464.   Mr K J Mileham (DA) to ask the Minister of Finance:

Whether the SA Reserve Bank served the Venda Building Society (VBS) Mutual Bank with any (a) notice, (b) directive and/or (c) other correspondence in terms of section 5 of the Mutual Banks Act, Act 124 of 1993, in the period 1 January 2016 to 31 March 2018; if so, (i) on what date was the correspondence sent, (ii) what was the nature of the correspondence and (iii) what was the response of the VBS Mutual Bank?

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REPLY:

The Prudential Authority of the South African Reserve Bank has indicated to the National Treasury that the South African Reserve Bank did not serve VBS Mutual Bank with any (a) notice, (b) directive and/or (c) other correspondence in terms of section 5 of the Mutual Banks Act, Act 124 of 1993, in the period 1 January 2016 to 31 March 2018.

Section 5 of the Mutual Banks Act, 1993 (Act No. 124 of 1993) deals with the furnishing of information by mutual banks to the South African Reserve Bank (to the Prudential Authority or before 1 April 2018, the Registrar of Banks). It empowers the Prudential Authority (or previously, the Registrar) to direct a mutual bank or the holder of any interest in a mutual bank to provide it with information specified in a notice given to the mutual bank or the holder of the interest in the mutual bank, that the Prudential Authority (or previously, the Registrar) may reasonably require for the performance of the Prudential Authority's (or previously, the Registrar's) functions under the Mutual Banks Act.

The Prudential Authority (or previously the Registrar) may also direct a mutual bank or the holder of any interest in a mutual bank to provide it with a report by a public accountant as defined in section 1 of the Public Accountants' and Auditors' Act, 1991 (Act No. 80 of 1991), or by any other person with appropriate professional skill, on any relevant matter, to provide it with such information.