**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2150 [NW2470E]**

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**2150.     Mr K J Mileham (DA) to ask the Minister of Finance:**

Whether any municipalities have (a) deposited funds with and/or (b) made loans to VBS Mutual Bank in the past five municipal financial years; if not, in each case, what is the position in this regard; if so, in each case, (i) which municipality (aa) deposited funds with and/or (bb) made loans to the specified bank, (ii) when was each (aa) deposit and/or (bb) loan made and (iii) what was the amount in each case?

NW2470E

**REPLY:**

1. According to National Treasury’s database of Section 71 reports submitted by the municipality as at 30 June 2016, investments with VBS Mutual Bank were made by the following municipalities:
2. West Rand District Municipality
3. Capricorn District Municipality
4. Municipalities do not make loans to financial institutions and /or banks as a standard practice as they are not allowed to lend money to financial institutions. There is also no municipality that has a primary bank account with VBS Mutual Bank.
5. There are no other municipalities that have invested with VBS Mutual Bank according to the National Treasury’s database.
6. According to National Treasury’s database of Section 71 reports submitted by the municipality as at 30 June 2016, investments with VBS Mutual Bank were made by the following municipalities:

