



## **Comments template:**

**Proposed draft Exemption Notice for specific activities conducted in the national payment system which shall be deemed not to constitute ‘the business of a bank’ under paragraph (cc) in section 1(1) of the Banks Act, 1990 (Act No. 94 of 1990), as amended**

**COMMENTS TEMPLATE**

**PROPOSED DRAFT EXEMPTION NOTICE FOR SPECIFIC ACTIVITIES  
CONDUCTED IN THE NATIONAL PAYMENT SYSTEM WHICH SHALL BE DEEMED  
NOT TO CONSTITUTE ‘THE BUSINESS OF A BANK’ UNDER PARAGRAPH (CC) IN SECTION 1(1)  
OF THE BANKS ACT, 1990 (ACT NO. 94 OF 1990), AS AMENDED**

**SECTION A: DETAILS OF COMMENTATOR**

Name of organisation/individual	Complete
If the commentator is an organisation, provide the name and designation of the contact person	Complete
Email address	Complete
Contact number	Complete

**IMPORTANT INSTRUCTIONS**

Please note the following instructions for completing the comments template:

- *Section A:* This section requests the commentator’s details.
- *Section B:* The section is for comments about the draft Exemption Notice itself.
  - When referencing, use the numbering as contained in the proposed draft Exemption Notice.
  - When providing comments on the definitions, specify in the ‘Section of the draft Exemption Notice’ column the specific definition being referenced.
- *Section C:* This section poses specific questions intended to obtain information on the potential impact of the draft Exemption Notice. Where possible, refrain from making general ‘impact comments’ that are not substantiated by qualitative and/or quantitative information. Additionally, when highlighting the potential impact of the draft Exemption Notice, specify which precise provisions of the draft Exemption Notice will lead to the impact, rather than generalising about the impact of the draft Exemption Notice as a whole (unless warranted). Commentators may also address the need for the draft Exemption Notice, as explained in the Statement supporting the draft Exemption Notice.

## COMMENTS TEMPLATE –

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- The comments received on section C will not be included in the consultation report. The inputs will be summarised where appropriate and used to inform and refine the content of the statement of need, impact and intended operation of the draft Exemption Notice.
- *Section D:* This section is for any other general comments that are not specific to a particular section of the draft Exemption Notice.

### SUBMISSION PROCESS

- Submit the completed template in MS Word format to [PA-SARB-ExemptionNotice@resbank.co.za](mailto:PA-SARB-ExemptionNotice@resbank.co.za), for the attention of the Policy Division and National Payment System Department, by no later than **15 June 2026**.
- PDF files, scanned documents or late submissions will not be accepted unless prior written agreement is obtained from the Prudential Authority.
- The mailbox designated to receive the submissions has a size limit. If your submission is blocked due to it exceeding the size limit, being flagged as 'spam' or any other reason, it will not be received **and will be regarded as not submitted**. It is the responsibility of the submitter (who will receive a notification if delivery was not successful) to follow up with the Prudential Authority to ensure that the submission is successfully executed.

### PRIVACY STATEMENT

Please note that information collected in this template will be used for the purposes set out in the template. In so doing, the identities of the entities and persons commenting on behalf of the entities will be identifiable.

Except for information provided in Section C, the Prudential Authority will publish all comments received and responses on its website, including the names of persons who commented and entities they represent. This is to ensure transparency and openness in the response to comments process. All collected information will be processed in accordance with the Prudential Authority's Privacy Policy.

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**SECTION B: DRAFT EXEMPTION NOTICE FOR SPECIFIC ACTIVITIES CONDUCTED IN THE NATIONAL PAYMENT SYSTEM WHICH SHALL BE DEEMED NOT TO CONSTITUTE 'THE BUSINESS OF A BANK' UNDER PARAGRAPH (CC) IN SECTION 1(1) OF THE BANKS ACT, 1990 (ACT NO. 94 OF 1990), AS AMENDED**

No	Section of the draft Exemption Notice	Issue/Comment/Recommendation
1.	e.g. section 1, definition of 'Acquiring of payment instructions'	(please add more rows if required)
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COMMENTS TEMPLATE –

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**SECTION C: QUESTIONS RELATING TO THE ANTICIPATED IMPACT OF AND NEED FOR THE DRAFT EXEMPTION NOTICE FOR SPECIFIC ACTIVITIES CONDUCTED IN THE NATIONAL PAYMENT SYSTEM WHICH SHALL BE DEEMED NOT TO CONSTITUTE ‘THE BUSINESS OF A BANK’ UNDER PARAGRAPH (CC) IN SECTION 1(1) OF THE BANKS ACT, 1990 (ACT NO. 94 OF 1990), AS AMENDED**

No	Question	Responses	
1.	Do you support the objectives and implementation of the proposed draft Exemption Notice? Please provide reasons for your answer.		
2.	Does the Exemption Notice provide legal certainty on the payment activities deemed not to be ‘the business of a bank’ in terms of the Banks Act?		
3.	Will the draft Exemption Notice impose additional compliance and/or operational costs on the business? If so, please provide details of how the respective requirements are expected to impact compliance and/or operational costs, including information on the expected costs.	<b>Compliance costs</b>	<b>Operational costs</b>
4.	Will the costs to payment institutions outweigh the benefits due to the implementation of the Exemption Notice and Directive for specific payment activities within the national payment system?		
5.	Will the proposed draft Exemption Notice lead to:		
	a) the creation of barriers for new entrants in the national payment system; and/or b) the facilitation of anti-competitive behaviour?		

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No	Question	Responses
6.	How do payment institutions assess the overall impact of the proposed exemption of certain payment activities from the definition of ‘the business of a bank’ on the competitive landscape?	
7.	Do you foresee any material risks to financial stability or bank disintermediation arising from the exemption of payment activities at scale? If so, what measures could be put in place to mitigate these risks?	
8.	In your view, does the exemption of payment activities appropriately balance financial inclusion, innovation, competition and prudential soundness?	
9.	Are the payment activities listed (issuance of e-money, issuance of payment instruments, acquiring, money remittance, clearing and settlement) clearly and sufficiently defined?	
10.	Are there any payment activities currently performed by banks and other financial institutions that may unintentionally fall within the scope of the exemption and create regulatory overlap or ambiguity?	
11.	From a banking risk perspective, do closed-loop payment systems pose materially	

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No	Question	Responses
	different prudential or consumer risks compared to open-loop systems?	
12.	Will the Exemption Notice enable payment institutions to obtain direct access to the national payment system?	
13.	What risks could be introduced to the payment system as a result the Exemption Notice?	
14.	Do banks foresee any regulatory inconsistencies or overlaps between the proposed draft Exemption Notice, the Banks Act and the National Payment System Act?	
15.	Does the Exemption Notice introduce money laundering terrorist financing and proliferation financing risks? If so, how should these risks be addressed?	
16.	Are there any potential risks of regulatory arbitrage where exempted payment instruments could be structured to mimic deposit or credit features without being regulated as such?	
17.	Do banks anticipate any operational or contractual challenges resulting from the Exemption Notice?	

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No	Question	Responses
18.	Are there any unintended consequences emanating from the exemption notice that the SARB should take note of?	
19.	Are there any specific aspects of the draft Exemption Notice that you need additional guidance on through a Guidance Notice? (Please provide a justification for your response and any additional information that might assist in the conceptualisation of such Guidance Notice).	
20.	Do you have any other comment(s) on the expected impact of the draft Exemption Notice that you would like to share?	
21.	How can banks and non-banks protect clients' funds, considering that the Corporation for Deposit Insurance does not cover e-money.	

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SECTION D: GENERAL COMMENTS		
No	Issue	Comment/Recommendation
1.		(please add more rows if required)
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