

South Africa

Financial Sector and Deposit Insurance Levies (Administration) and Deposit Insurance Premiums Act, 2022

Act 12 of 2022

Legislation as at 9 December 2022

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Financial Sector and Deposit Insurance Levies (Administration) and Deposit Insurance Premiums Act,
2022

Contents

| | |
|---|---|
| 1. Definitions | 2 |
| 2. Administration of levies | 2 |
| 3. Administration of deposit insurance premiums | 2 |
| 4. Amendment of laws | 2 |
| 5. Short title and commencement | 3 |
| Schedule (Section 4) | 4 |

South Africa

Financial Sector and Deposit Insurance Levies (Administration) and Deposit Insurance Premiums Act, 2022 Act 12 of 2022

Published in Government Gazette 47696 on 9 December 2022

Assented to on 6 December 2022

There are multiple commencements

| Provisions | Status |
|--|--|
| Section 1, section 2(1), 2(2)(a), section 4, section 5 | commenced on 1 April 2023 by Government Notice 3188 of 2023 . <i>Note: Date of commencement of whole Act, except sections 2(2)(b) and (c), 3, and 4 insofar as it makes certain amendments contained in the Schedule (see Schedule)</i> |
| Unknown provisions | commenced on 1 June 2023 by Government Notice 3188 of 2023 . <i>Note: Date of commencement of section 4 insofar as it makes certain amendments contained in the Schedule (see Schedule)</i> |
| Section 2(2)(b), 2(2)(c), section 3 | commenced on 1 April 2024 by Government Notice 3188 of 2023 . <i>Note: Date of commencement of sections 2(2)(b) and (c), 3, and 4 insofar as certain amendments to the Financial Sector Regulation Act 9 of 2017 contained in the Schedule (see Schedule)</i> |
| Unknown provisions | commenced on 1 June 2024 by Government Notice 3188 of 2023 . <i>Note: Date of commencement of section 4 insofar as it makes certain amendments contained in the Schedule (see Schedule)</i> |

[This is the version of this document from 9 December 2022.]

(English text signed by the President)

ACT

To provide for the collection and administration of levies imposed in terms of the Financial Sector and Deposit Insurance Levies Act, 2022; to amend the Financial Sector Regulation Act, 2017, in order to provide for the administration of levies imposed in terms of the Financial Sector and Deposit Insurance Levies Act, 2022; to provide for the imposition, collection and administration of deposit insurance premiums; to amend the Pension Funds Act, 1956, the Banks Act, 1990, the Mutual Banks Act, 1993, and the Financial Advisory and Intermediary Services Act, 2002, to align them with the Financial Sector

Regulation Act, 2017, in respect of the financing of financial sector bodies; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

1. Definitions

In this Act, words and expressions, excluding the expression "this Act", have the meaning ascribed to them in section 1 of the Financial Sector Regulation Act, 2017 ([Act No. 9 of 2017](#)), and section 1 of the Financial Sector and Deposit Insurance Levies Act, 2022.

2. Administration of levies

- (1) (a) The Financial Sector Conduct Authority is responsible for the collection and administration of the financial sector levy and the special levy referred to in sections 2 to 8 and 12 of the Financial Sector and Deposit Insurance Levies Act, 2022, read with Schedules 2 to 5 to that Act, to provide for the funding of the Financial Sector Conduct Authority, the Tribunal, the Ombud Council, the Office of the Pension Funds Adjudicator and the Office of the Ombud for Financial Services Providers.
- (b) The financial sector levy referred to in section 4(1)(a) of the Financial Sector and Deposit Insurance Levies Act, 2022, and the special levy referred to in section 8(2)(a) of that Act, must be collected and administered by the Financial Sector Conduct Authority and paid to the financial sector bodies referred to in paragraph (a) in accordance with section 246 of the Financial Sector Regulation Act, 2017 ([Act No. 9 of 2017](#)).
- (2) (a) The Reserve Bank is responsible for the collection and administration, on behalf of the Prudential Authority, of the financial sector levy and the special levy referred to in sections 2 to 8 and 11 read with Schedule 1 to the Financial Sector and Deposit Insurance Levies Act, 2022, to provide for the funding of the Prudential Authority.
- (b) The Reserve Bank is responsible for the collection and administration, on behalf of the Corporation, of the deposit insurance levy referred to in section 9 read with Schedule 6 to the Financial Sector and Deposit Insurance Levies Act, 2022, to provide for the funding of the operations of the Corporation and the administration of the Fund.
- (c) The financial sector levy referred to in section 4(1)(b) of the Financial Sector and Deposit Insurance Levies Act, 2022, the special levy referred to in section 8(2)(b) and the deposit insurance levy referred to in section 9 of that Act, must be collected and administered by the Reserve Bank in accordance with section 246 of the Financial Sector Regulation Act, 2017 ([Act No. 9 of 2017](#)).

3. Administration of deposit insurance premiums

- (1) The Reserve Bank is responsible for the collection and administration, on behalf of the Corporation, of the deposit insurance premiums imposed in terms of section 166BG of the Financial Sector Regulation Act, 2017 ([Act No. 9 of 2017](#)).
- (2) The deposit insurance premiums must be collected and administered by the Reserve Bank in accordance with section 246 of the Financial Sector Regulation Act, 2017 ([Act No. 9 of 2017](#)).

4. Amendment of laws

The laws listed in the Schedule are amended to the extent set out in the Schedule.

5. Short title and commencement

- (1) This Act is called the Financial Sector and Deposit Insurance Levies (Administration) and Deposit Insurance Premiums Act, 2022, and comes into effect on a date determined by the Minister by notice in the *Gazette*.
- (2) Different dates may be determined by the Minister in respect of the coming into effect of—
 - (a) different provisions of this Act and the Schedule to this Act; and
 - (b) the amendment of different provisions of a law amended by this Act.

Schedule (Section 4)

Amendment of laws

| Act No. and year of law | Short title | Extent of amendment or repeal |
|-------------------------|-------------------|--|
| 24 of 1956 | Pension Funds Act | <p>1. The amendment of section 30R by the substitution for subsection (1) of the following subsection:</p> <p>"(1) <u>The funds of the Adjudicator consist of the funds contemplated in section 247(1) of the Financial Sector Regulation Act, and such funds may only be applied in terms of section 247(2) of that Act.</u>"</p> |
| 94 of 1990 | Banks Act | <p>1. The following section is hereby substituted for section 35:</p> <p>"35. Annual licence</p> <p>A bank, a branch by means of which a foreign institution is under section 18A authorized</p> |

| | | |
|--|--|---|
| | | <p>to conduct the business of a bank in the Republic and a representative office established in terms of section 34 [shall must obtain from the Authority a business licence pertaining to its particular business in respect of each year ending on the thirty- first day of December [against payment of the prescribed licence fees]."</p> <p>2. The amendment of section 90 by the deletion in subsection (1) of paragraph (c).</p> |
|--|--|---|

| | | |
|-------------|--|---|
| 124 of 1993 | Mutual Banks Act | <p>1. The following section is hereby substituted for section 31:</p> <p>"31. Annual licence</p> <p>A mutual bank [shall] must obtain from the Registrar a business licence pertaining to its particular business in respect of each year ending on the thirty-first day of December [against payment of the prescribed licence fee]."</p> <p>2. The amendment of section 91 by the deletion in subsection (1) of paragraph (c).</p> |
| 37 of 2002 | Financial Advisory and Intermediary Services Act | <p>1. The amendment of section 22 by the substitution for subsection (1) of the following subsection:</p> <p>"(1) <u>The funds of the Office consist of the funds contemplated</u></p> |

| | | |
|-----------|---------------------------------|--|
| | | <p><u>in section 247(1) of the Financial Sector Regulation Act, and such funds may only be applied in terms of section 247(2) of that Act."</u></p> |
| 9 of 2017 | Financial Sector Regulation Act | <p>1. Section 1 is hereby amended—</p> <p>(a) by the substitution in subsection (1) for the definition of "deposit insurance premium" of the following definition:</p> <p>"‘deposit insurance premium’ means a premium imposed [by legislation,] in [accordance with] <u>terms of section 166BG and Schedule 5;</u>"</p> <p>(b) by the insertion in subsection (1) after the definition of "financial product provider" of the following definition:</p> <p>"‘Financial Sector and Deposit Insurance Levies Act’ means the <u>Financial Sector and Deposit Insurance Levies Act;</u>"</p> <p>(c) by the substitution in subsection (1) for the definition of "levy" of the following definition:</p> <p>"‘levy’ means a levy imposed [by</p> |

| | | |
|--|-----|--|
| | | <p>a financial sector body] in terms of [legislation that empowers the imposition of a levy] <u>the Financial Sector and Deposit Insurance Levies Act, and includes interest payable on an unpaid levy;"</u>;</p> |
| | (d) | <p>by the insertion in subsection (1) after the definition of "Medical Schemes Act" of the following definition:</p> <p>"<u>'member'</u> means a member of the Corporation, in accordance with section 166AG;";</p> |
| | (e) | <p>by the insertion in subsection (1) after the definition of "placing a designated institution in resolution" of the following definition:</p> <p>"<u>'premium period'</u> means the period from the first day of a calendar month to the last day of that calendar month, in respect of which a deposit insurance premium is determined in terms of section 166BG and Schedule 5;"; and</p> |
| | (f) | <p>by the substitution in subsection (1) for the</p> |

| | | |
|--|--|--|
| | | <p>definition of "special levy" of the following definition:</p> <p>"‘special levy’ means a levy imposed as a special levy [by a financial sector body] in terms of [legislation that empowers the imposition of a levy] the <u>Financial Sector and Deposit Insurance Levies Act, and includes interest payable on an unpaid special levy;</u>".</p> |
| | | <p>2. The amendment of section 58 by the deletion in subsection (1) of paragraph (g).</p> |
| | | <p>3. The following section is hereby substituted for section 166BG:</p> <p>"166BDeposit insurance premiums</p> <p>(1) <u>There shall be charged, imposed and collected by the Corporation, in accordance with this Act, a premium to be known as the</u></p> |

deposit insurance premium, to ensure that the Fund is able to make payments required by this Chapter.

(2) The deposit insurance premium is payable by each member.

(3) The amount of the deposit insurance premium payable by each member in respect of a premium period is determined in accordance with Schedule 5.

(4) (a) Where a member becomes a

member
during
a
premium
period,
or
ceases
to
be
a
member
during
a
premium
period,
the
premium
payable
must
be
proportional
to
the
remainder
of
the
premium
period
during
which
the
entity
is
a
member
or
ceases
to
be
a
member.

(b) Where
a
premium
has
already
been
paid
in
full
for
a
premium
period
during
which

a
member
ceases
to
be
a
member,
a
refund
of
the
premium
must
be
provided
to
the
former
member
for
the
proportion
of
the
premium
period
subsequent
to
the
cessation
of
membership."

4. The following section is hereby substituted for section 237:

**"237. Fees, [and]
levies and
deposit
insurance
premiums**

- (1) (a) Fees may be charged by a financial sector body in accordance with this

| | | | |
|--|--|-----|---|
| | | | Part to fund the performance of [specific] <u>any</u> functions under this Act [and] , the relevant financial sector laws <u>and</u> <u>the</u> <u>Financial</u> <u>Sector</u> <u>and</u> <u>Deposit</u> <u>Insurance</u> <u>Levies</u> <u>Act</u> , <u>including</u> <u>in</u> <u>relation</u> <u>to</u> <u>the</u> <u>performance</u> <u>of</u> <u>functions</u> <u>in</u> <u>terms</u> <u>of</u> <u>a</u> <u>financial</u> <u>sector</u> <u>law</u> <u>which</u> <u>does</u> <u>not</u> <u>explicitly</u> <u>authorise</u> <u>the</u> <u>charging</u> <u>of</u> <u>fees.</u> |
| | | (b) | Levies may be imposed [by |

a
financial
sector
body]
in
accordance
with
this
Part,
read
with
[legislation
that
empowers
the
imposition
of
levies]
the
Financial
Sector
and
Deposit
Insurance
Levies
Act,
to
fund
the
operations
of
the
financial
sector
[body]
bodies
and,
in
the
case
of
the
deposit
insurance
levy,
to
fund
the
operations
of
the
Corporation
and
the
administration
of
the

| | | <u>Fund in terms of section 166BC.</u> |
|--|-----|--|
| | (2) | A financial sector body must publish fees that have been determined [and levies that have been imposed] in the Register and on its website. |
| | (3) | Fees [and levies] are payable to the financial sector body at the time specified by the financial sector body, or at a time agreed to by |

| | | |
|------|-----|---|
| | | the financial sector body. |
| (3A) | (a) | <u>The</u> <u>levies</u> <u>referred</u> <u>to</u> <u>in</u> <u>sections</u> <u>2</u> <u>to</u> <u>8</u> <u>and</u> <u>12</u> <u>of</u> <u>the</u> <u>Financial</u> <u>Sector</u> <u>and</u> <u>Deposit</u> <u>Insurance</u> <u>Levies</u> <u>Act,</u> <u>2022,</u> <u>read</u> <u>with</u> <u>Schedules</u> <u>2</u> <u>to</u> <u>5</u> <u>to</u> <u>that</u> <u>Act,</u> <u>which</u> <u>provide</u> <u>for</u> <u>the</u> <u>funding</u> <u>of</u> <u>the</u> <u>Financial</u> <u>Sector</u> <u>Conduct</u> <u>Authority,</u> <u>the</u> <u>Tribunal,</u> <u>the</u> <u>Ombud</u> <u>Council,</u> <u>the</u> <u>Office</u> <u>of</u> <u>the</u> <u>Pension</u> <u>Funds</u> |

Adjudicator,
and
the
Office
of
the
Ombud
for
Financial
Services
Providers,
are
payable
to
the
Financial
Sector
Conduct
Authority
on
the
dates
and
in
the
manner
specified
by
the
Financial
Sector
Conduct
Authority
in
terms
of
section
242,
or
on
the
date
agreed
to
by
the
Financial
Sector
Conduct
Authority.

(b) Levies
referred
to
in
sections
2

to
8
and
12
of
the
Financial
Sector
and
Deposit
Insurance
Levies
Act,
2022,
read
with
Schedule
1
to
that
Act,
which
provide
for
the
funding
of
the
Prudential
Authority,
are
payable
to
the
Prudential
Authority,
through
the
Reserve
Bank
on
the
dates
and
in
the
manner
specified
by
the
Prudential
Authority
in
terms
of
section
242,

or
on
the
date
agreed
to
by
the
Prudential
Authority.

- (c) The
deposit
insurance
levy
referred
to
in
sections
9
and
12
of
the
Financial
Sector
and
Deposit
Insurance
Levies
Act,
read
with
Schedule
6
to
that
Act,
and
section
166BC
is
payable
to
the
Corporation,
through
the
Reserve
Bank,
on
the
dates
and
in
the
manner

specified
by
the
Corporation,
or
on
the
date
agreed
to
by
the
Corporation.

(3B) (a) The
deposit
insurance
premium
referred
to
in
section
166BG
and
Schedule
5
is
payable
to
the
Corporation,
through
the
Reserve
Bank,
on
the
dates
and
in
the
manner
specified
by
the
Corporation,
or
on
the
date
agreed
to
by
the
Corporation.

(b) The
Corporation

must
publish
the
deposit
insurance
premiums
that
have
been
collected
in
the
Register
and
on
its
website.

(4) Different fees may be determined **[and different levies may be imposed]** for different types or categories of persons or supervised entities.

(5) Different levies may be imposed for different types or categories of supervised entities or members in accordance with

| | | |
|--|--|---|
| | | <p><u>the</u> <u>Financial</u> <u>Sector</u> <u>and</u> <u>Deposit</u> <u>Insurance</u> <u>Levies</u> <u>Act,</u> <u>2022.</u></p> <p>(6) <u>Different</u> <u>deposit</u> <u>insurance</u> <u>premiums</u> <u>may</u> <u>be</u> <u>determined</u> <u>for</u> <u>different</u> <u>types</u> <u>or</u> <u>categories</u> <u>of</u> <u>members.</u> ".</p> |
| | | <p>5. Section 238 is hereby amended —</p> <p>(a) by the substitution for the heading of the following heading:</p> <p>"Fees, [and] levies and deposit insurance premiums to be debts"; and</p> <p>(b) by the substitution for subsection (1) of the following subsection:</p> <p>"(1) A fee, [or] levy or deposit insurance premium payable to a financial sector body in terms of</p> |

| | | |
|--|--|--|
| | | <p>section 237 is a debt due to the financial sector body."</p> |
| | | <p>6. Section 239 is hereby amended —</p> <p>(a) by the substitution for the heading of the following heading:</p> <p>"Budget, fees, [and] levies and deposit insurance premium proposals";</p> <p>(b) by the substitution in subsection (1) for paragraph (b) of the following paragraph:</p> <p>"(b) a proposal for the fees that will be charged and <u>the levies and deposit insurance premiums</u> that will be imposed by the financial sector body; and";</p> |

(c) by the substitution for subsection (5) of the following subsection:

"(5) The financial sector body must submit the finalised budget, together with the fees, **[and]** levies and deposit insurance premium proposals, to the Minister.";

(d) by the substitution for subsection (7) of the following subsection:

"(7) (a) In respect of the fees **[and levies]** proposals for the first financial year following the commencement of this section, the Minister must approve the proposals for all the

financial
sector
bodies.

(b) In respect of levies proposals, the Minister may amend the Schedules to the Financial Sector and Deposit Insurance Levies Act, as contemplated in section 10 of that Act. ";
and

(e) by the insertion after subsection (7) of the following subsection:

"(7A) (a) In respect of deposit insurance premium proposals by the Corporation, the Minister must approve the proposals for each financial year following

the
commencement
of
this
section.

- (b) In
respect
of
deposit
insurance
premium
proposals,
the
Minister
may
amend
Schedule
5,
with
the
concurrence
of
the
Corporation,
and
after
having
published
a
proposed
amended
Schedule
in
the
Gazette
for
public
comment
for
a
period
of
at
least
30
days,
either
by
submitting
an
amended
Schedule
to
Parliament
for
approval,

in
accordance
with
paragraphs
(c)
to
(j),
or
in
accordance
with
paragraphs
(k)
to
(m)
=

(i) to
give
effect
to
a
proposal
for
deposit
insurance
premiums
made
by
the
Corporation
and
which
proposal
has
been
submitted
to
the
Minister
in
terms
of
subsection
(5);
or

(ii) to
specify
the
meaning
of
any
terms
contained
in
the
formulae

| | | | |
|--|--|-----|---|
| | | | <u>set</u> <u>out</u> <u>in</u> <u>Schedule</u> <u>5.</u> |
| | | (c) | <u>Parliament</u> <u>must</u> <u>approve,</u> <u>adopt</u> <u>amendments</u> <u>to</u> <u>or</u> <u>reject</u> <u>an</u> <u>amended</u> <u>Schedule</u> <u>within</u> <u>three</u> <u>months</u> <u>of</u> <u>the</u> <u>date</u> <u>of</u> <u>tabling</u> <u>of</u> <u>the</u> <u>amended</u> <u>Schedule.</u> |
| | | (d) | <u>If</u> <u>Parliament</u> <u>does</u> <u>not</u> <u>pass</u> <u>a</u> <u>resolution</u> <u>approving,</u> <u>adopting</u> <u>amendments</u> <u>to</u> <u>or</u> <u>rejecting</u> <u>the</u> <u>amended</u> <u>Schedule</u> <u>within</u> <u>three</u> <u>months</u> <u>of</u> <u>the</u> <u>date</u> <u>of</u> <u>tabling,</u> <u>Parliament</u> <u>is</u> <u>deemed</u> <u>to</u> |

have
approved
the
amended
Schedule,
and

=

(i) the
Minister
may
then
publish
the
amended
Schedule
in
the
Gazette;
and

(ii) the
amended
Schedule
takes
effect
from
the
date
of
publication
in
the
Gazette.

(e) An
amendment
to
Schedule
5
that
is
submitted
to
Parliament
for
approval
must
be
referred
to
the
respective
committees
on
finance.

- | | | | |
|--|--|--|---|
| | | | (f) <u>The committee on finance must</u> <u>=</u> |
| | | | (i) <u>conduct public hearings on the proposed amended Schedule 5; and</u> |
| | | | (ii) <u>report on the proposed amended Schedule 5 to the relevant House.</u> |
| | | | (g) <u>If a committee on finance proposes amendments to the amended Schedule 5 that has been tabled for approval by Parliament, the Minister must be given at least</u> |

14
days
to
respond
to
the
proposed
amendments
before
the
committee
reports
to
the
House.

(h) The
report
of
a
finance
committee
referred
to
in
this
subsection
must
indicate
the
manner
in
which
the
proposed
amendments
are
consistent
with
the
Fund
being
able
to
make
the
required
payments
in
terms
of
Chapter
12A
and
referred
to
in

section
166BG(1).

(i) The
report
of
a
committee
on
finance
must
include
the
comments
of
the
Minister
on
any
proposed
amendments
to
the
proposed
amended
Schedule
5
as
tabled.

(j) If
Parliament
approves
or
adopts
amendments
to
the
amended
Schedule
as
tabled,
the
Schedule
approved
or
adopted
by
Parliament
takes
effect
on
the
date
of
such
approval
or

adoption
by
Parliament,
and
the
Minister
must
then
publish
the
Schedule,
as
approved
or
adopted,
in
the
Gazette.

- (k) The
deposit
insurance
premiums
in
Schedule
5
will
be
increased
annually
by
the
arithmetic
mean
of
the
Consumer
Price
Index
as
published
by
Statistics
South
Africa
in
the
preceding
calendar
year,
unless
the
Minister
by
notice
determines
that

there
must
be
no
increase
or
an
increase
less
than
that
annual
rate
of
increase.

(l) Schedule
5
may
be
amended
by
the
Minister,
by
notice
in
the
Gazette,
to
give
effect
to
an
increase
in
deposit
insurance
premiums
referred
to
in
paragraph
(k),
and
does
not
require
submission
to
Parliament
for
approval,
but
a
copy
of

the
notice
must
be
tabled
in
Parliament
for
information
purposes.

(m) An
amended
Schedule
5
referred
to
in
paragraph
(k)
takes
effect
on
the
date
of
the
publication
of
the
notice,
referred
to
in
paragraph
(l),
in
the
Gazette."

7. The following section is hereby substituted for section 240:

"240. Consultation requirements

(1) Part
1
of
Chapter
7,
with
the
exception
of
section

100,
applies
with
the
necessary
changes,
to
the
adoption
of
the
budget,
the
estimates
of
expenditure
as
well
as
the
fees,
[and]
levies
and
deposit
insurance
premium
proposals
as
provided
for
in
section
239.

(2) The documents that must be published under section 98 include —

(a) the budget, estimates of expenditure and the fees, **[and]** levies and

| | | |
|--|-----|---|
| | | <u>deposit insurance premium proposals provided for in section 239 for the relevant financial year; and</u> |
| | (b) | an explanation by the financial sector body of the budget, estimates of expenditure and the fees, [and] levies <u>and deposit insurance premium proposals, and of the variation of the budget, estimates of expenditure and the fees</u> [and], levies <u>and deposit insurance</u> |

| | | |
|--|--|---|
| | | <p><u>premium</u> proposals against the budget, estimates of expenditure and the fees, [and] levies and <u>deposit</u> <u>insurance</u> <u>premium</u> proposals adopted for the previous financial year."</p> |
| | <p>8. Section 241 is hereby amended —</p> <p>(a) by the substitution for the heading of the following heading:</p> <p style="text-align: center;">"Determinations of information required for assessment of levy or <u>deposit</u> <u>insurance</u> <u>premium</u>"; and</p> <p>(b) by the substitution for subsections (1), (2) and (3) of the following subsections, respectively:</p> <p style="padding-left: 40px;">"(1) A financial sector body may, in writing, require a supervised entity</p> | |

or
member
to
provide
it with
information
relevant
to any
assessment
of the
supervised
entity's
or
member's
liability
for any
levy or
deposit
insurance
premium
as
specified
in the
requirement.

- (2) A
requirement
in
terms
of
subsection
(1)
may be
published
in the
Register
or
provided
to the
supervised
entity
or
member
from
whom
information
is
required,
and
must
specify
the
manner
in
which,
and
the

| | | |
|--|--|---|
| | | <p>date by when, the information must be provided.</p> <p>(3) A supervised entity <u>or member</u> must not fail or refuse to comply with a requirement issued in terms of subsection (1).".</p> |
| | | <p>9. The following section is hereby substituted for section 242:</p> <p>"242. Assessments of levy <u>or deposit insurance premium</u></p> <p>(1) A financial sector body must issue to each supervised entity <u>or member</u> that is liable to pay a</p> |

levy
or
deposit
insurance
premium
for
the
financial
year
an
assessment
of
a
levy
or
deposit
insurance
premium
payable
by
the
supervised
entity
or
member.

(2) The
assessment
notice
issued
to
a
supervised
entity
or
member
must
state
the
date
on
which
the
levy
or
deposit
insurance
premium
is
due
and
must
be
paid,
which
period
must

| | | |
|--|--|---|
| | | not be less than 30 days from the date of receipt of the notice of assessment by the supervised entity or <u>member.</u> |
| | | <p>10. The following section is hereby substituted for section 243:</p> <p>"243. Payment of fee, [or] levy, <u>deposit insurance premium, or deposit insurance levy</u> by instalments</p> <p>(1) A person who has been charged a fee, or a supervised entity who has been charged</p> |

| | | |
|--|--|---|
| | | <p>a levy, or a <u>member</u> <u>who</u> <u>has</u> <u>been</u> <u>charged</u> a <u>deposit</u> <u>insurance</u> <u>premium</u>, or a <u>deposit</u> <u>insurance</u> <u>levy</u>, may offer to pay the fee, [or] levy, <u>deposit</u> <u>insurance</u> <u>premium</u> or <u>deposit</u> <u>insurance</u> <u>levy</u> by specified instalments, and if an offer is made, the financial sector body to <u>which</u> <u>the</u> <u>fee</u>, <u>levy</u>, <u>deposit</u> <u>insurance</u> <u>premium</u>, or <u>deposit</u> <u>insurance</u></p> |
|--|--|---|

| | | |
|--|-----|---|
| | | <p><u>levy</u> <u>must</u> <u>be</u> <u>paid</u>, must —</p> |
| | | <p>(a) accept the offer;</p> |
| | | <p>(b) accept a modified offer; or</p> |
| | | <p>(c) reject the offer,</p> |
| | | <p>and must notify the person who made the offer accordingly.</p> |
| | (2) | <p>A person who wishes to make an offer to pay a fee, [or] levy, <u>deposit</u> <u>insurance</u> <u>premium</u> or <u>deposit</u> <u>insurance</u> <u>levy</u> by instalments must make an</p> |

| | | |
|--|--|--|
| | | offer — |
| | | (a) immediately after being notified of the fee, [or] levy, <u>deposit insurance premium</u> , or <u>deposit insurance levy</u> charged, if the fee, [or] levy, <u>deposit insurance premium</u> or <u>deposit insurance levy</u> must be paid within 14 days after the date on which notification is received; or |
| | | (b) at least 14 days before the date on which the |

fee,
[or]
levy,
deposit
insurance
premium
or
deposit
insurance
levy
must
be
paid,
if
paragraph
(a)
does
not
apply.

- (3) The
financial
sector
body
to
which
the
offer
to
pay
the
fee,
levy,
deposit
insurance
premium
or
deposit
insurance
levy
by
instalments,
referred
to
in
subsection
(1),
was
made,
must
notify
the
person
who
made
an
offer

| | | |
|--|--|--|
| | | <p>in terms of subsection (1) of its decision —</p> <p>(a) immediately after receipt of the offer, in respect of an offer referred to in subsection (2) (a); or</p> <p>(b) within seven days after the receipt of the offer, in respect of an offer referred to in subsection (2) (b).".</p> |
|--|--|--|

11. Section 244 is hereby amended —

- (a) by the substitution for the heading of the following heading:

**"Interest on late
or non-payment
of fees, [and]
levies, deposit
insurance
premiums
and deposit
insurance levies;**

- (b) by the substitution for subsections (1), (2) and (3) of the following subsections, respectively:

"(1) If a fee,
[or]
levy,
deposit
insurance
premium
or
deposit
insurance
levy
is not
paid,
or not
paid
in full,
within
the
period
specified
for
payment,
and an
offer
to pay
the fee,
[or]
levy,
deposit
insurance
premium
or
deposit
insurance
levy by

| | | |
|--|-----|---|
| | | instalments has not been accepted as referred to in section 243(1) (a) or (b), the person liable to pay the fee, [or] levy, <u>deposit</u> <u>insurance</u> <u>premium</u> or <u>deposit</u> <u>insurance</u> <u>levy</u> in question must pay interest at the rate referred to in subsection (2), on the amount of the fee, [or] levy, <u>deposit</u> <u>insurance</u> <u>premium</u> or <u>deposit</u> <u>insurance</u> levy that remains unpaid 30 days after the due date. |
| | (2) | Interest due |

| | | |
|--|--|--|
| | | <p>and payable on an outstanding fee, [or] levy, <u>deposit insurance premium</u> or <u>deposit insurance</u> levy amount must be calculated based on the interest rate prescribed for the time being in terms of the Prescribed Rate of Interest Act, 1975 (<u>Act No. 55 of 1975</u>).</p> <p>(3) Interest charged <u>on an outstanding fee amount</u> is a debt due to the financial sector body, and may be recovered by a judicial</p> |
|--|--|--|

process
in a
competent
court."; and

(c) by the addition of the
following subsections:

"(4) (a) Interest charged on an outstanding levy amount, referred to in section 237(3A) (a), is a debt due and payable to the Financial Sector Conduct Authority and must be paid into the account referred to in section 246(2) (a).

(b) Interest charged on an outstanding levy amount, referred to

in
section
237(3A)
(b),
is
a
debt
due
to
the
Prudential
Authority
and
payable
to
the
Prudential
Authority
through
the
Reserve
Bank,
and
must
be
paid
into
the
account
referred
to
in
section
246(2)
(b).

(c) Interest
charged
on
an
outstanding
levy
amount,
referred
to
in
section
237(3A)
(c),
is
a
debt
due
to
the
Corporation
and

payable
to
the
Corporation
through
the
Reserve
Bank,
and
must
be
paid
into
the
account
referred
to
in
section
246(2)
(c).

(d) Any
overpayment
of
a
levy
amount
or
interest
on
a
levy
amount
is
a
debt
owed
and
payable,
from
the
account
referred
to
in
section
246(2)
(a),
(b)
or
(c)
to
which
the
overpayment
was

| | | | |
|-----|-----|--|--|
| | | | <u>made,</u> <u>to</u> <u>the</u> <u>supervised</u> <u>entity</u> <u>or</u> <u>member</u> <u>which</u> <u>made</u> <u>the</u> <u>overpayment.</u> |
| (5) | (a) | | <u>Interest</u> <u>charged</u> <u>on</u> <u>an</u> <u>outstanding</u> <u>deposit</u> <u>premium</u> <u>amount,</u> <u>referred</u> <u>to</u> <u>in</u> <u>section</u> <u>237(3B)</u> <u>(a),</u> <u>is</u> <u>a</u> <u>debt</u> <u>due</u> <u>to</u> <u>the</u> <u>Corporation</u> <u>and</u> <u>payable</u> <u>to</u> <u>the</u> <u>Corporation</u> <u>through</u> <u>the</u> <u>Reserve</u> <u>Bank,</u> <u>and</u> <u>must</u> <u>be</u> <u>paid</u> <u>into</u> <u>the</u> <u>account</u> <u>referred</u> <u>to</u> <u>in</u> <u>section</u> <u>246(2)</u> <u>(d).</u> |
| | (b) | | <u>Any</u> <u>overpayment</u> |

of
a
deposit
insurance
premium
amount
or
interest
on
a
deposit
insurance
premium
amount
is
a
debt
owed
and
payable,
from
the
account
referred
to
in
section
246(2)
(d)
to
which
the
overpayment
was
made,
to
the
member
which
made
the
overpayment."

12. Section 245 is hereby amended
—

- (a) by the substitution for the heading of the following heading:

**"Exemption from
fee or deposit
insurance
premium"; and**

(b) by the addition of the following subsections:

"(4) The Corporation may in writing, on application by a member, exempt a member from the payment of all or part of the deposit insurance premiums specified in Schedule 5, in respect of the premium period referred to in section 166BG(3), or a part of that period.

(5) A member must, in the application referred to in subsection (4), provide the information that the Corporation may

determine,
in the
form
and
manner
so
determined.

(6) The
Corporation
may
only
exempt
a
member
if the
Corporation
is
satisfied
that
the
exemption
from
the
deposit
insurance
premium
=

(a) will
alleviate
undue
financial
or
other
hardship
or
prejudice
to
the
member,
or
financial
customers
due
to
circumstances
outside
the
control
of
that
member;

(b) is
not
contrary
to

| | | |
|-----|---|--|
| | | <u>the public interest;</u> |
| | (c) | <u>is necessary for</u> <u>=</u> |
| | (i) | <u>developmental and financial inclusion, as well as transformation objectives to facilitate progressive or incremental compliance with the Act, or another financial sector law; or</u> |
| | (ii) | <u>other sound reasons; and</u> |
| | (d) | <u>is necessary to facilitate the affordability of the deposit insurance premium for the member.</u> |
| (7) | <u>The Corporation must publish, in</u> | |

accordance
with
the
requirements
under
this
Act,
each
exemption
that is
issued
by the
Corporation
in
terms
of this
section."

13. Section 246 is hereby amended

—

- (a) by the substitution for the heading of the following heading:

**"Management
of fees, [and]
levies, deposit
insurance
premiums
and deposit
insurance
levies"; and**

- (b) by the substitution for subsections (2) and (3) of the following subsections, respectively:

"(2) (a) Levies imposed in accordance with **[section 237(1) (b),]** the Financial Sector and Deposit Insurance Levies Act,

which
are
referred
to
in
section
237(3A)
(a),
and
interest
accrued
on
those
levies
in
terms
of
section
244(4)
(a),
must
be
collected
by
the
Financial
Sector
Conduct
Authority
and
paid
into
a
bank
account
designated
for
that
purpose,
which
is
in
the
name
and
control
of
the
Financial
Sector
Conduct
Authority.

(b) Levies
imposed
in
accordance

| | | |
|--|--|--|
| | | <p><u>with</u> <u>the</u> <u>Financial</u> <u>Sector</u> <u>and</u> <u>Deposit</u> <u>Insurance</u> <u>Levies</u> <u>Act,</u> <u>which</u> <u>are</u> <u>referred</u> <u>to</u> <u>in</u> <u>section</u> <u>237(3A)</u> <u>(b),</u> <u>and</u> <u>interest</u> <u>accrued</u> <u>on</u> <u>those</u> <u>levies</u> <u>in</u> <u>terms</u> <u>of</u> <u>section</u> <u>244(4)</u> <u>(b),</u> <u>must</u> <u>be</u> <u>collected</u> <u>by</u> <u>the</u> <u>Reserve</u> <u>Bank</u> <u>and</u> <u>paid</u> <u>into</u> <u>a</u> <u>bank</u> <u>account</u> <u>designated</u> <u>for</u> <u>that</u> <u>purpose,</u> <u>which</u> <u>is</u> <u>in</u> <u>the</u> <u>name</u> <u>and</u> <u>control</u> <u>of</u> <u>the</u> <u>Prudential</u> <u>Authority.</u></p> |
|--|--|--|

| | | |
|--|--|--|
| | | (c) <u>Deposit insurance levies imposed in accordance with the Financial Sector and Deposit Insurance Levies Act, which are referred to in section 237(3A) (c), and interest accrued on those levies in terms of section 244(4) (c), must be collected by the Reserve Bank and paid into a bank account designated for that purpose, which is in the</u> |
|--|--|--|

| | | |
|--|-----|--|
| | | <u>name</u> <u>and</u> <u>control</u> <u>of</u> <u>the</u> <u>Corporation.</u> |
| | (d) | <u>Deposit</u> <u>insurance</u> <u>premiums</u> <u>imposed</u> <u>in</u> <u>accordance</u> <u>with</u> <u>section</u> <u>166BG,</u> <u>which</u> <u>are</u> <u>referred</u> <u>to</u> <u>in</u> <u>section</u> <u>237(3B)</u> <u>(a),</u> <u>and</u> <u>interest</u> <u>accrued</u> <u>on</u> <u>those</u> <u>premiums</u> <u>in</u> <u>terms</u> <u>of</u> <u>section</u> <u>244(5),</u> <u>must</u> <u>be</u> <u>collected</u> <u>by</u> <u>the</u> <u>Reserve</u> <u>Bank</u> <u>and</u> <u>paid</u> <u>into</u> <u>the</u> <u>bank</u> <u>account</u> <u>of</u> <u>the</u> <u>Fund</u> <u>referred</u> <u>to</u> <u>in</u> |

| | | |
|--|-----|---|
| | | <u>section</u> <u>166BD(3).</u> |
| | (3) | Each financial sector body's allocation of the levies [collected] in terms of <u>section 12 of the Financial Sector and Deposit Insurance Levies Act and interest</u> contemplated in subsection (2)(a), must be transferred by the <u>Financial Sector Conduct Authority</u> to the financial sector body's designated account in accordance with a payment schedule agreed between the financial sector body and the |

| | | |
|--|--|--|
| | | Financial Sector Conduct Authority." |
| | | <p>14. The amendment of section 247 by the insertion in subsection (2) after paragraph (a) of the following paragraph:</p> <p>"(aA) in respect of <u>deposit insurance levies received by the Corporation, to the general administrative and operating costs of the Fund;</u>".</p> |
| | | <p>15. Section 248 is hereby amended —</p> <p>(a) by the insertion after subsection (5) of the following subsection:</p> <p>"(5A) (a) <u>The Corporation must prepare an annual budget and estimates of expenditure for the financial year in accordance with section 239 and in compliance with subsection (4) (b), and</u></p> |

financial
accounts,
financial
statements
and
an
annual
report
as
contemplated
in
sections
166AU
and
166AV.

- (b) The
financial
accounts
and
financial
statements
of
the
Corporation
must
also
include
the
financial
accounts
and
financial
statements
of
the
Fund,
and
the
annual
report
of
the
Corporation
must
also
report
on
the
activities,
operations
and
performance
of
the
Fund.

(c) The Chief Executive Officer of the Corporation is responsible for ensuring that the expenditure of the Corporation is in accordance with its approved budget.”;

(b) by the substitution for subsection (6) of the following subsection:

“(6) The **[Prudential Authority, the]** Tribunal, the Ombud Council, the Office of the Pension Funds Adjudicator, and the Office of the Ombud for Financial Services Providers must provide the

Financial
Sector
Conduct
Authority
with its
levies
that
will be
imposed
for the
operation
of the
financial
sector
body
two
months
prior
to the
start
of a
financial
year in
respect
of
which
the
levies
will be
imposed.";

- (c) by the insertion after subsection (8) of the following subsection:

"(8A) In addition to the matters which must be included in the financial accounts, financial statements and annual reports of the Corporation referred to in subsection

(5A),
the
annual
reports
of the
Corporation
must
contain
a
statement
showing
=

(a) the
total
number
of
members
who
paid
deposit
insurance
levies
and
deposit
insurance
premiums
imposed
in
that
financial
year;

(b) the
total
deposit
insurance
levies
collected
by
the
Reserve
Bank
on
behalf
of
and
received
by
the
Corporation;

(c) the
total
deposit
insurance
premiums
collected

| | | |
|--|------|--|
| | | by the Reserve Bank on behalf of the Corporation and which were paid to the Fund; and |
| | (d) | any other matter determined by the Minister."; and |
| | (d) | by the substitution for subsection (9) of the following subsection: |
| | "(9) | A financial sector body must publish its annual budget on [their] its website, and must publish its determined fees and imposed levies and deposit insurance |

| | | |
|--|--|--|
| | | <p><u>premiums</u> in the Register and on its website.".</p> |
| | | <p>16. The amendment of section 288 by the insertion in subsection (1) after paragraph (a) of the following paragraphs:</p> <p>"(aA) <u>to prescribe banking and financial accounting arrangements for the administration of levies, including any interest thereon, imposed in accordance with the Financial Sector and Deposit Insurance Levies Act;</u></p> <p>(aB) <u>to prescribe banking and financial accounting arrangements for the administration of deposit insurance premiums, including any interest thereon, imposed in terms of section 166BG;</u></p> <p>(aC) <u>to prescribe banking and financial accounting arrangements in respect</u></p> |

| | | |
|--|------|--|
| | | <p><u>of the management and administration of the Fund."</u></p> |
| | | <p>17. The amendment of section 301 by the addition of the following subsection:</p> |
| | "(8) | <p>(a) <u>A determination of fees in terms of a financial sector law remains in force for the purposes of this Act, and that financial sector law, despite the repeal of the empowering provision in the financial sector law.</u></p> |
| | | <p>(b) <u>A determination referred to in paragraph (a)</u></p> |

may
be
amended
or
revoked
in
terms
of
a
new
determination
of
fees
made
by
the
financial
sector
body
in
terms
of
section
237(2).".

18. The following Schedule is hereby inserted after Schedule 4:

**" Schedule
5 (Section
166BG)
Deposit
insurance
premium**

**Monthly
deposit
insurance
premium**

**Payable at the discretion of the
Frequency of payment (s)
supervised variable
entity**

**Balance of the premium
Month 2% Premium
x = = applicable
A variable
deposit
as
at**

| | | | | |
|-----------------|-------|---|-----|--|
| | | | | the end of each calendar month |
| Commercial bank | Month | % | P/N | Not applicable A covered deposit as at the end of each calendar month |
| Mutual bank | Month | % | P/N | Not applicable A covered deposit as at the end of each calendar month |
| Branch | Month | % | P/N | Not applicable A covered deposit as at the end of each calendar month |

19. The Arrangement of Sections is hereby amended—

- (a) by the substitution for items 237 to 239 of the following items:

"237. Fees, **[and]** levies and deposit insurance premiums

238. Fees, **[and]** levies and deposit insurance premiums to be debts

239. Budget, fees, **[and]** levies and deposit insurance premium proposals";

- (b) by the substitution for items 241 to 246 of the following items:

"241. Determinations of information required for assessment of levy or deposit insurance premium

242. Assessments of levy or deposit insurance premium

243. Payment of fee, **[or]** levy, deposit insurance premium, or deposit insurance levy by instalments

244. Interest on late or non-payment of fees, **[and]** levies, deposit insurance premiums and

| | | |
|--|--|--|
| | | <p><u>deposit insurance levies</u></p> <p>245. Exemption from fee <u>or deposit insurance premium</u></p> <p>246. Management of fees, [and] <u>levies, deposit insurance premiums and deposit insurance levies</u>"; and</p> <p>(c) by the insertion after the item relating to Schedule 4 of the following item:</p> <p>"<u>Schedule 5:</u> <u>Deposit Insurance Premium</u>".</p> |
|--|--|--|