

CHIEF REGISTRAR'S CIRCULAR NO. 12 OF 2007

CESSION OF BONDS FOR SECURITISATION PURPOSES

1. Pending a proposed amendment to the Deeds Registries Act, 1937 (Act No. 47 of 1937) (herein after referred to as "the Act"), the provisions of regulation 63(2) which provides for the lodgment of the client's copy of a deed, need not be complied with in instances where a mortgage bond is being ceded for securitisation purposes.
2. Conveyancers acting on behalf of holders of bonds that are to be ceded for securitisation purposes, have to make detailed arrangements regarding the implementation of this Circular with the Registrar of Deeds concerned. However, for purposes of uniformity it is proposed that the following procedure be followed:
 - 2.1. Conveyancers acting on behalf of the holders of bonds that are to be ceded for securitisation purposes, shall prior to lodgment obtain copies of the mortgage bonds from the Registrar of Deeds concerned. Such copies shall be issued and endorsed "*Certified a true copy of the registry duplicate and issued for securitisation purposes*". These endorsements shall be signed by the Registrar of Deeds on the date of the registration of the cession for securitisation purposes.
 - 2.2. A request to the Registrar of Deeds for the issuing of a copy of a mortgage bond referred to in paragraph 2.1 above, shall be in a form similar to that in Annexure A hereto. The said copies shall be provided to conveyancers prior to lodgment to enable the conveyancers to prepare the cessions and cession endorsements referred to in paragraph 2.4.3 hereof.
 - 2.3. The Conveyancer's account shall be debited with the amount referred to in Item 3 of Regulation 84 for each copy issued.
 - 2.4. The following documentation must be lodged in one cover:
 - 2.4.1. The cession of the mortgage bond drafted in accordance with form MM;
 - 2.4.2. An affidavit/declaration by the bondholder that the cession of the bond is required for securitisation purposes and that the client's copy of the bond is unavailable;
 - 2.4.3. The copy of the mortgage bond issued for securitisation purposes on which a pre-prepared cession endorsement has been affixed by the Conveyancer concerned; and
 - 2.4.4. A caveat drafted in a form acceptable to the Registrar of Deeds for noting in terms of paragraph 3.1 hereof.

3. The Registrar of Deeds shall after registration of the cession ensure that:
- 3.1. A *caveat* is noted in the deeds registry records indicating that the client's copy of the bond be endorsed to the effect that it has been ceded, if and when such a bond is in future lodged at the Registrar's office for whatever reason; and
 - 3.2. The copy of the mortgage bond issued for securitisation purposes is destroyed before delivery.



CHIEF REGISTRAR OF DEEDS

DATE: 25 OCTOBER 2007

REFERENCE: A.6/2/P

RINGBINDER: 44

CHIEF REGISTRAR OF DEEDS

REGISTRARS OF DEEDS

THE CHIEF: DEEDS TRAINING

DIRECTOR: LAW SOCIETY OF SOUTH AFRICA: PRETORIA

MANAGER: BUTTERWORTHS PUBLICATIONS: DURBAN

CHAIRPERSON: PROPERTY LAW COMMITTEE: PRETORIA

ANNEXURE A

APPLICATION FOR COPY OF MORTGAGE BOND FOR SECURITISATION PURPOSES

DEEDS OFFICE

OFFICE USE ONLY

DATE :

APP/NO:

DATE OF APPLICATION:

ACCOUNT NUMBER:

FILE NUMBER:

NATURE OF DOCUMENT

BOND

DOCUMENT NO:

MICRO REF:

PROPERTY DESCRIPTION:

NAME OF APPLICANT:

PHONE NO:

CELL NO:

AMOUNT DUE

R 30.00

CASH

ACCOUNT

CLIENT

SIGNATURE :