



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

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GOVERNMENT NOTICE

No. 133 Promulgation of Credit Agreements Amendment Act, 2016 (Act No. 3 of 2016), of the Parliament 1

Government Notice

OFFICE OF THE PRIME MINISTER

No. 133

2016

PROMULGATION OF ACT OF PARLIAMENT

The following Act which has been passed by the Parliament and signed by the President in terms of the Namibian Constitution is hereby published in terms of Article 56 of that Constitution.

No. 3 of 2016: Credit Agreements Amendment Act, 2016.

Act No. 3, 2016

CREDIT AGREEMENTS AMENDMENT ACT, 2016

EXPLANATORY NOTE:

- _____ Words underlined with a solid line indicate insertions in existing provisions.
- [] Words in bold type in square brackets indicate omissions from existing provisions.

ACT

To **amend the Credit Agreements Act, 1980, so as to improve the definition of “leasing transaction”; to broaden the limitation on the power of the Minister to determine the application of this Act to certain credit agreements or categories of agreements; to increase the penalty; and to provide for incidental matters.**

(Signed by the President on 2 June 2016)

BE IT ENACTED as passed by the Parliament, and assented to by the President, of the Republic of Namibia as follows:

Amendment of section 1 of Act No. 75 of 1980 as amended by section 1 of Act No. 9 of 1985 and section 1 of Act No. 53 of 1987

1. Section 1 of the Credit Agreements Act, 1980 (*in this Act referred to as the “principal Act”*) is amended by the substitution for the definition of “leasing transaction” of the following definition:

“‘leasing transaction’ means a transaction in terms of which a lessor leases goods to a lessee against payment by the lessee to the lessor of a stated or determinable sum of money –

(a) at a stated or determinable future date; [or] and

(b) in whole or in part in instalments over a period in the future,

[**but does not include**] and includes a transaction by which it is agreed at the time of the conclusion [**thereof**] of the transaction that the debtor or any person on his behalf, shall at any stage –

(i) during or after the expiry of the lease; or

(ii) after the termination of [**that**] the transaction;

become the owner of those goods or [**after such expiry or termination**] retain the possession or use or enjoyment of those goods.”.

Amendment of section 2 of Act No. 75 of 1980

2. Section 2 of the principal Act is amended by the substitution for paragraph (a) of subsection (1) of the following paragraph:

Act No. 3, 2016**CREDIT AGREEMENTS AMENDMENT ACT, 2016**

- “(a) a person purchases or hires goods for the sole purpose of [**selling or leasing them or using them in connection with mining, engineering, construction, road building or a manufacturing process**] business activities.”

Substitution of section 23 of Act No. 75 of 1980

3. The principal Act is amended by the substitution for section 23 of the following section:

“Offences and Penalties

23. Any person who contravenes or fails to comply with any provision of this Act, [**shall be guilty of**] commits an offence and is liable [**upon conviction**] to a fine not exceeding [**R5 000**] N\$50 000 or an amount equal to the deposit payable as required by the Act, whichever amount is higher or to imprisonment for a period not exceeding two years, or to both such fine and such imprisonment.”

Short title

4. This Act is called the Credit Agreements Amendment Act, 2016.
