



MEDIA RELEASE

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NO OAKBAY JOB LOSSES SAYS SASBO

“Sasbo - The Finance Union representing some 70 000 banking and finance employees have expressed its support for the Banks’ decision to terminate their respective relationships with Oakbay Investments and the Gupta’s.

“South African Banks are highly regulated and apart from the Banks expecting to know their clients, they are also governed by various types of legislation including the Financial Intelligence Centre Act (FICA).

“Banks are subject to the supervision of the S A Reserve Bank and as service providers they can be held accountable by the National Consumer Commission in respect of any complaint. There rests an onus on all financial institutions to report any suspicious activities committed by an account holder and to investigate these activities.

“Any transgression increases the onus on the financial institution exponentially to an extent that the institution could, at some point, be held responsible and be exposed to liability.

“The key factor is that banking is a voluntary and private relationship between the Bank and its clients, therefore the Banks have a right to terminate any relationship should a possible contravention be foreseen.

“Most South African Banks depend on the international market to fund their treasury and other countries also have strict regulatory requirements, hence no South African Bank can afford to transgress any international regulation that could negatively affect their banking licence or sustainability.

“We should be proud of our South African Banks, which are well managed and of an international standard. The sustainability of these large organisations are critical to the South African economy as well as the wellbeing and security of our 70 000 members.

“Sasbo is comfortable that the Banks made the right decision without being influenced. The decision to terminate was based on rational business principles.

“The issue around the Oakbay Investment employees being unable to receive their salaries is not factual since Oakbay has banking accounts with an international bank operating in South Africa.

“As a result of the Banks’ actions, Sasbo as a trade union is therefore not concerned about the employment security of the Oakbay employees”, says Joe Kokela, General Secretary of Sasbo.

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*Sasbo House
Fourmall Office Park West
Roos Road
Fourways*

*Private Bag X84
Bryanston
2021*

*Tel 011 467 0192
Fax 011 467 0188*

CONTACT PERSON:

Joe Kokela
082 359 2108
General Secretary

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