

**Press Release – Tuesday 26<sup>th</sup> June 2007**

## **Net 1 to implement Ghana's National Switch and Smart Card Payment System**

Johannesburg, 26 June 2007 – The Bank of Ghana has selected Net1 U.E.P.S. Technologies, Inc for the supply, development and implementation of their new National Switch and Smart Card Payment System. The vision of the Bank of Ghana is to provide the Ghanaian financial services industry access to a state of the art technological platform that will allow for the sharing of all existing payment instruments and introduce a new biometrically protected smart card designed to deliver affordable financial services to the majority of all Ghanaian citizens. The intention is for all twenty three (23) banks in Ghana to be connected to the Switch by December 2007.

It is well documented that, in most developing economies, the number of banked individuals is seldom greater than 20% of the economically active population and that the traditional payment channels offered do not operate successfully in rural environments where infrastructures such as electricity, water, communication and brick and mortar are lacking or simply not affordable.

There is also a need for local businesses to accept payment tenders such as international credit and debit cards branded with the well known Visa and MasterCard logos. There is also a more pressing need for a payment instrument that can be issued to all Ghanaians regardless of their financial status or dwelling location that will offer them a range of financial services and products such as pre-paid utilities, money transfers, loan and insurance management, savings accounts, third party payments and the like, in such a way that will preserve their integrity, dignity and security.

Dr. Belamant, CEO of Net1 said: “It is rewarding for our Company to know that the many years we have spent developing and honing our technology have and continued to have a positive impact on so many lives and that more and more countries are selecting the U.E.P.S. as their National payment system of choice.” “We have always strongly believed in interoperability rather than integration whereby the best of all systems can be harnessed to deliver an optimal solution designed to service and to support a myriad of applications for all people.” “Our U.E.P.S. mobile banking solution offering offline and online transaction processing is a testament of what we believe in.”

The solution to be implemented over the next six months will achieve interoperability between all the existing ATMs, POSs and teller terminals owned by individual banks, will deploy new ATMs and POSs which will be connected directly to the new processing system and of course will introduce the Net1 U.E.P.S. smart card and Mobile Bank Account to be issued by the Switch and all Ghanaian banks. The Switch has been designed to support future applications such as cross border debit/credit card transactions with West African countries, as well as a smart card multi-currency wallet. In addition, the Switch will also cater for numerous Government applications that require biometric security in conjunction with offline transaction processing.

The system will also incorporate a card risk management applet as well as the ability to provide biometric protection to PIN based applications as an additional but independent verification process.

Brenda Stewart, Senior Vice President Marketing & Sales of Net1 said: “Ghana & Net1 have realized a WORLD-FIRST through this initiative which allows so many different technologies to inter-operate with each other for the benefits of all stakeholders. It has been an eye opener to work with diligent and dedicated individuals such as the Ghanaian Central Bank team; they not only know what they want to achieve, but are able to open their minds to new ideas and solutions and are relentless in achieving the goals they have set for their country.”

Net1 will release further details regarding financial and implementation guidelines as soon as the project has commenced. Net1 believes that this monumental achievement could precipitate further engagements by neighbouring countries to also implement its technology in order to provide the same functionality and also to enable African to African cross border transactions.

For any further information, please contact Brenda Stewart or Mirza Pillay on 011 343 2000.