

EXCISE

EXTERNAL

COMPLETION MANUAL FOR

BONDS AND ADDENDUMS

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1 SCOPE

- a) This manual describes the completion of the Excise Bonds (EB) and Excise Addendums (EA) which are lodged for surety as required and prescribed in the Bond policies (refer to SE-BON-01 for internal or SE-BON-02 for external).

2 FORM REQUIREMENTS

- a) All fields are mandatory for completion of the bond / addendum.
- b) The bond / addendum must be –
- i) Printed portrait on A4 paper size;
 - ii) Printed in black ink on white paper; and
 - iii) Be on two (2) or more separate pages. No back to back or more than one (1) page to a page printing is allowed.
- c) Information entered on the bond / addendum must be typed or printed in block letters and must be legible.
- d) The bond / addendum must be issued by a South African registered bank or an insurer registered with the Financial Services Board (FSB) with the legal authority of issuing bonds / addendums.
- e) A list of the insurers approved to issue guarantees can be found at www.fsb.co.za. A list of South African registered banks can be found at www.reservebank.co.za.
- f) No tippex (correction fluid) is allowed on the bond / addendum. If any errors are made during the completion of the form, the incorrect information must be crossed out by drawing two (2) parallel lines through it and writing the correct information above or under the incorrect information. All corrections must be initialled by all signatories of the bond / addendum, including the witnesses.
- g) Authorised representatives and their witness(es) whose name(s) appear on the bond / addendum must initial at the bottom of each page of the bond / addendum except for the last page.
- h) Authorised representatives and their witness(es) whose name(s) appear on the bond / addendum must sign in full wherever signatures are required of the representatives and their witnesses.
- i) If there is a change in legal identity, change of ownership, etc. the client must replace all current bonds / addendums [including addendums to these bond(s) / addendum(s)] with a new bond / addendum which must reflect the new name (refer to SE-BON-01 or SE-BON-02).

2.1 Inclusions


- a) The following specimen of bonds are attached to this document which must be used by clients / traders:

Number	Title
EA01	Addendum: Amend Bond Amount
EA02	Addendum: Distributor of Fuel
EB01	Bond: Distributor of Fuel
EB02	Bond: Environmental Levy
EB03	Bond: Rebates (6th Schedule)
EB04	Bond: Manufacturer of Excisable Products
EB05	Bond: Warehouse (OS / SOS)


2.2 Addendum: Amend Bond Amount

EA01

ADDENDUM: AMEND BOND AMOUNT

Financial Institution's reference: 

KNOW ALL MEN WHOM IT MAY CONCERN –

That: 

Full Name of Licensee / Registrant**

As Principal (hereinafter referred to as the Principal) herein represented by -

(1) 


(2) _____


in their respective capacities as (e.g. Financial Director, Managing Director, etc.) -

(1) _____


(2) 

they being duly authorised thereto by virtue of a resolution passed at a meeting of the Board of Directors held;

*they being duly authorised thereto with the express consent in writing of *all the members of the close corporation / *all the partners of a partnership / *trustees of the trust obtained at a members meeting held. 

On the printed copy  at _____ on the _____ day of _____

Name of Town or City *No.* *Month and Year*

and 

as **Surety(ies)** and **Co-Principal Debtor** *in solidium* herein represented by -

(1) _____


(2) 

in their capacities as (e.g. Financial Director, Managing Director, etc.):

(1) _____

(2) 


they being duly authorised thereto by virtue of standard *internal banking/*insurance regulations relating to signing powers, to the bond in the sum of

R  (figures)

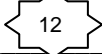
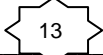
 rand only (words)

EA01


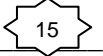
ADDENDUM: AMEND BOND AMOUNT

Financial Institution's reference: 


are bound under that bond, is hereby increased by an amount of

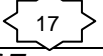
R  (figures)
 rand only (words)

TO

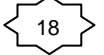
R  (figures)
 rand only (words)

Signed by the Principal:


(1)  _____ (2) _____
Signature of Principal *Signature of Principal*

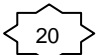
at  on the _____ day of _____
Name of Town or City *No.* *Month and Year*

In the presence of the subscribed witnesses:

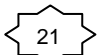
WITNESSES: (1)  _____ (1) _____
Signature *Signature*
 (2) _____ (2) _____
Signature *Signature*

Signed by the Surety(ies) and Co-Principal Debtor(s):

(1)  _____ (2) _____
Signature of Surety and Co-Principal Debtor *Signature of Surety and Co-Principal Debtor*

at  on the _____ day of _____
Name of Town or City *No.* *Month and Year*

In the presence of the subscribed witnesses:

WITNESSES: (1)  _____ (1) _____
Signature *Signature*
 (2) _____ (2) _____
Signature *Signature*

EA01**ADDENDUM: AMEND BOND AMOUNT**

Financial Institution's reference:

1

22

**FINANCIAL INSTITUTION STAMP
IMPRESSION**

*Delete whichever is not applicable

2.2.1 Cross reference of fields

Field Description	Completion Field Explanation
1. Financial Institution's reference	The reference number issued by the financial institution must be inserted here.
2. Full Name of Licensee* / Registrant*	<ul style="list-style-type: none"> i) The entity, company, close corporation, partnership, trust, or association name must be entered in this field, e.g. ABC Manufacturing. ii) Either the word licensee / registrant must be deleted, whichever is not applicable. iii) If the licensee / registrant is an individual, then the full name and surname of the person as indicated in their identification document (ID) must be inserted here, e.g. John Do.
3. As Principal (hereinafter referred to as the Principal) herein represented by (1) and (2)	The full names and surname of the representative person(s) whose name(s) appear on the resolution passed at a meeting of the board of directors held or with the express consent in writing of all the members of the close corporation, partners of a partnership, trustees of the trust, association or organ of State, as indicated in their identification document (ID), must be inserted here.
4. In their respective capacities as: (1) and (2)	The designations of the representative(s) as indicated in the resolution passed at a meeting of the board of directors held or with the express consent in writing of all the members of the close corporation, partners of a partnership, trustees of the trust, association or organ of State must be inserted here.

Field Description	Completion Field Explanation
5. Resolution passed at a meeting of the board of directors held* or with the express consent in writing of all the members of the close corporation / partners of a partnership / trustees of the trust*	i) The resolution or the express consent as prescribed must be attached to the bond / addendum. ii) Depending on whether the applicant is a company, a close corporation, partners of a partnership, trustees of the trust, association or organ of State, the correct sentence must remain and the other one (1) deleted by drawing one (1) line through it. iii) Authorised representatives and their witness(es) whose name(s) appear on the bond / addendum must initial all corrections as well as at the bottom of each page of the bond / addendum except for the last page.
6. At (Name of Town / City) on the (No.) day of (Month and Year)	This is the date and place on which the resolution or consent was issued, e.g. Johannesburg, 8 January 2012.
7. And Financial Institution Name	The correct name of the financial institution i.e. the name of the approved South African registered bank or approved registered insurer.
8. Herein represented by the financial institution: (1) and (2)	The full names and surname of the person(s) as indicated on their identification document (ID) and authorised by the financial institution must be inserted here, e.g. Joe David Soap.
9. In their capacities as: (1) and (2)	The designations of the representative(s) of the person(s) who has been authorised by the financial institution to sign the bond / addendum must be inserted here, e.g. financial manager or managing director.
10. In the sum of: (insert amount in figures)	The amount of the bond / addendum is inserted here in figures e.g. R1000.00. There must be no spaces between the R and the first figure.
11. In the sum of: (insert amount in words)	The amount of the bond / addendum is inserted here in words e.g. One thousand rand only.
12. Increased by an amount of (insert amount in figures)	The amount of the bond / addendum is inserted here in figures e.g. R1000.00. There must be no spaces between the R and the first figure.
13. Increased by an amount of: (insert amount in words)	The amount of the bond / addendum is inserted here in words e.g. One thousand rand only.
14. Hereby increased TO (Insert amount in figures)	The new total amount of the bond (amount of original bond plus amount of addendum) must be reflected here in figures – (R1000.00 plus [increase] R500.00 = R1500.00).
15. (Insert amount in words)	The new total amount of the bond (amount of original bond plus amount of addendum) must be reflected here in words, e.g. One thousand five hundred rand only.
16. Signature of Principal(s): (1) and (2)	i) The original signature of the person(s) who has / have been authorised to sign on behalf of the principal must be inserted here. ii) A signatory signs in his / her own capacity and not on behalf of someone else.


Field Description	Completion Field Explanation
17. At (Name of Town / City) on the (No.) day of (Month and Year)	This is the date and place on which the bond / addendum was signed by the principal, e.g. Pretoria, 20 January 2012.
18. In the presence of the subscribed witnesses: (1) and (2) and (1) and (2)	The signatures of the two (2) witnesses who are present for each signature of the individuals authorised to sign the bond / addendum on behalf of the principal must be inserted here.
19. Signature of Surety(ies) and Co-Principal Debtor	i) The original signature of the person(s) who has / have been authorised to sign on behalf of the Surety must be inserted here. ii) A signatory signs in his / her own capacity and not on behalf of someone else.
20. At (Name of Town / City) on the (No.) day of (Month and Year)	This is the date and place on which the bond / addendum was signed by the principal, e.g. Pretoria, 20 January 2012.
21. In the presence of the subscribed witnesses: (1) and (2) and (1) and (2)	The signatures of the two (2) witnesses who are present for each signature of the individuals authorised to sign the bond / addendum on behalf of the financial institution must be inserted here. The same witnesses may not sign for both financial institution and the principal representatives.
22. Financial Institution Stamp Impression	The corporate seal (stamp) of the Financial Institution must be impressed on the bond / addendum.

The fields for EA01 and EA02 are the same. The addendum EA01 is used as an example for completion purposes.


2.3 Excise Bond: Distributor of Fuel

EB01


EXCISE BOND: DISTRIBUTOR OF FUEL

Financial Institution reference:  _____

WHOM IT MAY CONCERN –


That:  _____
 Full Name of Licensee

as Principal (hereinafter referred to as the Principal) herein represented by -

(1)  _____

 (2) _____


in their respective capacities as (e.g. Financial Director, Managing Director, etc.) -


(1) _____
 (2)  _____

they being duly authorised thereto by virtue of a resolution passed at a meeting of the Board of Directors held;




*they being duly authorised thereto with the express consent in writing of *all the members of the close corporation/*all the partners of a partnership/*trustees of the trust obtained at a members meeting held


at  _____ on the _____ day of _____
Name of Town or City *No.* *Month and Year*

and  _____


as **Surety(ies)** and **Co-Principal Debtor** *in solidum* herein represented by -

(1) _____
 (2)  _____

in their capacities as (e.g. Financial Director, Managing Director, etc.):

(1) _____
 (2)  _____

they being duly authorised thereto by virtue of standard *internal banking regulations relating to signing powers, are truly and lawfully indebted and are held and firmly bound to the Commissioner of the South African Revenue Service in the sum of

R.....  
 (words).....

EB01**EXCISE BOND: DISTRIBUTOR OF FUEL**

Financial Institution reference: _____



to be paid on demand to the said Commissioner, for which payment well and truly to be made, we bind ourselves jointly and severally, each for the whole, our Heirs, Executors, Administrators and Assigns, and

whereas -

the Principal Debtor is desirous of transacting business with the Commissioner for the South African Revenue Service as a licensed distributor of fuel as contemplated in section 64F of the Customs and Excise Act, 1964 and the rules therefor for the purpose of obtaining a refund of duty/ levies on fuel obtained from stocks of a licensee of a customs and excise manufacturing warehouse and removed in accordance with any prescribed document and delivered to a purchaser in any other country in the common customs area or exported, subject to compliance with the provisions of the said section and rules and any other customs and excise laws of the Republic governing such refund or the removal or export of such fuel.

NOW therefore the conditions of this obligation are such that if the Principal Debtor shall, in accordance with the provisions of the said provisions of such section, the rules and other laws, have proved to the satisfaction of the Commissioner for the South African Revenue Service that such goods have been duly delivered in the common customs area or have been duly taken out of the common customs area for export in accordance with such prescribed document for the purposes of entitlement to a refund of duty/levies, and shall have repaid any amount of duty/levies which was not duly refundable in respect of such removal or export, and otherwise fully comply with any obligation imposed under the provisions of such section, rules or other laws, then this obligation shall be null and void, otherwise it shall remain in full force and effect.

FURTHERMORE we, the Principal Debtor(s) and Co-Principal Debtor(s) renounce and waive the:

- i) Beneficium ordinis seu excussionis;
- ii) Beneficium divisionis; and
- iii) Any other exception that may be taken in law,

with the meaning and effect of which we are fully acquainted.

This guarantee is not transferable or negotiable.

All admissions or acknowledgements of indebtedness made by the Principal Debtor shall be binding upon the Co-Principal Debtor.

The Commissioner or his delegated officer shall be at liberty, without affecting the Commissioner's rights hereunder, to release securities provided by or on behalf of the Principal Debtor by any person, association of persons, firm or company and to give time to, or compound or make other arrangements with the Principal Debtor, its legal representative in insolvency, judicial management or otherwise.

Any claim arising hereunder may be recovered in any division of the High Court of South Africa as the Commissioner may elect and the Co-Principal Debtor hereby consents and submits to the Jurisdiction of such a Court in respect of any such claim.

Signed by the Principal:

(1)

Signature of Principal





(2)

Signature of Principal

EB01

EXCISE BOND: DISTRIBUTOR OF FUEL



Financial Institution reference: 

at  _____ on the _____ day of _____
Name of Town or City *No.* *Month and Year*

In the presence of the subscribed witnesses:


WITNESSES: (1)  _____ (1) _____
Signature *Signature*
 (2) _____ (2) _____
Signature *Signature*

Signed by the Surety(ies) and Co-Principal Debtor(s):

at  _____ on the _____ day of _____
Name of Town or City *No.* *Month and Year*
 (1)  _____ (2) _____
Signature of Surety and Co-Principal Debtor *Signature of Surety and Co-Principal Debtor*

In the presence of the subscribed witnesses:

Witnesses (1)  _____ (1) _____
Signature *Signature*
 (2) _____ (2) _____
Signature *Signature*


**FINANCIAL INSTITUTION STAMP
 IMPRESSION**

2.3.1 Cross reference of fields

Field Description	Completion Field Explanation
1. Financial Institution's Reference	The reference number issued by the financial institution must be inserted here.

Field Description	Completion Field Explanation
2. Full Name of Licensee* / Registrant*	i) The company, close corporation, partnership, trust, association or organ of State's name must be entered in this field, e.g. BSA Proprietary Limited. ii) Either the word licensee / registrant must be deleted, whichever is not applicable. iii) If the licensee / registrant is an individual, then the full name and surname of the person as indicated in their identification document (ID) must be inserted here, e.g. John Do.
3. As Principal (hereinafter referred to as the Principal) herein represented by (1) and (2)	The full names and surname of the representative person(s) whose name(s) appear on the resolution passed at a meeting of the board of directors held or with the express consent in writing of all the members of the close corporation, partners of a partnership, trustees of the trust, association or organ of State, as indicated in their identification document (ID), must be inserted here.
4. In their respective capacities as: (1) and (2)	The designations of the representative(s) as indicated in the resolution passed at a meeting of the board of directors held or with the express consent in writing of all the members of the close corporation, partners of a partnership, trustees of the trust, association or organ of State must be inserted here.
5. Resolution passed at a meeting of the board of directors held* or with the express consent in writing of all the members of the close corporation / partners of a partnership/trustees of the trust*	i) The resolution or the express consent as prescribed must be attached to the bond / addendum. ii) Depending on whether the applicant is a company, a close corporation, partners of a partnership, trustees of the trust, association or organ of State, the correct sentence must remain and the other one (1) deleted by drawing one (1) line through it.
6. At (Name of Town / City) on the (No.) day of (Month and Year)	This is the date and place on which the resolution or consent was issued, e.g. Johannesburg, 8 January 2012.
7. And Financial Institution Name	The correct name of the financial institution i.e. the name of the approved South African registered bank or approved registered insurer.
8. Herein represented by the financial institution: (1) and (2)	The full names and surname of the person(s) as indicated on their identification document (ID) and authorised by the financial institution must be inserted here, e.g. Joe David Soap.
9. In their capacities as: (1) and (2)	The designations of the representative(s) of the person(s) who has been authorised by the financial institution to sign the bond / addendum must be inserted here, e.g. financial manager or managing director.
10. In the sum of: (insert amount in figures)	The amount of the bond / addendum is inserted here in figures e.g. R1000.00. There must be no spaces between the R and the first figure.
11. In the sum of: (insert amount in words)	The amount of the bond / addendum is inserted here in words e.g. One thousand rand only.

Field Description	Completion Field Explanation
12. Signature of Principal(s): (1) and (2)	<p>i) The original signature of the person(s) who has / have been authorised to sign on behalf of the principal must be inserted here.</p> <p>ii) A signatory signs in his / her own capacity and not on behalf of someone else.</p>
13. At (Name of Town / City) on the (No.) day of (Month and Year)	This is the date and place on which the bond / addendum was signed by the principal, e.g. Pretoria, 20 January 2012.
14. In the presence of the subscribed witnesses: (1) and (2) and (1) and (2)	The signatures of the two (2) witnesses who are present for each signature of the individuals authorised to sign the bond / addendum on behalf of the principal must be inserted here.
15. At (Name of Town / City) on the (No.) day of (Month and Year)	This is the date and place on which the bond / addendum was signed by the financial institution, e.g. Pretoria, 28 January 2012.
16. Signature of Financial Institution and Co-Principal Debtor	<p>i) The original signature of the person(s) who has / have been authorised to sign on behalf of the financial institution must be inserted here.</p> <p>ii) A signatory signs in his / her own capacity and not on behalf of someone else.</p>
17. In the presence of the subscribed witnesses: (1) and (2) and (1) and (2)	The signatures of the two (2) witnesses who are present for each signature of the individuals authorised to sign the bond / addendum on behalf of the financial institution must be inserted here. The same witnesses may not sign for both financial institution and the principal representatives.
18. Financial Institution's Stamp Impression	The corporate seal (stamp) of the financial institution must be impressed on the bond/addendum.

The fields for EB01 up to EB05 are the same. The Excise Bond: Distributor of Fuel EB01 is used as an example for completion purposes.

3 MEASURES

- a) Bonds and addendums must be verified every twelve (12) months as part of the Management Control Programme.

4 REFERENCES

4.1 Legislation

Type Of Reference	Reference
Legislation and Rules administered by SARS:	<p>Customs and Excise Act No. 91 of 1964: Sections 39(1)(B), 47B(6), 54E(4), 59A(2)(a), 60(1)(c), 61(1) and (2), 64A(2) and (3), 64B(3) and (4), 64C(1), 64D(5), 64E, 64(G), 75(10)(a), 101, 101A, 107(2)(a), 114, 120(1)(mA)</p> <p>Customs and Excise Rules: 18A.08, 18A.10(a), 19A.02(a), 19A.08(c), 20.17(b), 26.01(f), 37A.14(b), 46A.2.16(c), 49A(12)(b), 49B.10(9)4(b), 54F.04(a), 59A.07(2), 59A.08(2), 60.01(1)(e), 60.02(1)(d), 60.07(2), 64B.01(1,2,3,4), 64D.01(1,3)(c), 64D.04(1), 64D.09(4), 64D.10(5), 64D.11(5), 64D.13(9), 64D(19), 64F.02, 64G.03, 64G.04, 64G.06, 120.08, 120.09.</p> <p>Value-added Tax Act No. 89 of 1991: 7, 11 and 13</p>

Type Of Reference	Reference
Other Legislation:	Credit Agreements Act No. 75 of 1980: Section 1 General Law Amendment Act No. 50 of 1956: Section 6 National Credit Act No. 34 of 2005: All National Small Business Act No. 102 of 1996: Section 1, Schedule to the Act Promotion of Administrative Justice Act No. 3 of 2000: Section 3 and 5
International Instruments:	Istanbul Convention: Annex A and C Kyoto Convention: General Annex, Chapter 5: Security Standard: 5.1 -5.7; Specific Annex D: Chapter 1, Standard 14; Specific Annex E: Chapter 1, Standard 3

4.2 Cross References

Document #	Document Title
QMS-01	Quality Management System Manual
SE-BON-02	Bonds – External Policy
SE-LR-02	Licensing and, Registration – External Policy

4.3 Quality Records

Number	Title
EA01	Excise Addendum: Amend Bond Amount
EA02	Excise Addendum: Distributor of Fuel
EB01	Excise Bond: Distributor of Fuel
EB02	Excise Bond: Environmental Levy
EB03	Excise Bond: Rebates (6th Schedule)
EB04	Excise Bond: Manufacturer of Excisable Products
EB05	Excise Bond: Warehouse (OS & SOS)

5 DEFINITIONS AND ACRONYMS

EA	Excise Addendum
EB	Excise Bond
CIPC	Companies and Intellectual Property Registration Office formerly known as CIPRO
Financial Institution	Banking or Insurance institution approved by the Financial Services Board
FSB	Financial Services Board
ID	Identity document
OS	Storage warehouse commonly known as a bond store
Registration or Identification Number	Refers to the allocated CIPC number for a company, trust, close corporation, financial institution, etc. or the identification number of the Registrant/Licensee if he/she is a private individual.
SOS	Special storage warehouse

6 DOCUMENT MANAGEMENT

Business Owner	Executive: Excise Audit Enforcement
Document Owner	Executive: Governance
Detail of change from previous revision	Document owner changed; Document Q-code changed from SE-FS-06-M01 to SE-BON-03-M01; and Template Q-code changed from ECS-TM-16 to GC-TM-16
Template number and revision	GC-TM-16 – Rev 5