



South African Reserve Bank

Financial Surveillance Department

2018-02-02

## **Exchange Control Circular No. 2/2018**

### **Amendments to the Currency and Exchanges Manuals and guideline documents**

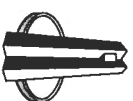
Flowing from representations made, various amendments to the Manuals and guideline documents are hereby implemented.

For ease of reference, attached is a schedule highlighting the amendments made to the applicable Manuals and guideline documents.

The amended Manuals and guideline documents may be accessed on the SARB website: [www.reservebank.co.za](http://www.reservebank.co.za) by following the links: Home>Regulation and supervision>Financial surveillance and exchange controls>Currency and exchanges documents.

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**Head of Department: Financial Surveillance**



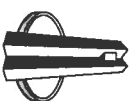
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### Amendments to the Currency and Exchanges Manual

#### B. Currency and Exchanges Manual for Authorised Dealers in foreign exchange with limited authority

| Item no | Section of the Manual       | Amendments in the Currency and Exchanges Manual for Authorised Dealers in foreign exchange with limited authority |
|---------|-----------------------------|-------------------------------------------------------------------------------------------------------------------|
| 1.      | Table of contents<br>B.1(D) | Inclusion of category four Bureaux de Change                                                                      |
| 2.      | A.3(A)(ii)                  | Updated category two terms of authority                                                                           |
| 3.      | A.3(A)(iv)                  | Inclusion of category four terms of authority                                                                     |
| 4.      | A.3(C)(iii)(c)              | Unimpaired category four capital requirement                                                                      |
| 5.      | B.1(D)                      | Business activities of category four Authorised Dealer in foreign exchange with limited authority                 |
| 6.      | B.2(A)(i)(a)(dd)            | Capital requirement of category four ADLA                                                                         |

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## Amendments to the Currency and Exchanges Manual

### A. Currency and Exchanges Manual for Authorised Dealers

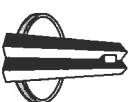
| Item no | Section of the Manual | Amendment in the Currency and Exchanges Manual for Authorised Dealers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | A.2(B)                | <p>Category Two – Update of category two description which reads as follows:</p> <p>Travel related transactions and certain prescribed single discretionary allowance of R1 million per applicant within the calendar year and offer money remittance services in partnership with external money transfer operators.</p> <p>Category Four – Inclusion of category four description which reads as follows:</p> <p>A combination of the services provided by Category Two and Category Three ADLAs.</p>                                                                                                                                                                                                  |
| 2.      | A.3(E)(vi)            | <p>Transactions with Common Monetary Area residents</p> <p>The words 'or an appropriate mandated body' have been added to the subsection which now reads as follows:</p> <p>(vi) Authorised Dealers may also enter into hedging and foreign exchange transactions with financial institutions and registered institutional investors domiciled and incorporated in Lesotho, Swaziland and/or Namibia, provided that these transactions are in respect of the entities' own business and that an approval letter has been obtained from the relevant authority of the Central Bank or an appropriate mandated body of the CMA country. Such a letter must be viewed by an Authorised Dealer to ensure</p> |

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| Item no | Section of the Manual | Amendment in the Currency and Exchanges Manual for Authorised Dealers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                       | <p>that the transaction is concluded on the particular basis as formally sanctioned. Authorised Dealers are required to furnish the Financial Surveillance Department, on a quarterly basis, with information on the nature of the transaction and the party to whom such authority has been granted.</p>                                                                                                                                                                                                                                                    |
| 3.      | B.10(K)               | <p>Nominated branches-Insurance business</p> <p>Authorised Dealers are advised of the following amendments to the Authorised branch under the heading of FirstRand Bank Limited.</p> <p><b>Names deleted</b></p> <p>FNB Forex</p> <p>RMB Corporate Banking-Eastern Cape</p> <p>RMB Corporate Banking-Gauteng</p> <p>RMB Corporate Banking-KwaZulu-Natal</p> <p>RMB Corporate Banking-Western Cape</p> <p><b>Names added</b></p> <p>FirstRand Currency and Exchanges Department</p> <p>Forex Product House-Retail</p> <p>Forex Product House-Bloemfontein</p> |

| Item no | Section of the Manual | Amendment in the Currency and Exchanges Manual for Authorised Dealers                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                       | Forex Product House-Eastern Cape<br>Forex Product House-Gauteng<br>Forex Product House-KwaZulu-Natal<br>Forex Product House-Western Cape                                                                                                                                                                                                                                                                                                                                                                     |
| 4.      | B.11(D)(iii)          | Foreign bank notes<br><br>This subsection has been deleted.                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 5.      | G.(A)(iii)(k)         | Securities control-Authorised Banks<br><br>Authorised Dealers are advised of the following amendments to the Branch or entity appointed as Authorised Bank under the heading of FirstRand Bank Limited.<br><br><b>Names deleted</b><br>Financial Surveillance Department<br>RMB Corporate Banking-Custody and Trustee Services<br>RMB Corporate Banking-Eastern Cape<br>RMB Corporate Banking-Gauteng<br>RMB Corporate Banking-KwaZulu-Natal<br>RMB Corporate Banking-Western Cape<br><br><b>Names added</b> |

| Item no | Section of the Manual | Amendment in the Currency and Exchanges Manual for Authorised Dealers                                                                                                                                                                                                                                                                                                                 |
|---------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                       | FirstRand Currency and Exchanges Department<br>RMB Custody Services                                                                                                                                                                                                                                                                                                                   |
| 6.      | G.(A)(iii)(m)         | Securities control-Settlement agents of the Central Depository Limited<br><br>Authorised Dealers are advised of the following amendments to the Branch or entity appointed as settlement agent under the heading of FirstRand Bank Limited.<br><br><b>Name deleted</b><br><br>RMB Corporate Banking-Custody and Trustee Services<br><br><b>Name added</b><br><br>RMB Custody Services |

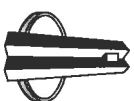


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### Amendments to the guideline documents

#### D. Currency and Exchanges guidelines for individuals

| Item no | Section of the Manual | Amendment in the Currency and Exchanges guidelines for individuals                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 2.2                   | <p>Category Two – Update of category two description which reads as follows:</p> <p>Travel related transactions and certain prescribed single discretionary allowance of R1 million per applicant within the calendar year and offer money remittance services in partnership with external money transfer operators.</p> <p>Category Four – Inclusion of category four description which reads as follows:</p> <p>A combination of the services provided by Category Two and Category Three ADLAs.</p> |



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### Amendments to the guideline documents

#### C. Currency and Exchanges guidelines for business entities

| Item no | Section of the Manual | Amendment in the Currency and Exchanges guidelines for business entities                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | 2.2                   | <p>Category Two – Update of category two description which reads as follows:</p> <p>Travel related transactions and certain prescribed single discretionary allowance of R1 million per applicant within the calendar year and offer money remittance services in partnership with external money transfer operators.</p> <p>Category Four – Inclusion of category four description which reads as follows:</p> <p>A combination of the services provided by Category Two and Category Three ADLAs.</p> |