 of the Pension Funds Act, 1956 (Act No. 24 of 1956), made the regulations in the Schedule.

SCHEDULE

Definition

1. In these regulations "the Regulations" means the regulations published by Government Notice No. R. 98 of 26 January 1962, as amended by Government Notices Nos. R. 2144 of 28 September 1984, R. 1790 of 16 August 1985, R. 1037 of 28 May 1986 and R. 232 of 6 February 1987.

2. The following regulation is hereby added to the Regulations:

"Limits relating to investments of a registered fund"

28. (1) Subject to the provisions of subregulations (2), (3) and (4) and the Annexure to this regulation, a fund shall only invest in an asset defined in an item in column 1 of the said Annexure to the extent to which the market value of such investment in any such asset, expressed as a percentage of the total market value of the total assets of the fund, does not exceed the percentage mentioned in respect of such asset in column 2 of the said Annexure: Provided that—

- (a) the total market value of investments in assets referred to in items 6 and 7 in column 1 of the said Annexure, expressed as a percentage, shall not exceed 85 %; and
- (b) the total market value of investments in assets referred to in items 6 to 9, inclusive, in column 1 of the said Annexure [but including assets referred to in paragraphs (a), (c) and (d) of item 9], expressed as a percentage, shall not exceed 90 %,

GOEWERMENTSKENNISGEWINGS

DEPARTEMENT VAN FINANSIES

No. 1920

1 September 1989

WYSIGING VAN REGULASIES UITGEVAARDIG Kragtens DIE WET OP PENSIOENFONDSE, 1956 (WET No. 24 VAN 1956)

Die Minister van Finansies het kragtens artikel 36 van die Wet op Pensioenfondse, 1956 (Wet No. 24 van 1956), die regulasies in die Bylae uitgevaardig.

BYLAE

Woordomskrywing

1. In hierdie regulasies beteken "die Regulasies" die regulasies afgekondig by Goewermentskennisgewing No. R. 98 van 26 Januarie 1962, soos gewysig by Goewermentskennisgewings Nos. R. 2144 van 28 September 1984, R. 1790 van 16 Augustus 1985, R. 1037 van 28 Mei 1986 en R. 232 van 6 Februarie 1987.

2. Die volgende regulasie word hierby by die Regulasies gevoeg:

"Perke met betrekking tot beleggings van 'n geregistreerde fonds"

28. (1) Behoudens die bepalinge van subregulasies (2), (3) en (4) en die Aanhangsel by hierdie regulasie, mag 'n fonds slegs in 'n bate omskryf in 'n item in kolom 1 van genoemde Aanhangsel belê in die mate waarin die markwaarde van so 'n belegging in 'n bedoelde bate, uitgedruk as 'n persentasie van die totale markwaarde van die totale bates van die fonds, nie die persentasie vermeld ten opsigte van so 'n bate in kolom 2 van genoemde Aanhangsel oorskry nie: Met dien verstande dat—

- (a) die totale markwaarde van beleggings in bates bedoel in items 6 en 7 in kolom 1 van genoemde Aanhangsel, uitgedruk as 'n persentasie, nie 85 %; en
- (b) die totale markwaarde van beleggings in bates bedoel in items 6 tot en met 9 in kolom 1 van genoemde Aanhangsel [maar ingesluit bates bedoel in paragrawe (a), (c) en (d) van item 9], uitgedruk as 'n persentasie, nie 90 %,

of the total market value of the total assets of the fund.

(2) For the purposes of the provisions of this regulation and the Annexure thereto relating to the total assets of a fund, a policy issued to the fund concerned by an insurer carrying on long-term insurance business within the meaning of the Insurance Act, 1943 (Act No. 27 of 1943), which is not a linked policy, or which is a linked policy and in respect of which a certificate is obtained from the insurer's valuator indicating that the assets held by the insurer in respect of his net liabilities under the said policies meet the requirements of regulation 34 made under the Insurance Act, 1943 (Act No. 27 of 1943), shall be deemed not to be an asset of the fund.

(3) For the purposes of the provisions of this regulation and the Annexure thereto relating to the total assets of a fund, a linked policy issued to the fund concerned by an insurer carrying on long-term insurance business within the meaning of the Insurance Act, 1943 (Act No. 27 of 1943), other than a linked policy referred to in subregulation (2), shall be included in the fund's assets. The fund shall at the end of each financial year of the fund obtain in writing from the valuator of the insurer concerned details of the extent to which the value of the benefits under the policy is determined by the market value of assets defined in the Annexure to this regulation, and the appropriate value of such assets shall be deemed to be assets of the fund.

(4) In this regulation and the Annexure thereto—

- (a) 'banking institution' means an institution registered under the Banks Act, 1965 (Act No. 23 of 1965);
- (b) 'building society' means a society registered under the Mutual Building Societies Act, 1965 (Act No. 24 of 1965), or under the Building Societies Act, 1986 (Act No. 82 of 1986);
- (c) 'linked policy' means a contract under which no investment guarantees are given by the insurer, either explicitly or implicitly, and in respect of which benefits are determined solely by reference to the value of specific assets to which the contract is linked and which are actually held by the insurer or in terms of section 20 (1) of the Insurance Act, 1943 (Act No. 27 of 1943);
- (d) 'market value', in relation to—
 - (i) the value of every quoted asset, means the price at which it was quoted on the Johannesburg Stock Exchange within a period of three months immediately preceding the date to which the statement relates: Provided that if such quotation

van die totale markwaarde van die totale bates van die fonds mag oorskry nie.

(2) Vir die doeleindes van die bepalings van hierdie regulasie en die Aanhangsel daarby met betrekking tot die totale bates van 'n fonds, word 'n polis uitgereik aan die betrokke fonds deur 'n versekeraar wat langtermynversekeringsbesigheid binne die betekenis van die Versekeringswet, 1943 (Wet No. 27 van 1943), bedryf, wat nie 'n gekoppelde polis is nie, of wat 'n gekoppelde polis is en ten opsigte waarvan 'n sertifikaat van die versekeraar se waardeerder verkry word wat aandui dat die bates wat deur die versekeraar in verband met sy netto verpligtinge ingevolge die betrokke polisse gehou word, voldoen aan die vereistes van regulasie 34 uitgevaardig kragtens die Versekeringswet, 1943 (Wet No. 27 van 1943), geag nie 'n bate van die fonds te wees nie.

(3) Vir die doeleindes van die bepalings van hierdie regulasie en die Aanhangsel daarby met betrekking tot die totale bates van 'n fonds, word 'n gekoppelde polis uitgereik aan die betrokke fonds deur 'n versekeraar wat langtermynversekeringsbesigheid binne die betekenis van die Versekeringswet, 1943 (Wet No. 27 van 1943), bedryf, anders as 'n gekoppelde polis bedoel in subregulasie (2), ingesluit in die fonds se bates. Die fonds moet aan die einde van elke finansiële jaar van die fonds skriftelik besonderhede van die waardeerder van die betrokke versekeraar verkry van die mate waarin die waarde van die voordele onder die polis bepaal word deur die markwaarde van bates omskryf in die Aanhangsel by hierdie regulasie, en die toepaslike waarde van sodanige bates word geag bates van die fonds te wees.

(4) In hierdie regulasie en die Aanhangsel daarby beteken—

- (a) 'bankinstelling' 'n instelling geregistreer ingevolge die Bankwet, 1965 (Wet No. 23 van 1965);
- (b) 'bouvereniging' 'n vereniging geregistreer ingevolge die Wet op Onderlinge Bouverenigings, 1965 (Wet No. 24 van 1965), of ingevolge die Wet op Bouverenigings, 1986 (Wet No. 82 van 1986);
- (c) 'gekoppelde polis' 'n kontrak waarkragtens geen beleggingswaarborges deur die versekeraar gegee word nie, hetsy uitdruklik of implisiet, en ten opsigte waarvan voordele bepaal word uitsluitlik deur verwysing na die waarde van spesifieke bates waaraan die kontrak gekoppel is en wat werklik deur die versekeraar of kragtens artikel 20 (1) van die Versekeringswet, 1943 (Wet No. 27 van 1943), gehou word;
- (d) 'markwaarde', met betrekking tot—
 - (i) die waarde van elke genoteerde bate, die prys waarop dit op die Johannesburgse Effektebeurs genoteer word binne 'n tydperk van drie maande onmiddellik voor die datum waarop die opgawe betrekking het: Met dien verstande dat indien die notering betrekking het op 'n ander datum as die datum waarop die opgawe

relates to a date other than that to which the statement of assets relates, the amount shall be properly adjusted in the case of—

- (aa) any interest-bearing asset, in respect of the difference between the amount of the interest which has accrued from the last date on which interest was payable up to the date of the quotation in question and the corresponding amount of interest accrued up to the date to which the statement relates;
- (bb) any share on which dividends have been declared, in respect of the difference between the amount of any dividend which had been declared but not paid on the date of the quotation in question and the amount of any dividend which had been declared but not paid on the date to which the statement relates:

Provided further that if the registrar is of the opinion that the values, determined in accordance with the foregoing provisions, of all the assets referred to in this paragraph are in the aggregate unduly low or unduly high so that they do not reflect the real aggregate value of the assets, the registrar may authorize or direct the fund to show those assets at such other values as shall in the opinion of the registrar represent their real values; and

- (ii) assets to which the preceding provisions do not apply, means the value determined in accordance with section 19 (5A) of the Act;

(e) 'property company' means a company—

- (i) of which 50 % or more of the market value of its assets consists of immovable property, irrespective of whether such property is held directly by the company as registered owner or indirectly by way of ownership of the shares of the company which is the registered owner of the property or which exercises control over the company which is the registered owner of the property; or
- (ii) of which 50 % or more of its income is derived from investments in immovable property, or from an investment in a company the income of which is derived 50 % or more from the income of investments in immovable property.

(5) The registrar may on prior written application by a fund grant such a fund unconditional exemption, for a period not exceeding 12 months, from one or more of the provisions of this regulation, read with the Annexure thereto.

van bates betrekking het, daar by die bepaling van bedoelde bedrag behoorlik rekening gehou moet word, in die geval van—

- (aa) rentedraende bates, met die verskil tussen die bedrag wat vanaf die laaste datum waarop rente betaalbaar was tot op die datum van die betrokke notering aan rente opgeloop het, en die ooreenstemmende bedrag aan opgelope rente tot op die datum waarop die opgawe betrekking het;
- (bb) 'n aandeel waarop diwidende verklaar is, met die verskil tussen die bedrag aan diwidende wat op die datum van die betrokke notering verklaar maar nog nie uitbetaal was nie, en die bedrag aan diwidende wat op die datum waarop die opgawe betrekking het, verklaar maar nog nie uitbetaal was nie:

Met dien verstande voorts dat indien die gesamentlike waarde van al die in hierdie paragraaf vermelde bates, soos ooreenkomstig voorgaande bepalings vasgestel, volgens die oordeel van die registrateur uitermate laag of uitermate hoog is en dus nie die werklike totale waarde van daardie bates weergee nie, die registrateur die fonds kan magtig of beveel om daardie bates teen die ander waardes aan te gee wat na die registrateur se mening die werklike waardes daarvan verteenwoordig; en

- (ii) bates waarop die voorafgaande bepalings nie van toepassing is nie, die waarde vasgestel in ooreenstemming met artikel 19 (5A) van die Wet;

(e) 'eiendomsmaatskappy' 'n maatskappy—

- (i) waarvan 50 % of meer van die markwaarde van sy bates bestaan uit onroerende eiendom, ongeag of sodanige eiendom deur die maatskappy direk as geregistreerde eienaar gehou word, of indirek by wyse van eienaarskap van die aandeel van die maatskappy wat die geregistreerde eienaar is van die eiendom of wat beheer uitoefen oor die maatskappy wat die geregistreerde eienaar van die eiendom is; of
- (ii) waarvan 50 % of meer van sy inkomste verkry word uit beleggings in onroerende eiendom, of uit 'n belegging in 'n maatskappy waarvan die inkomste uit 50 % of meer van die inkomste uit beleggings in onroerende eiendom bestaan.

(5) Die registrateur kan op die vooraf skriftelike aansoek van 'n fonds onvoorwaardelike vrystelling aan so 'n fonds vir 'n tydperk van hoogstens 12 maande van een of meer van die bepalings van hierdie regulasie, saamgelees met die Aanhangsel daarby, verleen.

ANNEXURE TO REGULATION 28

Column 1	Column 2
Definition of assets	Maximum percentage of aggregate market value of total assets of fund
1. Deposits in the Republic with an office of a banking institution or a building society, including negotiable deposits and money market instruments in terms of which such a banking institution or building society is liable:	
Per banking institution	20%
Per building society	20%
2. Krugerrands:	15%
3. Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by—	
(a) a local authority in the Republic authorised by law to levy rates upon immovable property:	
Per local authority	20%
(b) Development Boards established under the Black Communities Development Act, 1984 (Act No. 4 of 1984):	20%
(c) Rand Water Board:	20%
(d) Eskom:	20%
(e) Land and Agricultural Bank of South Africa:	20%
(f) Local Authorities Loans Fund Board:	20%
4. Bills, bonds and securities issued by and loans to an institution in the Republic, which institution the registrar has approved in terms of section 19 (1) (h) of the Act, and also bills, bonds and securities issued by and loans to an institution in the Republic, which bills, bonds, securities and loans the registrar has likewise approved:	
Per institution	20%
5. Bills, bonds and securities issued by the government of and a local authority in a territory other than the Republic, which territory the registrar has approved in terms of section 19 (1) (i) of the Act, and also those issued by an institution in such an approved territory, which institution the registrar has likewise approved:	20%
6. Immovable property, units in unit trust schemes in property shares, and shares in, loans to and debentures of property companies, subject to the following limitation:	30%
Investment in any one single property or property development project	5%
7. Preference and ordinary shares in companies (excluding shares in property companies) and units in unit trust schemes [excluding units in unit trust schemes in property shares and in unit trust schemes referred to in paragraph (c) of item 9 of this Annexure], subject to the following limitation:	65%
(a) Unlisted shares and shares listed in the Development Capital Sector of the Johannesburg Stock Exchange	5%
(b) shares in any one company listed on the Johannesburg Stock Exchange other than in the Development Capital Sector	10%
8. Claims secured by mortgage bonds on immovable property in the Republic, debentures (listed and unlisted) and any other secured claims against individuals [excluding loans referred to in paragraph (c) of item 9 of this Annexure] and companies (excluding loans to and debentures of property companies), subject to the following limitation:	25%
(a) Claims against any one individual	0,1%
(b) claims against any one company	5%
9. Any other assets not referred to in this Annexure, but excluding—	2,5%
(a) money in hand in the Republic;	
(b) bills, bonds or securities issued or guaranteed by, or loans to or guaranteed by the Government of the Republic or a provincial administration;	
(c) loans granted to members of the fund concerned in accordance with—	
(i) the provisions of section 19 (5); and	
(ii) such exemptions as may have been granted to the fund in terms of section 19 (6) of the Act;	
(d) investments in the business of a participating employer to the extent that it has been allowed by an exemption in terms of—	
(i) the proviso to section 19 (4); or	
(ii) section 19 (6) of the Act;	
(e) units in a unit trust scheme as defined in the Unit Trusts Control Act, 1981 (Act No. 54 of 1981), of which the underlying assets may consist only of:	
(i) Bills, bonds or securities issued or guaranteed by, or loans to or guaranteed by the Government of the Republic or a provincial administration; or	
(ii) assets referred to in item 3 and paragraph (c) (i) of item 9 of this Annexure; or	
(iii) assets referred to in item 3 of this Annexure.	"

AANHANGSEL BY REGULASIE 28

Kolom 1	Kolom 2
Omskrywing van bates	Maksimum persentasie van totale markwaarde van totale bates van fonds
1. Deposito's in die Republiek by 'n kantoor van 'n bankinstelling of bouvereniging, met inbegrip van verhandelbare deposito's en geldmarkinstrumente ingevolge waarvan so 'n bankinstelling of bouvereniging aanspreeklik is:	
Per bankinstelling	20%
Per bouvereniging	20%
2. Krugerrande:	15%
3. Wissels, skuldbriewe en effekte uitgereik of gewaarborg deur en lenings aan of gewaarborg deur—	
(a) 'n plaaslike bestuur in die Republiek gemagtig deur wetgewing om belasting op onroerende eiendom te hef:	
Per plaaslike bestuur	20%
(b) Ontwikkelingsrade wat ingestel is by die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet No. 4 van 1984):	20%
(c) Randse Waterraad:	20%
(d) Eskom:	20%
(e) Land- en Landboubank van Suid-Afrika:	20%
(f) Raad van die Leningsfonds vir Plaaslike Besture:	20%
4. Wissels, skuldbriewe en effekte uitgereik deur en lenings aan 'n instelling in die Republiek, welke instelling die registrateur ingevolge artikel 19 (1) (h) van die Wet goedgekeur het, asook wissels, skuldbriewe en effekte uitgereik deur en lenings aan 'n instelling in die Republiek, welke wissels, skuldbriewe, effekte en lenings die registrateur insgelyks goedgekeur het:	
Per instelling	20%
5. Wissels, skuldbriewe en effekte uitgereik deur die regering van en 'n plaaslike bestuur in 'n gebied anders as die Republiek, welke gebied die registrateur ingevolge artikel 19 (1) (i) van die Wet goedgekeur het, en ook daardie uitgereik deur 'n instelling in so 'n goedgekeurde gebied, welke instelling die registrateur insgelyks goedgekeur het:	20%
6. Onroerende eiendom, onderaande in effekte-trustskemas in eiendomsaandeel, en aandeel in, lenings aan en skuldbriewe van eiendomsmaatskappye, onderworpe aan die volgende beperking:	30%
Belegging in enige een enkele eiendom of eiendomsontwikkelingsprojek	5%
7. Voorkeur- en gewone aandeel in maatskappye (uitgesonderd aandeel in eiendomsmaatskappye) en onderaandeel in effekte-trustskemas [uitgesonderd onderaandeel in effekte-trustskemas in eiendomsaandeel en in effekte-trustskemas bedoel in paragraaf (e) van item 9 van hierdie Aanhangsel], onderworpe aan die volgende beperking:	65%
(a) Ongenoteerde aandeel en aandeel genoteer in die Ontwikkelingskapitaalsektor van die Johannesburgse Effektebeurs	5%
(b) aandeel in enige een maatskappy genoteer op die Johannesburgse Effektebeurs anders as in die Ontwikkelingskapitaalsektor	10%
8. Vorderings versekureer deur verbande oor onroerende eiendom in die Republiek, skuldbriewe (genoteer en ongenoteer), en enige ander versekureerde vorderings teen individue [uitgesonderd lenings bedoel in paragraaf (c) van item 9 van hierdie Aanhangsel] en maatskappye (uitgesonderd lenings aan en skuldbriewe van eiendomsmaatskappye), onderworpe aan die volgende beperking:	25%
(a) Vorderings teen enige een individu	0,1%
(b) vorderings teen enige een maatskappy	5%
9. Enige ander bates nie vermeld in hierdie Aanhangsel nie, maar uitgesonderd—	2,5%
(a) geld in kas in die Republiek;	
(b) wissels, skuldbriewe of effekte uitgereik of gewaarborg deur, of lenings aan of gewaarborg deur die Regering van die Republiek of 'n provinsiale administrasie;	
(c) lenings toegestaan aan lede van die betrokke fonds in ooreenstemming met—	
(i) die bepaling van artikel 19 (5); en	
(ii) vrystellings wat ingevolge artikel 19 (6) van die Wet aan die fonds verleen is;	
(d) beleggings in die besigheid van 'n deelnemende werkgewer in die mate dat dit toegelaat is deur 'n vrystelling ingevolge—	
(i) die voorbehoudsbepaling by artikel 19 (4); of	
(ii) artikel 19 (6) van die Wet;	
(e) onderaandeel in 'n effekte-trustskema soos omskryf in die Wet op Beheer van Effekte-trustskemas, 1981 (Wet No. 54 van 1981), waarvan die onderliggende bates alleen mag bestaan uit:	
(i) Wissels, skuldbriewe of effekte uitgereik of gewaarborg deur, of lenings aan of gewaarborg deur die Regering van die Republiek of 'n provinsiale administrasie; of	
(ii) bates bedoel in item 3 en paragraaf (e) (i) van item 9 van hierdie Aanhangsel; of	
(iii) bates bedoel in item 3 van hierdie Aanhangsel.	..

3. These regulations shall come into operation on 1 October 1989.

3. Hierdie regulasies tree in werking op 1 Oktober 1989.

No. 1921

1 September 1989

AMENDMENT OF REGULATIONS MADE UNDER THE FRIENDLY SOCIETIES ACT, 1956 (ACT No. 25 OF 1956)

The Minister of Finance has under section 47 of the Friendly Societies Act, 1956 (Act No. 25 of 1956), made the regulations in the Schedule.

SCHEDULE

Definition

1. In these regulations "the Regulations" means the regulations published by Government Notice No. R. 479 of 25 March 1966, as amended by Government Notice No. R. 2143 of 28 September 1984.

2. The following regulation is hereby added to the Regulations:

"Limits relating to investments of a registered society

29. (1) Subject to the provisions of subregulations (2), (3) and (4) and the Annexure to this regulation, a society shall only invest in an asset defined in an item in column 1 of the said Annexure to the extent to which the market value of such investment in any such asset, expressed as a percentage of the total market value of the total assets of the society, does not exceed the percentage mentioned in respect of such asset in column 2 of the said Annexure: Provided that—

- (a) the total market value of investments in assets referred to in items 5 and 6 in column 1 of the said Annexure, expressed as a percentage, shall not exceed 85 %; and
- (b) the total market value of investments in assets referred to in items 5 to 8, inclusive, in column 1 of the said Annexure [but including assets referred to in paragraphs (a) and (c) of item 8], expressed as a percentage, shall not exceed 90 %,

of the total market value of the total assets of the society.

(2) For the purposes of the provisions of this regulation and the Annexure thereto relating to the total assets of a society, a policy issued to the society concerned by an insurer carrying on long-term insurance business within the meaning of the Insurance Act, 1943 (Act No. 27 of 1943), which is not a linked policy, or which is a linked policy and in respect of which a certificate is obtained from the insurer's valuator indicating that the assets held by the insurer in respect of his net liabilities under the said policies meet the requirements of regulation 34 issued under the Insurance Act, 1943 (Act No. 27 of 1943), shall be deemed not to be an asset of the society.

No. 1921

1 September 1989

WYSIGING VAN REGULASIES UITGEVAARDIG KRAGTENS DIE WET OP ONDERLINGE HULPVERENIGINGS, 1956 (WET No. 25 VAN 1956)

Die Minister van Finansies het kragtens artikel 47 van die Wet op Onderlinge Hulpverenigings, 1956 (Wet No. 25 van 1956), die regulasies in die Bylae uitgevaardig.

BYLAE

Woordomsrywing

1. In hierdie regulasies beteken "die Regulasies" die regulasies gepubliseer by Goewermentskennisgewing No. R. 479 van 25 Maart 1966, soos gewysig by Goewermentskennisgewing No. R. 2143 van 28 September 1984.

2. Die volgende regulasie word hierby by die Regulasies gevoeg:

"Perke met betrekking tot beleggings van 'n geregistreerde vereniging

29. (1) Behoudens die bepalings van subregulasies (2), (3) en (4) en die Aanhangel by hierdie regulasie, mag 'n vereniging slegs in 'n bate omskryf in 'n item in kolom 1 van genoemde Aanhangel belê in die mate waarin die markwaarde van so 'n belegging in 'n bedoelde bate, uitgedruk as 'n persentasie van die totale markwaarde van die totale bates van die vereniging, nie die persentasie vermeld ten opsigte van so 'n bate in kolom 2 van genoemde Aanhangel oorskry nie: Met dien verstande dat—

- (a) die totale markwaarde van beleggings in bates bedoel in items 5 en 6 in kolom 1 van genoemde Aanhangel, uitgedruk as 'n persentasie, nie 85 %; en
- (b) die totale markwaarde van beleggings in bates bedoel in items 5 tot en met 8 in kolom 1 van genoemde Aanhangel [maar ingesluit bates bedoel in paragrawe (a) en (c) van item 8], uitgedruk as 'n persentasie, nie 90 %,

van die totale markwaarde van die totale bates van die vereniging mag oorskry nie.

(2) Vir die doeleindes van die bepalings van hierdie regulasie en die Aanhangel daarby met betrekking tot die totale bates van 'n vereniging, word 'n polis uitgereik aan die betrokke vereniging deur 'n versekeraar wat langtermynversekeringsbesigheid binne die betekenis van die Versekeringswet, 1943 (Wet No. 27 van 1943), bedryf, wat nie 'n gekoppelde polis is nie, of wat 'n gekoppelde polis is en ten opsigte waarvan 'n sertifikaat van die versekeraar se waardeerder verkry word wat aandui dat die bates wat deur die versekeraar in verband met sy netto verpligtinge ingevolge die betrokke polisse gehou word, voldoen aan die vereistes van regulasie 34 uitgevaardig kragtens die Versekeringswet, 1943 (Wet No. 27 van 1943), geag nie 'n bate van die vereniging te wees nie.

(3) For the purposes of the provisions of this regulation and the Annexure thereto relating to the total assets of a society, a linked policy issued to the society concerned by an insurer carrying on long-term insurance business within the meaning of the Insurance Act, 1943 (Act No. 27 of 1943), other than a linked policy referred to in subregulation (2), shall be included in the society's assets. The society shall at the end of each financial year of the society obtain in writing from the valuator of the insurer concerned details of the extent to which the value of the benefits under the policy is determined by the market value of assets defined in the Annexure to this regulation, and the appropriate value of such assets shall be deemed to be assets of the society.

(4) In this regulation and the Annexure thereto—

- (a) 'banking institution' means an institution registered under the Banks Act, 1965 (Act No. 23 of 1965);
- (b) 'building society' means a society registered under the Mutual Building Societies Act, 1965 (Act No. 24 of 1965), or under the Building Societies Act, 1986 (Act No. 82 of 1986);
- (c) 'linked policy' means a contract under which no investment guarantees are given by the insurer, either explicitly or implicitly, and in respect of which benefits are determined solely by reference to the value of specific assets to which the contract is linked and which are actually held by the insurer or in terms of section 20 (1) of the Insurance Act, 1943 (Act No. 27 of 1943);
- (d) 'market value', in relation to—
- (i) the value of every quoted asset, means the price at which it was quoted on the Johannesburg Stock Exchange within a period of three months immediately preceding the date to which the statement relates: Provided that if such quotation relates to a date other than that to which the statement of assets relates, the amount shall be properly adjusted in the case of—
- (aa) any interest-bearing assets, in respect of the difference between the amount of the interest which has accrued from the last date on which interest was payable up to the date of the quotation in question and the corresponding amount of interest accrued up to the date to which the statement relates;

(3) By die toepassing van die bepalings van hierdie regulasie en die Aanhangsel daarby met betrekking tot die totale bates van 'n vereniging, word 'n gekoppelde polis uitgereik aan die betrokke vereniging deur 'n versekeraar wat langtermynversekeringsbesigheid binne die betekenis van die Versekeringswet, 1943 (Wet No. 27 van 1943), bedryf, anders as 'n gekoppelde polis bedoel in subregulasie (2), ingesluit in die vereniging se bates. Die vereniging moet aan die einde van elke finansiële jaar van die vereniging skriftelik besonderhede van die waardeerder van die betrokke versekeraar verkry van die mate waarin die waarde van die voordele onder die polis bepaal word deur die markwaarde van bates omskryf in die Aanhangsel by hierdie regulasie, en die toepaslike waarde van sodanige bates word geag bates van die vereniging te wees.

(4) In hierdie regulasie en die Aanhangsel daarby beteken—

- (a) 'bankinstelling' 'n instelling geregistreer ingevolge die Bankwet, 1965 (Wet No. 23 van 1965);
- (b) 'bouvereniging' 'n vereniging geregistreer ingevolge die Wet op Onderlinge Bouverenigings, 1965 (Wet No. 24 van 1965), of ingevolge die Wet op Bouverenigings, 1986 (Wet No. 82 van 1986);
- (c) 'gekoppelde polis' 'n kontrak waarkragtens geen beleggingswaarborges deur die versekeraar gegee word nie, hetsy uitdruklik of implisiet, en ten opsigte waarvan voordele bepaal word uitsluitlik deur verwysing na die waarde van spesifieke bates waaraan die kontrak gekoppel is en wat werklik deur die versekeraar of kragtens artikel 20 (1) van die Versekeringswet, 1943 (Wet No. 27 van 1943), gehou word;
- (d) 'markwaarde', met betrekking tot—
- (i) die waarde van elke genoteerde bate, die prys waarop dit op die Johannesburgse Effektebeurs genoteer word binne 'n tydperk van drie maande onmiddellik voor die datum waarop die opgawe betrekking het: Met dien verstande dat indien die notering betrekking het op 'n ander datum as die datum waarop die opgawe van bates betrekking het, daar by die bepaling van bedoelde bedrag behoorlik rekening gehou moet word, in die geval van—
- (aa) rentedraende bates, met die verskil tussen die bedrag wat vanaf die laaste datum waarop rente betaalbaar was tot op die datum van die betrokke notering aan rente opgeloo het, en die ooreenstemmende bedrag aan opgelope rente tot op die datum waarop die opgawe betrekking het;

(bb) any share on which dividends have been declared, in respect of the difference between the amount of any dividend which had been declared but not paid on the date of the quotation in question and the amount of any dividend which had been declared but not paid on the date to which the statement relates:

Provided further that if the registrar is of the opinion that the values, determined in accordance with the foregoing provisions, of all the assets referred to in this paragraph are in the aggregate unduly low or unduly high so that they do not reflect the real aggregate value of the assets, the registrar may authorize or direct the society to show those assets at such other values as shall in the opinion of the registrar represent their real values; and

(ii) every asset to which the provisions of the preceding paragraphs do not apply, means the estimated value, which shall be an amount not exceeding the price which would be obtained on a sale in the Republic between a willing seller and a willing purchaser (between whom there is no other direct or indirect connection), as estimated by the society and approved by the registrar or, if the registrar does not approve of an estimate made by the society, as estimated by the registrar;

(e) 'property company' means a company —

(i) of which 50 % or more of the market value of its assets consists of immovable property, irrespective of whether such property is held directly by the company as registered owner or indirectly by way of ownership of the shares of the company which is the registered owner of the property or which exercises control over the company which is the registered owner of the property; or

(ii) of which 50 % or more of its income is derived from investments in immovable property, or from an investment in a company the income of which is derived 50 % or more from the income of investments in immovable property.

(5) The registrar may on prior written application by a society grant such a society unconditional exemption, for a period not exceeding 12 months, from one or more of the provisions of this regulation, read with the Annexure thereto.

(bb) 'n aandeel waarop diwidende verklaar is, met die verskil tussen die bedrag aan diwidende wat op die datum van die betrokke notering verklaar maar nog nie uitbetaal was nie, en die bedrag aan diwidende wat op die datum waarop die opgawe betrekking het, verklaar maar nog nie uitbetaal was nie:

Met dien verstande voorts dat indien die gesamentlike waarde van al die in hierdie paragraaf vermelde bates, soos ooreenkomstig voorgaande bepalings vasgestel, volgens die oordeel van die registrateur uitermate laag of uitermate hoog is en dus nie die werklike totale waarde van daardie bates weergee nie, die registrateur die vereniging kan magtig of beveel om daardie bates teen die ander waardes aan te gee wat na die registrateur se mening die werklike waardes daarvan verteenwoordig; en

(ii) elke bate waarop die bepalings van die voorafgaande paragraawe nie van toepassing is nie, die beraamde waarde wat hoogstens gelyk is aan die prys wat by 'n verkoping in die Republiek tussen 'n gewillige koper en 'n gewillige verkoper (tussen wie daar geen ander regstreekse of onregstreekse verband bestaan nie) verkry sou word, soos deur die vereniging beraam en deur die registrateur goedgekeur, of indien die registrateur nie 'n beraaming deur die vereniging gemaak, goedkeur nie, soos deur die registrateur beraam;

(e) 'eiendomsmaatskappy' 'n maatskappy —

(i) waarvan 50 % of meer van die markwaarde van sy bates bestaan uit onroerende eiendom, ongeag of sodanige eiendom deur die maatskappy direk as geregistreerde eienaar gehou word, of indirek by wyse van eienaarskap van die aandeel van die maatskappy wat die geregistreerde eienaar is van die eiendom of wat beheer uitoefen oor die maatskappy wat die geregistreerde eienaar van die eiendom is; of

(ii) waarvan 50 % of meer van sy inkomste verkry word uit beleggings in onroerende eiendom, of uit 'n belegging in 'n maatskappy waarvan die inkomste uit 50 % of meer van die inkomste uit beleggings in onroerende eiendom bestaan.

(5) Die registrateur kan op die vooraf skriftelike aansoek van 'n vereniging onvoorwaardelike vrystelling aan so 'n vereniging vir 'n tydperk van hoogstens 12 maande van een of meer van die bepalings van hierdie regulasie, saamgelees met die Aanhangel daarby, verleen.

ANNEXURE TO REGULATION 29

Column 1	Column 2
Definition of assets	Maximum percentage of aggregate market value of total assets of society
<p>1. Deposits in the Republic with an office of a banking institution or a building society, including negotiable deposits and money market instruments in terms of which a banking institution or building society is liable:</p> <p style="padding-left: 20px;">Per banking institution 20%</p> <p style="padding-left: 20px;">Per building society 20%</p> <p>2. Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by—</p> <p style="padding-left: 20px;">(a) a local authority in the Republic authorised by law to levy rates upon immovable property:</p> <p style="padding-left: 40px;">Per local authority 20%</p> <p style="padding-left: 20px;">(b) Development Boards established under the Black Communities Development Act, 1984 (Act No. 4 of 1984): 20%</p> <p style="padding-left: 20px;">(c) Rand Water Board: 20%</p> <p style="padding-left: 20px;">(d) Eskom: 20%</p> <p style="padding-left: 20px;">(e) Land and Agricultural Bank of South Africa: 20%</p> <p style="padding-left: 20px;">(f) Local Authorities Loans Fund Board: 20%</p> <p>3. Bills, bonds and securities issued by and loans to an institution in the Republic, which institution the registrar has approved in terms of section 20 (2) (h) of the Act, and also bills, bonds and securities issued by and loans to an institution in the Republic, which bills, bonds, securities and loans the registrar has likewise approved:</p> <p style="padding-left: 20px;">Per institution 20%</p> <p>4. Bills, bonds and securities issued by the government of and a local authority in a territory other than the Republic, which territory the registrar has approved in terms of section 20 (2) (i) of the Act, and also those issued by an institution in such an approved territory, which institution the registrar has likewise approved: 20%</p> <p>5. Immovable property, units in unit trust schemes in property shares, and shares in, loans to and debentures of property companies, subject to the following limitation: 30%</p> <p style="padding-left: 20px;">Investment in any one single property or property development project 5%</p> <p>6. Preference and ordinary shares in companies (excluding shares in property companies) and units in unit trust schemes [excluding units in unit trust schemes in property shares and in unit trust schemes referred to in paragraph (d) of item 8 of this Annexure], subject to the following limitation: 65%</p> <p style="padding-left: 20px;">(a) Unlisted shares and shares listed in the Development Capital Sector of the Johannesburg Stock Exchange 5%</p> <p style="padding-left: 20px;">(b) shares in any one company listed on the Johannesburg Stock Exchange other than in the Development Capital Sector 10%</p> <p>7. Claims secured by mortgage bonds on immovable property in the Republic, debentures (listed and unlisted) and any other claims against individuals [excluding loans referred to in paragraph (c) of item 8 of this Annexure] and companies (excluding loans to and debentures of property companies), subject to the following limitation: 25%</p> <p style="padding-left: 20px;">(a) Claims against any one individual 0,1%</p> <p style="padding-left: 20px;">(b) claims against any one company 5%</p> <p>8. Any other assets not referred to in this Annexure, but excluding— 2,5%</p> <p style="padding-left: 20px;">(a) money in hand in the Republic;</p> <p style="padding-left: 20px;">(b) bills, bonds or securities issued or guaranteed by, or loans to or guaranteed by the Government of the Republic or a provincial administration;</p> <p style="padding-left: 20px;">(c) loans granted to members of the society concerned in accordance with—</p> <p style="padding-left: 40px;">(i) the provisions of section 20 (5) (b); and</p> <p style="padding-left: 40px;">(ii) such exemptions as may have been granted to the society in terms of section 20 (6) of the Act;</p> <p style="padding-left: 20px;">(d) units in a unit trust scheme as defined in the Unit Trusts Control Act, 1981 (Act No. 54 of 1981), of which the underlying assets may consist only of:</p> <p style="padding-left: 40px;">(i) Bills, bonds or securities issued or guaranteed by, or loans to or guaranteed by the Government of the Republic or a provincial administration; or</p> <p style="padding-left: 40px;">(ii) assets referred to in item 2 and paragraph (d) (i) of item 8 of this Annexure; or</p> <p style="padding-left: 40px;">(iii) assets referred to in item 2 of this Annexure.</p>	

AANHANGSEL BY REGULASIE 29

Kolom 1	Kolom 2
Omskrywing van bates	Maksimum persentasie van totale markwaarde van totale bates van vereniging
1. Deposito's in die Republiek by 'n kantoor van 'n bankinstelling of 'n bouvereniging, met inbegrip van verhandelbare deposito's en geldmarkinstrumente ingevolge waarvan so 'n bankinstelling of bouvereniging aanspreeklik is:	
Per bankinstelling	20%
Per bouvereniging	20%
2. Wissels, skuldbriewe en effekte uitgereik of gewaarborg deur en lenings aan of gewaarborg deur—	
(a) 'n plaaslike bestuur in die Republiek gemagtig deur wetgewing om belasting op onroerende eiendom te hef:	
Per plaaslike bestuur	20%
(b) Ontwikkelingsrade wat ingestel is by die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet No. 4 van 1984):	20%
(c) Randse Waterraad:	20%
(d) Eskom:	20%
(e) Land- en Landboubank van Suid-Afrika:	20%
(f) Raad van die Leningsfonds vir Plaaslike Besture:	20%
3. Wissels, skuldbriewe en effekte uitgereik deur en lenings aan 'n instelling in die Republiek, welke instelling die registrateur ingevolge artikel 20 (2) (h) van die Wet goedgekeur het, asook wissels, skuldbriewe en effekte uitgereik deur en lenings aan 'n instelling in die Republiek, welke wissels, skuldbriewe, effekte en lenings die registrateur insgelyks goedgekeur het:	
Per instelling	20%
4. Wissels, skuldbriewe en effekte uitgereik deur die regering van en 'n plaaslike bestuur in 'n gebied anders as die Republiek, welke gebied die registrateur ingevolge artikel 20 (2) (i) van die Wet goedgekeur het, en ook daardie uitgereik deur 'n instelling in so 'n goedgekeurde gebied, welke instelling die registrateur insgelyks goedgekeur het:	20%
5. Onroerende eiendom, onderaandeel in effekte-trustskemas in eiendomsaandeel en aandeel in, lenings aan en skuldbriewe van eiendomsmaatskappye, onderworpe aan die volgende beperking:	30%
Belegging in enige een enkele eiendom of eiendomsontwikkelingsprojek	5%
6. Voorkeur- en gewone aandeel in maatskappye (uitgesonderd aandeel in eiendomsmaatskappye) en onderaandeel in effekte-trustskemas [uitgesonderd onderaandeel in effekte-trustskemas in eiendomsaandeel en in effekte-trustskemas bedoel in paragraaf (d) van item 8 van hierdie Aanhangsel], onderworpe aan die volgende beperking:	65%
(a) Ongenoteerde aandeel en aandeel genoteer in die Ontwikkelingskapitaalsektor van die Johannesburgse Effektebeurs	5%
(b) aandeel in enige een maatskappy genoteer op die Johannesburgse Effektebeurs anders as in die Ontwikkelingskapitaalsektor	10%
7. Vorderings versekureer deur verbande oor onroerende eiendom in die Republiek, skuldbriewe (genoteer en ongenoteer), en enige ander vorderings teen individue [uitgesonderd lenings bedoel in paragraaf (c) van item 8 van hierdie Aanhangsel] en maatskappye (uitgesonderd lenings aan en skuldbriewe van eiendomsmaatskappye), onderworpe aan die volgende beperking:	25%
(a) Vorderings teen enige een individu	0,1%
(b) vorderings teen enige een maatskappy	5%
8. Enige ander bates nie vermeld in hierdie Aanhangsel nie, maar uitgesonderd—	2,5%
(a) geld in kas in die Republiek;	
(b) wissels, skuldbriewe of effekte uitgereik of gewaarborg deur, of lenings aan of gewaarborg deur die Regering van die Republiek of 'n provinsiale administrasie;	
(c) lenings toegestaan aan lede van die betrokke vereniging, in ooreenstemming met—	
(i) die bepaling van artikel 20 (5) (b); en	
(ii) vrystellings wat ingevolge artikel 20 (6) van die Wet aan die vereniging verleen is;	
(d) onderaandeel in 'n effekte-trustkema soos omskryf in die Wet op Beheer van Effekte-trustskemas, 1981 (Wet No. 54 van 1981), waarvan die onderliggende bates alleen mag bestaan uit:	
(i) wissels, skuldbriewe of effekte uitgereik of gewaarborg deur, of lenings aan of gewaarborg deur die Regering van die Republiek of 'n provinsiale administrasie; of	
(ii) bates bedoel in item 2 en paragraaf (d) (i) van item 8 van hierdie Aanhangsel; of	
(iii) bates bedoel in item 2 van hierdie Aanhangsel.	"

3. These regulations shall come into operation on 1 October 1989.

3. Hierdie regulasies tree op 1 Oktober 1989 in werking.

No. 1922

1 September 1989

AMENDMENT OF REGULATIONS MADE UNDER THE INSURANCE ACT, 1943 (ACT No. 27 OF 1943)

The Minister of Finance has under section 76 of the Insurance Act, 1943 (Act No. 27 of 1943), made the regulations in the Schedule.

SCHEDULE

Definition

1. In these regulations "the Regulations" means the regulations published by Government Notice No. R. 1285 of 27 August 1965, as amended by Government Notices Nos. R. 252 of 23 February 1968, R. 2036 of 2 November 1973, R. 2489 of 28 December 1973, R. 1442 of 20 August 1976, R. 333 of 1 March 1977, R. 838 of 20 May 1977, R. 1249 of 8 July 1977, R. 2274 of 4 November 1977, R. 947 of 12 May 1978, R. 1631 of 11 August 1978, R. 120 of 26 January 1979, R. 353 of 20 February 1981, R. 396 of 27 February 1981, R. 905 of 24 April 1981, R. 2064 of 2 October 1981, R. 446 of 4 March 1983, R. 2145 of 28 September 1984, R. 81 of 18 January 1985, R. 2117 of 20 September 1985, R. 2324 of 18 October 1985, R. 431 of 14 March 1986, R. 949 of 16 May 1986, R. 2584 and R. 2628 of 12 December 1986, R. 2288 of 16 October 1987, R. 2501 of 9 December 1988, R. 1345 of 30 June 1989 and R. 1447 of 7 July 1989.

2. Regulation 27 is hereby repealed.

3. The following regulation is hereby added to the Regulations:

"Limits relating to assets held in respect of insurance business

34. (1) The assets which a registered insurer is required to hold in the Republic—

- (a) in respect of long-term insurance business in terms of section 17 (1) (b) of the Act; and
- (b) in respect of short-term insurance business in terms of section 17 (4) (b) of the Act,

shall not include assets of a kind defined in column 1 of the Annexure to this regulation, having a market value which, expressed as a percentage of the insurer's aggregate liabilities in respect of the business concerned, exceeds the percentage prescribed in subcolumn (i) or (ii), as the case may be, of column 2 of the said Annexure: Provided that—

- (i) the total market value of assets held in respect of long-term insurance business—
 - (aa) referred to in items 7 to 14, inclusive, in column 1 of the said Annexure, expressed as a percentage, shall not exceed 90 %; and
 - (bb) referred to in items 7 and 8 in column 1 of the said Annexure, expressed as a percentage, shall not exceed 85 %; and

No. 1922

1 September 1989

WYSIGING VAN REGULASIES UITGEVAARDIG Kragtens DIE VERSEKERINGSWET, 1943 (WET No. 27 VAN 1943)

Die Minister van Finansies het kragtens artikel 76 van die Versekeringswet, 1943 (Wet No. 27 van 1943), die regulasies in die Bylae uitgevaardig.

BYLAE

Woordomskrywing

1. In hierdie regulasies beteken "die Regulasies" die regulasies gepubliseer by Goewermentskennisgewing No. R. 1285 van 27 Augustus 1965, soos gewysig by Goewermentskennisgewings Nos. R. 252 van 23 Februarie 1968, R. 2036 van 2 November 1973, R. 2489 van 28 Desember 1973, R. 1442 van 20 Augustus 1976, R. 333 van 1 Maart 1977, R. 838 van 20 Mei 1977, R. 1249 van 8 Julie 1977, R. 2274 van 4 November 1977, R. 947 van 12 Mei 1978, R. 1631 van 11 Augustus 1978, R. 120 van 26 Januarie 1979, R. 353 van 20 Februarie 1981, R. 396 van 27 Februarie 1981, R. 905 van 24 April 1981, R. 2064 van 2 Oktober 1981, R. 446 van 4 Maart 1983, R. 2145 van 28 September 1984, R. 81 van 18 Januarie 1985, R. 2117 van 20 September 1985, R. 2324 van 18 Oktober 1985, R. 431 van 14 Maart 1986, R. 949 van 16 Mei 1986, R. 2584 en R. 2628 van 12 Desember 1986, R. 2288 van 16 Oktober 1987, R. 2501 van 9 Desember 1988, R. 1345 van 30 Junie 1989 en R. 1447 van 7 Julie 1989.

2. Regulasie 27 word hierby herroep.

3. Die volgende regulasie word hierby by die Regulasies gevoeg:

"Perke met betrekking tot bates gehou in verband met versekeringsbesigheid

34. (1) Die bates wat 'n geregistreerde versekeraar in die Republiek moet hou—

- (a) met betrekking tot langtermynversekeringsbesigheid ingevolge artikel 17 (1) (b) van die Wet; en
- (b) met betrekking tot korttermynversekeringsbesigheid ingevolge artikel 17 (4) (b) van die Wet,

sluit nie bates in van 'n soort omskryf in kolom 1 van die Aanhangel by hierdie regulasie, met 'n markwaarde wat, uitgedruk as 'n persentasie van die versekeraar se totale verpligtinge in verband met die betrokke besigheid, die persentasie voorgeskryf in subkolom (i) of (ii), na gelang van die geval, van kolom 2 van genoemde Aanhangel oorskryf nie: Met dien verstande dat—

- (i) die totale markwaarde van bates wat in verband met langtermynversekeringsbesigheid gehou word—
 - (aa) bedoel in items 7 tot en met 14 in kolom 1 van genoemde Aanhangel, uitgedruk as 'n persentasie, nie 90 %; en
 - (bb) bedoel in items 7 en 8 in kolom 1 van genoemde Aanhangel, uitgedruk as 'n persentasie, nie 85 %; en

(ii) the total market value of assets held in respect of short-term insurance business—

(aa) referred to in items 3 and 7 to 14, inclusive, in column 1 of the said Annexure, expressed as a percentage, shall not exceed 70 %; and

(bb) referred to in items 9 and 10 in column 1 of the said Annexure, expressed as a percentage, shall not exceed 55 %,

of the aggregate liabilities in respect of the business concerned.

(2) For the purposes of the provisions of this regulation and the Annexure thereto the following kinds of assets shall be included in the total assets of an insurer, but relating to the assets that an insurer may hold and which such insurer holds, shall not be limited per kind of asset:

(a) Assets held in respect of short-term insurance business which are of the kinds mentioned in—

(i) paragraphs 1, 3 to 6, inclusive, and 6A of the Third Schedule to the Act, having maturities not exceeding seven years: Provided that the limitation per institution in item 4 of the Annexure shall apply; and

(ii) paragraph 8 of the Third Schedule to the Act;

(b) assets held in respect of long-term insurance business of the kinds mentioned in paragraphs 1, 3 and 7 of the Third Schedule to the Act;

(c) Krugerrands held in respect of long-term insurance business.

(3) For the purpose of subregulation (1)—

(a) the assets of an investment subsidiary of an insurer shall, in the same ratio which the insurer's shareholding in such subsidiary bears to the total issued share capital of the subsidiary, be deemed to be assets of the insurer, in lieu of the insurer's shareholding in and loans to the subsidiary; and

(b) the liabilities of an investment subsidiary of an insurer (excluding amounts due to the insurer), shall be deemed to be the liabilities of the insurer in the same ratio referred to in paragraph (a).

(4) In this regulation and the Annexure—

(a) 'aggregate liabilities', in relation to an insurer, means the aggregate of—

(i) the net liabilities in respect of which the insurer is required to hold assets in the Republic in terms of section 17 (1) (b) or 17 (4) (b) of the Act; and

(ii) the amount of the liabilities which, by virtue of the insurer's shareholding in investment subsidiaries, is deemed to be liabilities of the insurer in terms of subregulation (3);

(b) 'associate' means an associate as defined in section 1 of the Act, but does not include an investment subsidiary or a property company;

(ii) die totale markwaarde van bates wat in verband met korttermynversekeringsbesigheid gehou word—

(aa) bedoel in items 3 en 7 tot en met 14 in kolom 1 van genoemde Aanhangsel, uitgedruk as 'n persentasie, nie 70 %; en

(bb) bedoel in items 9 en 10 in kolom 1 van genoemde Aanhangsel, uitgedruk as 'n persentasie, nie 55 %,

van die totale verpligtinge in verband met die betrokke besigheid mag oorskry nie.

(2) Vir die doeleindes van die bepalings van hierdie regulasie en die Aanhangsel daarby word die volgende soorte bates ingesluit in die totale bates van 'n versekeraar maar, met betrekking tot daardie bates wat 'n versekeraar mag hou en wat deur so 'n versekeraar gehou word, word dit nie per soort bate beperk nie:

(a) Bates wat in verband met korttermynversekeringsbesigheid gehou word van die soorte vermeld in—

(i) paragrawe 1, 3 tot en met 6, en 6A van die Derde Bylae by die Wet met 'n looptyd wat nie sewe jaar oorskry nie: Met dien verstande dat die perk per instelling in item 4 van die Aanhangsel geld; en

(ii) paragraaf 8 van die Derde Bylae by die Wet;

(b) bates wat in verband met langtermynversekeringsbesigheid gehou word van die soorte vermeld in paragrawe 1, 3 en 7 van die Derde Bylae by die Wet;

(c) Krugerrande wat in verband met langtermynversekeringsbesigheid gehou word.

(3) By die toepassing van subregulasie (1) word—

(a) die bates van 'n beleggingsfiliaal van 'n versekeraar, in dieselfde verhouding as wat die versekeraar se aandeelhouding in sodanige filiaal tot die totale uitgereikte aandeelkapitaal van die filiaal staan, geag bates van die versekeraar te wees in die plek van die versekeraar se aandeelhouding in en lenings aan die filiaal; en

(b) die laste van 'n beleggingsfiliaal van 'n versekeraar (uitgesonderd bedrae verskuldig aan die versekeraar), in dieselfde verhouding in paragraaf (a) bedoel, geag verbintnisse van die versekeraar te wees.

(4) In hierdie regulasie en die Aanhangsel beteken—

(a) 'totale verpligtinge', met betrekking tot 'n versekeraar, die totaal van—

(i) die netto verbintnisse ten opsigte waarvan die versekeraar verplig is om bates in die Republiek te hou ingevolge artikel 17 (1) (b) of 17 (4) (b) van die Wet; en

(ii) die bedrag van die verbintnisse wat, uit hoofde van die versekeraar se aandeelhouding in beleggingsfiliale, geag word verbintnisse van die versekeraar te wees ingevolge subregulasie (3);

(b) 'geassosieerde' 'n geassosieerde soos omskryf in artikel 1 van die Wet, maar sluit nie 'n beleggingsfiliaal of 'n eiendomsmaatskappy in nie;

- (c) 'associated company' means a company associated in any manner defined in the definition of 'associate' in section 1 of the Act;
- (d) 'banking institution' means an institution registered under the Banks Act, 1965 (Act No. 23 of 1965);
- (e) 'building society' means a society registered under the Mutual Building Societies Act, 1965 (Act No. 24 of 1965), or under the Building Societies Act, 1986 (Act No. 82 of 1986);
- (f) 'investment subsidiary', in relation to an insurer, means a company—
- (i) which by virtue of shareholding, voting power, power to appoint directors, or otherwise, is controlled by the insurer concerned;
 - (ii) which is used by the insurer concerned for the purpose of holding investments; and
 - (iii) whose shares are not listed on the Johannesburg Stock Exchange;
- (g) 'linked business' means any business of assuming obligations under contracts under which no investment guarantees are given by the insurer, either explicitly or implicitly, and in respect of which benefits are determined solely by reference to the value of specific assets to which the contract is linked and which are actually held by the insurer or in terms of section 20 (1) of the Act;
- (h) 'long-term insurance business' shall exclude any linked business;
- (i) 'market value', in relation to—
- (i) assets listed on the Johannesburg Stock Exchange, means the value determined in accordance with paragraph (g) of section 15 of the Act; and
 - (ii) assets to which the preceding provisions do not apply, means the value determined in accordance with paragraph (h) of section 15 of the Act;
- (j) 'property company' means a company—
- (i) of which 50 % or more of the market value of its assets consists of immovable property, irrespective of whether such property is held directly by the company as registered owner, or indirectly by way of ownership of the shares of the company which is the registered owner of the property or which exercises control over the company which is the registered owner of the property; or
 - (ii) of which 50 % or more of its income is derived from investments in immovable property, or from an investment in a company the income of which is derived 50 % or more from the income of investments in immovable property.
- (5) The registrar may on prior written application by an insurer grant such an insurer unconditional exemption, for a period not exceeding 12 months, from one or more of the provisions of this regulation, read with the Annexure thereto.
- (c) 'geassosieerde maatskappy' 'n maatskappy geassosieerd op enige wyse omskryf in die woordskrywing van 'geassosieerde' in artikel 1 van die Wet;
- (d) 'bankinstelling' 'n instelling geregistreer ingevolge die Bankwet, 1965 (Wet No. 23 van 1965);
- (e) 'bouvereniging' 'n vereniging geregistreer ingevolge die Wet op Onderlinge Bouverenigings, 1965 (Wet No. 24 van 1965), of ingevolge die Wet op Bouverenigings, 1986 (Wet No. 82 van 1986);
- (f) 'beleggingsfiliaal', met betrekking tot 'n versekerer, 'n maatskappy—
- (i) wat uit hoofde van aandeelhouding, stemreg, reg om direkteure aan te stel, of andersins, deur die betrokke versekerer beheer word;
 - (ii) wat deur die betrokke versekerer gebruik word vir die doel om beleggings te hou; en
 - (iii) wie se aandele nie op die Johannesburgse Effektebeurs genoteer is nie;
- (g) 'gekoppelde besigheid' enige besigheid van die aanvaarding van verpligtinge onder kontrakte waarkragtens geen beleggingswaarborges deur die versekerer gegee word nie, hetsy uitdruklik of implisiet, en ten opsigte waarvan voordele bepaal word uitsluitlik deur verwysing na die waarde van spesifieke bates waaraan die kontrak gekoppel is en wat werklik deur die versekerer of kragtens artikel 20 (1) van die Wet gehou word;
- (h) 'langtermynversekeringsbesigheid' nie ook enige gekoppelde besigheid nie;
- (i) 'markwaarde', met betrekking tot—
- (i) bates genoteer op die Johannesburgse Effektebeurs, die waarde vasgestel in ooreenstemming met paragraaf (g) van artikel 15 van die Wet; en
 - (ii) bates waarop die voorafgaande bepalinge nie van toepassing is nie, die waarde vasgestel in ooreenstemming met paragraaf (h) van artikel 15 van die Wet;
- (j) 'eiendomsmaatskappy' 'n maatskappy—
- (i) waarvan 50 % of meer van die markwaarde van sy bates bestaan uit onroerende eiendom, ongeag of sodanige eiendom deur die maatskappy direk as geregistreerde eienaar gehou word, of indirek by wyse van eienaarskap van die aandele van die maatskappy wat die geregistreerde eienaar is van die eiendom of wat beheer uitoefen oor die maatskappy wat die geregistreerde eienaar van die eiendom is; of
 - (ii) waarvan 50 % of meer van sy inkomste verkry word uit beleggings in onroerende eiendom, of uit 'n belegging in 'n maatskappy waarvan die inkomste uit 50 % of meer van die inkomste uit beleggings in onroerende eiendom, bestaan.
- (5) Die registrateur kan op die vooraf skriftelike aansoek van 'n versekerer onvoorwaardelike vrystelling aan so 'n versekerer vir 'n tydperk van hoogstens 12 maande, van een of meer van die bepalinge van hierdie regulasie, saamgelees met die Aanhangel daarby, verleen.

ANNEXURE TO REGULATION 34

Column 1	Column 2	
	Maximum percentage of aggregate liabilities	
	Subcolumn (i)	Subcolumn (ii)
Definition of assets	Long-term insurance business	Short-term insurance business
1. Deposits in the Republic with an office of a banking institution or a building society, including negotiable deposits and money market instruments in terms of which such a banking institution or building society is liable:		
Per banking institution	20%	20%
Per building society	20%	20%
2. Krugerrands held in respect of short-term insurance business:	—	2,5%
3. Assets held in respect of short-term insurance business of the kinds mentioned in paragraphs 3 to 6, inclusive, and 6A of the Third Schedule to the Act and which have maturities exceeding seven years:	—	30%
4. Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by—		
(a) a local authority recognised in terms of paragraph 4 of the Third Schedule to the Act:		
Per local authority	20%	20%
(b) Development Boards established under the Black Communities Development Act, 1984 (Act No. 4 of 1984):	20%	20%
(c) Rand Water Board:	20%	20%
(d) Eskom:	20%	20%
(e) Land and Agricultural Bank of South Africa:	20%	20%
5. Bills, bonds and securities issued by and loans to an institution in the Republic, which bills, bonds, securities and loans the registrar has approved in terms of paragraph 6 of the Third Schedule to the Act, and also bills, bonds and securities issued by and loans to an institution in the Republic, which institution the registrar has likewise approved:		
Per institution	20%	20%
6. Bills, bonds and securities issued by a government of and a local authority in a territory other than the Republic, which territory the registrar has approved in terms of paragraph 6A of the Third Schedule to the Act, and also those issued by an institution in such approved territory, which institution the registrar has likewise approved:	20%	20%
7. Immovable property, units in unit trust schemes in property shares and shares in, loans to and debentures of property companies, subject to the following limitation:	30%	10%
Investment in any one single property or property development project	5%	5%
8. Preference and ordinary shares in companies and associated companies (excluding shares in property companies and investment subsidiaries), and units in unit trust schemes (excluding units in unit trust schemes in property shares), held in respect of long-term insurance business, subject to the following limitation:	65%	—
(a) Unlisted shares and shares listed in the Development Capital Sector of the Johannesburg Stock Exchange	5%	—
(b) shares in any one company or associated company listed on the Johannesburg Stock Exchange other than in the Development Capital Sector	10%	—
9. Ordinary shares in companies and associated companies (excluding shares in property companies and investment subsidiaries) and units in unit trust schemes (excluding units in unit trust schemes in property shares), held in respect of short-term insurance business, subject to the following limitation:	—	40%
(a) Unlisted shares and shares listed in the Development Capital Sector of the Johannesburg Stock Exchange	—	5%
(b) shares in any one company or associated company listed on the Johannesburg Stock Exchange other than in the Development Capital Sector	—	5%
10. Preference shares in companies and associated companies (excluding preference shares in property companies and investment subsidiaries) held in respect of short-term insurance business, subject to the following limitation:	—	30%
Investment in preference shares of any one company	—	5%
11. Loans to and debentures of associates and associated companies:	5%	5%
12. Claims secured by mortgage bonds on immovable property in the Republic, debentures (listed and unlisted), and any other claims against individuals and companies (excluding assets of the kinds referred to in paragraphs 7 and 8 of the Third Schedule to the Act, loans to investment subsidiaries, associates and associated companies and loans to and debentures of property companies), subject to the following limitation:	25%	25%
(a) Claims against any one individual	0,1%	0,1%
(b) claims against any one company	5%	5%
13. Computer equipment, furniture and other office machinery, as well as motor vehicles, subject to the following limitation:		
(a) Computer equipment	5%	5%
(b) other equipment, as well as motor vehicles	2,5%	2,5%
14. Any other asset of the kinds mentioned in the Third Schedule to the Act.	2,5%	2,5%

AANHANGSEL BY REGULASIE 34

Kolom 1	Kolom 2	
	Maksimum persentasie van totale verpligtinge	
	Subkolom (i)	Subkolom (ii)
Omskrywing van bates	Langtermyn-versekeringsbesigheid	Korttermyn-versekeringsbesigheid
1. Deposito's in die Republiek by 'n kantoor van 'n bankinstelling of bouvereniging, met inbegrip van verhandelbare deposito's en geldmarkinstrumente ingevolge waarvan so 'n bankinstelling of bouvereniging aanspreeklik is:		
Per bankinstelling	20%	20%
Per bouvereniging	20%	20%
2. Krugerrande wat met betrekking tot korttermynversekeringsbesigheid gehou word:	—	2,5%
3. Bates wat met betrekking tot korttermynversekeringsbesigheid gehou word van die soorte vermeld in paragrawe 3 tot en met 6, en 6A van die Derde Bylae by die Wet met 'n looptyd van langer as sewe jaar:	—	30%
4. Wissels, skuldbriewe en effekte uitgereik of gewaarborg deur en lenings aan of gewaarborg deur—		
(a) 'n plaaslike bestuur erken ingevolge paragraaf 4 van die Derde Bylae by die Wet:		
Per plaaslike bestuur	20%	20%
(b) Ontwikkelingsrade wat ingestel is by die Wet op Ontwikkeling van Swart Gemeenskappe, 1984 (Wet No. 4 van 1984):	20%	20%
(c) Randse Waterraad:	20%	20%
(d) Eskom:	20%	20%
(e) Land- en Landboubank van Suid-Afrika:	20%	20%
5. Wissels, skuldbriewe en effekte uitgereik deur en lenings aan 'n instelling in die Republiek, welke wissels, skuldbriewe, effekte en lenings die registrateur ingevolge paragraaf 6 van die Derde Bylae by die Wet goedgekeur het asook wissels, skuldbriewe en effekte uitgereik deur en lenings aan 'n instelling in die Republiek, welke instelling die registrateur insgelyks goedgekeur het:		
Per instelling	20%	20%
6. Wissels, skuldbriewe en effekte uitgereik deur 'n regering van en 'n plaaslike bestuur in 'n gebied anders as die Republiek, welke gebied die registrateur ingevolge paragraaf 6A van die Derde Bylae by die Wet goedgekeur het, en ook daardie uitgereik deur 'n instelling in 'n goedgekeurde gebied, welke instelling die registrateur insgelyks goedgekeur het:	20%	20%
7. Onroerende eiendom, onderaande in effekte-trustskemas in eiendomsaandeel en aandeel in, lenings aan en skuldbriewe van eiendomsmaatskappye, onderworpe aan die volgende beperking:	30%	10%
Belegging in enige een enkele eiendom of eiendomsontwikkelingsprojek	5%	5%
8. Voorkeur- en gewone aandeel in maatskappye en geassosieerde maatskappye (uitgesonderd aandeel in eiendomsmaatskappye en beleggingsfiliale), en onderaandeel in effekte-trustskemas (uitgesonderd onderaandeel in effekte-trustskemas in eiendomsaandeel), wat in verband met langtermynversekeringsbesigheid gehou word, onderworpe aan die volgende beperking:	65%	—
(a) Ongenoteerde aandeel en aandeel genoteer in die Ontwikkelingskapitaalsektor van die Johannesburgse Effektebeurs	5%	—
(b) aandeel in enige een maatskappy of geassosieerde maatskappy genoteer op die Johannesburgse Effektebeurs anders as in die Ontwikkelingskapitaalsektor	10%	—
9. Gewone aandeel in maatskappye en geassosieerde maatskappye (uitgesonderd aandeel in eiendomsmaatskappye en beleggingsfiliale) en onderaandeel in effekte-trustskemas (uitgesonderd onderaandeel in effekte-trustskemas in eiendomsaandeel), wat in verband met korttermynversekeringsbesigheid gehou word, onderworpe aan die volgende beperking:	—	40%
(a) Ongenoteerde aandeel en aandeel genoteer in die Ontwikkelingskapitaalsektor van die Johannesburgse Effektebeurs	—	5%
(b) aandeel in enige een maatskappy of geassosieerde maatskappy genoteer op die Johannesburgse Effektebeurs anders as in die Ontwikkelingskapitaalsektor	—	5%
10. Voorkeuraandeel in maatskappye en geassosieerde maatskappye (uitgesonderd voorkeuraandeel in eiendomsmaatskappye en beleggingsfiliale), wat ten opsigte van korttermynversekeringsbesigheid gehou word, onderworpe aan die volgende beperking:	—	30%
Belegging in voorkeuraandeel van enige een maatskappy	—	5%
11. Lenings aan en skuldbriewe van geassosieerde en geassosieerde maatskappye:	5%	5%

Kolom 1	Kolom 2	
	Maksimum persentasie van totale verpligtinge	
	Subkolom (i)	Subkolom (ii)
Omskrywing van bates	Langtermyn-versekerings-besigheid	Korttermyn-versekerings-besigheid
12. Vorderings versekureer deur verbande oor onroerende eiendom in die Republiek, skuldbriewe (genoteer en ongenoteer), en enige ander vorderings teen individue en maatskappye (uitgesonderd bates van die soorte boedel in paragrawe 7 en 8 van die Derde Bylae by die Wet, lenings aan 'n beleggingsfiliaal, 'n geassosieerde of 'n geassosieerde maatskappy en lenings aan en skuldbriewe van eiendomsmaatskappye), onderworpe aan die volgende beperking:	25%	25%
(a) Vorderings teen enige een individu	0,1%	0,1%
(b) vorderings teen enige een maatskappy	5%	5%
13. Rekenaartoerusting, meubels en ander kantoormasjiene, asook motorvoertuie onderworpe aan die volgende beperking:	5%	5%
(a) Rekenaartoerusting.....	2,5%	2,5%
(b) ander toerusting, asook motorvoertuie	2,5%	2,5%
14. Enige ander bate van die soorte vermeld in die Derde Bylae by die Wet.	2,5%	2,5%

4. These regulations shall come into operation on 1 October 1989.

4. Hierdie regulasies tree op 1 Oktober 1989 in werking.

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