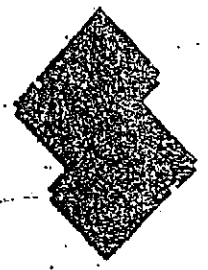


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**BANKING INSTITUTIONS ACT**

**CIRCULAR - BIA 6/98**

**TO: ALL BANKING INSTITUTIONS**

**DATE: 3 JULY 1998**

**CLARIFICATION RELATING TO DETERMINATIONS ON MINIMUM LOCAL ASSETS (BID - 7) ISSUED UNDER THE BANKING INSTITUTIONS ACT, 1998 (ACT NO. 2 OF 1998)**

**1. BACKGROUND**

This Circular is issued to provide clarification on the definition of "local assets" as defined under paragraph 3 of the Determinations on Minimum Local Assets (BID - 7) issued under the Banking Institutions Act, 1998 (Act No. 2 of 1998).

**2. CLARIFICATION**

For purposes of paragraph 3 of Determinations BID-7; assets denominated in "Namibia Dollar and situated in Namibia" shall also include debit balances denominated in South African Rand (ZAR) in the clearing account held by Namibian banking institutions with their associate banks in South Africa.

**3.** Two additional copies of this Circular are enclosed for the use of your institution's external auditors. The attached acknowledgment of receipt duly completed and co-signed by the said auditors, should be returned to this Office at your earliest convenience.

**R.W. LAWRENCE  
SENIOR MANAGER:  
BANK SUPERVISION DEPARTMENT**