



## BANK OF SOUTH SUDAN (BSS)

### REGULATION NO. 12, 2012

#### FIT AND PROPER GUIDELINES

In accordance with the provisions of section 12 of the Bank of South Sudan Act, 2011, and Section 57 of the Banking Act 2012 (the Banking Act), I hereby issue the following Regulation that prescribes the criteria on the basis of which the Bank of South Sudan (BSS) will determine whether a person is a fit and proper person to serve in designated capacities with respect to banks and bank holding companies operating in South Sudan, and in certain other capacities referenced in the Banking Act.

This Regulation shall be cited as Fit and Proper Guidelines, 2012, and shall come into effect as from the date of its signature.

#### I. General Provisions and Definitions

1. In accordance with the Banking Act, certain persons are required to be fit and proper to hold designated positions:

- (a) directors and managers of banks and bank holding companies;
- (b) significant participants in banks and bank holding companies;
- (c) directors and managers of enterprises that are significant participants in banks or bank holding companies;
- (d) employees of the internal audit function of banks; and
- (e) special administrators or receivers of banks.

2. In addition to the specific requirements referenced in section 1:

- (a) section 33(4) of the Banking Act gives the BSS the authority to approve or deny applications by banks to establish or acquire subsidiaries;
- (b) section 34(4) of the Banking Act gives the BSS the authority to prevent the establishment or acquisition of associated enterprises by banks on the same grounds as referenced in section 33(4), following notification to the BSS by the bank of its intention to carry out such establishment or acquisition;
- (c) section 36 of the Banking Act requires approval by the BSS before a bank establishes a branch in South Sudan;
- (d) section 105(3) of the Banking Act gives the BSS the authority to prevent the establishment or acquisition of subsidiaries and associated enterprises by bank holding companies following notification to the BSS by the bank holding company of such intention; and
- (e) section 106(1) of the Banking Act requires prior approval by the BSS for a bank holding company to establish or acquire a foreign subsidiary or associated enterprise, and gives the BSS the authority to deny such approval on the same grounds referenced in section 105(3).

