

REPUBLIC OF SOUTH AFRICA

**PORTFOLIO COMMITTEE AMENDMENTS
TO
COMPANIES SECOND
AMENDMENT BILL**

[B 49—98]

(As agreed to by the Portfolio Committee on Finance (National Assembly))

[B 49A—98]

REPUBLIEK VAN SUID-AFRIKA

**PORTEFEULJEKOMITEE-AMENDEMENTE
OP
TWEEDE
MAATSKAPPYWYSIGINGS-
WETSONTWERP**

[W 49—98]

(Soos goedgekeur deur die Portefeuljekomitee oor Finansies (Nasionale Vergadering))

[W 49A—98]

ISBN 0 621 27664 2

AMENDMENTS AGREED TO

COMPANIES SECOND AMENDMENT BILL
[B 49—98]

CLAUSE 1

1. On page 4, after line 19, to insert the following paragraph:

(f) (i) Every person for whom a participant holds uncertificated securities shall receive a regular statement from such participant setting out the number and identity of the uncertificated securities held on such person's behalf.

(ii) The cost and frequency of each statement shall be determined by regulation but shall not be borne by the person for whom the uncertificated securities are held.

2. On page 4, in line 32, after the second “effected” to insert:

, except in the case of a transferee who was a party to or had notice of the fraud or illegality

3. On page 4, after line 35, to insert the following paragraph:

(e) A company shall be liable to a participant for such fee as may be prescribed by the Minister from time to time in respect of the transfer of ownership of uncertificated securities in the company.

4. On page 6, after line 41, to add the following subsection:

(12) Any person—

(a) other than a participant, who effects the transfer of uncertificated securities in contravention of subsection (5)(a);

(b) who takes any unlawful action contemplated in subsection (8);

or

(c) who, without proper authority, accesses any computer system or record maintained by a participant or a central securities depository,

shall be guilty of an offence and liable on conviction to a fine not exceeding R500 000 or to imprisonment for a period not exceeding two years or to both such fine and such imprisonment.