FINANCIAL INSTITUTIONS OFFICE
Private Bag X238
PRETORIA
0001

15 December 1978

CIRCULAR P.F. 40

(To all privately administered pension funds)

APPROVAL IN TERMS OF SECTION 19(1)(i)
OF THE PENSION FUNDS ACT, 1956

1. The Republic of Transkei and the Transkei Development Corporation Limited have been approved in terms of section 19(1)(i) of the Pension Funds Act, 1956, subject to the following conditions:

(a) The time of issue, the period and the aggregate smount of every loan shall have been approved by the Treasury; and

(b) the aggregate amount of the bills, bonds and securities issued by the governments of all territories other than the Republic of South Africa and by local authorities and institutions in such territories, which rank as assets of the kinds referred to in section 19(1) of the Act for any pension fund, shall not exceed $1\frac{1}{2}$% of the minimum amount which the pension fund is is required to hold in the said kinds of assets.

2. This Office is prepared to treat loans (including annuity loans) granted to local authorities in the Republic of Transkei prior to that country's independence as falling within the scope of the above approval.

3. A copy of this circular is enclosed for your auditor. Kindly have the attached acknowledgement form signed by him also before returning it to this Office.

4. Circular No. P.F. 30 of 17 June 1977 is hereby withdrawn.

(SGD.) J.J. KOTZE

REGISTRAR OF PENSION FUNDS

/MEF