



rural development
& land reform

Department:
Rural Development & Land Reform
REPUBLIC OF SOUTH AFRICA

OFFICE OF THE CHIEF REGISTRAR OF DEEDS
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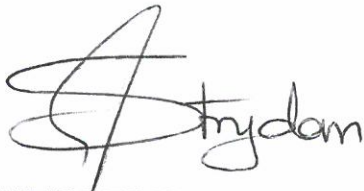
CHIEF REGISTRAR'S CIRCULAR NO. 11 OF 2014

CESSION OF BONDS FOR SECURITIZATION PURPOSES

1. The Office of the Chief Registrar of Deeds was approached by the South African Reserve Bank and other role-players on behalf of commercial banks for the implementation of a cession registration process to facilitate securitization transactions. In order to assist the commercial banks in the above regard, the procedure as stipulated in this Circular must be followed until 30 June 2016.
2. Conveyancers acting on behalf of holders of bonds that are to be ceded for securitization purposes, have to make arrangements regarding the implementation of this Circular with the Registrar of Deeds concerned.
3. The following process must be followed in respect of the issuing of copies of mortgage bonds for securitization purposes:
 - 3.1. Conveyancers acting on behalf of commercial banks in securitization transactions shall prior to the lodgement of the cessions 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 securitization purposes*". These endorsements shall be signed by the Registrar of Deeds prior to the copies being furnished to the conveyancer.
 - 3.2. A request to the Registrar of Deeds for the issuing of a copy/copies of the mortgage bond/s referred to in paragraph 3.1 *supra*, shall be in a form similar to that in 'Annexure A' hereto. 'Annexure A' may contain an application for the issuing of up to 50 copies.
 - 3.3. The requesting conveyancer's account shall be debited with the amount referred to in Item 4 (a) (i) of Regulation 84, for each copy so issued. The conveyancer's account must be debited against the issuing of the copies.

- 3.4. As securitization transactions are centralized, the conveyancers acting on behalf of commercial banks shall be allowed to open accounts in all deeds registries country wide to enable them to request such copies directly from the relevant Registrar of Deeds.
 - 3.5. The copies of the mortgage bonds shall be issued to the conveyancer prior to lodgment of the cessions in order to enable the conveyancer to prepare the cessions and cession endorsements referred to in paragraph 4.3.
4. The following documentation must be lodged in respect of the cession of the mortgage bonds:
 - 4.1. The cession of the mortgage bond drafted in accordance with form MM;
 - 4.2. An affidavit by the bondholder that the cession/s of the bond/s is/are required for securitization purposes and that the client's copy of the bond is inaccessible. One affidavit may be made in respect of the cession of up to 50 mortgage bonds.
 - 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.
 - 4.4. A *caveat* drafted in a form acceptable by the Registrar of Deeds for noting in terms of par. 5.1.
5. The Registrar of Deeds shall after registration of the cession ensure that:
 - 5.1. A *caveat* is noted in the deeds registry records (see par. 4.4) indicating that the bond has been ceded and that no act of registration shall be permissible in respect of the mortgage bond or mortgaged property, until the client's copy of the mortgage bond has been endorsed in respect of the cession.
 - 5.2. The copy of the mortgage bond issued for securitisation purposes is destroyed before delivery.

6. This Circular revokes Chief Registrar's Circular No. 12 of 2007.

A handwritten signature in black ink, appearing to read 'A. Strydom'. The signature is stylized with a large, sweeping initial 'A'.

CHIEF REGISTRAR OF DEEDS

DATE: 26/6/2014

REFERENCE: A.6/2/P

RINGBINDER: 44

CHIEF REGISTRAR OF DEEDS

REGISTRARS OF DEEDS

DEEDS TRAINING

LAW SOCIETY OF SOUTH AFRICA: PRETORIA

BUTTERWORTHS PUBLICATIONS: DURBAN

ANNEXURE A

APPLICATION FOR COPY/COPIES OF MORTGAGE BOND/S FOR SECURITISATION PURPOSES

DEEDS OFFICE

OFFICE USE ONLY
DATE :
APP/NO:

DATE OF APPLICATION:

ACCOUNT NUMBER:

FILE NUMBER:

Table with 2 columns and 15 rows. Header: NATURE OF DOCUMENT. Rows 1-5: BOND NUMBER: (with empty space for entry). Rows 6-15: Empty rows.

NAME OF APPLICANT:
PHONE NO:

Table with 4 columns: AMOUNT DUE, R, CASH, ACCOUNT. Below: CLIENT SIGNATURE :