

FINANCIAL INSTITUTIONS OFFICE

Private Bag X238

PRETORIA

0001

23 September 1976

CIRCULAR F.S. 8

(To all friendly societies)

AMENDMENTS TO THE FRIENDLY SOCIETIES ACT, 1956

1. The attention of friendly societies is invited to the amendments of the Friendly Societies Act and the Inspection of Financial Institutions Act, contained in section 25 to 32 of the Financial Institutions Amendment Act, 1976 (Act No. 101), published in Government Gazette No. 5217 of 23 July 1976. Copies of the Gazette at 20c each are obtainable from the Government Printer (Publications Section), Private Bag X85, Pretoria 0001 or P.O. Box 571, Cape Town 8000.
2. In terms of proclamation 139, 1976 published in Government Gazette No. 5236 of 30 July 1976 the amendments came into operation on 1 August 1976.
3. The effect of the more important amendments is summarised below.
  - 3.1 Insurance on the lives of children  
The maximum amount for which a society may insure the life of a child has been increased to R100, in the case of a child under six years of age and to R200 in the case of a child six years of age or older but under 14 years. (Section 19(1) of the Friendly Societies Act as amended by section 27 of the Amendment Act, 1976).
  - 3.2 Prescribed assets
    - (a) The classes of assets in which not less than 40% of a society's assets must be held in terms of section 20(2) of the Friendly Societies Act, 1956 have been extended.