



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

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No. 282 Promulgation of Long-term Insurance Amendment Act, 2016 (Act No. 12 of 2016), of
the Parliament 1

Government Notice

OFFICE OF THE PRIME MINISTER

No. 282

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. 12 of 2016: Long-term Insurance 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 Long-term Insurance Act, 1998, so as to replace the Minister with the board of appeal as the authority to hear appeals against decisions of the Registrar or staff members; to remove the requirement of a bank guarantee that is deposited by insurance brokers and reinsurance brokers; to increase the minimum amount of the professional indemnity policy maintained by insurance brokers and reinsurance brokers; and to provide for incidental matters.

(Signed by the President on 10 November 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. 5 of 1998

1. Section 1 of Long-term Insurance Act, 1998 (in this Act referred as the “principal Act”) is amended by the insertion after the definition of “auditor” of the following definition:

“board of appeal” means the board of appeal established by section 19 of the Namibia Financial Institutions Supervisory Authority Act, 2001 (Act No. 3 of 2001);

Substitution of section 10 of Act No. 5 of 1998

2. The principal Act is amended by the substitution for section 10 of the following section:

“Appeal against decisions of Registrar or staff members

10. A person aggrieved by a decision of the Registrar, or of any staff member acting by virtue of a delegation or an assignment under section 9, may appeal against the decision to the board of appeal in terms of section 24 of the Namibia Financial Institutions Supervisory Authority Act, 2001 (Act No. 3 of 2001).”.

Substitution of section 56 of Act No. 5 of 1998

3. The principal Act is amended by the substitution for section 56 of the following section:

Act No. 12, 2016

LONG-TERM INSURANCE AMENDMENT ACT, 2016

“Insurance brokers and reinsurance brokers [to make deposit with Treasury and] to maintain professional indemnity insurance policy

56. [(1) No person shall be registered as an insurance broker or a reinsurance broker unless such person has, subject to such conditions as may be determined by the Registrar, deposited with the Treasury a bank guarantee, or other securities approved by the Registrar having an aggregate value, of not less than N\$25 000 or such greater amount as may be determined by the Registrar in any particular case.]

(2) Every insurance broker and reinsurance broker shall have and maintain a professional indemnity insurance policy -

(a) with a limit of liability of not less than-

(i) ~~[N\$500 000]~~ N\$1 000 000; or

(ii) 50 percent of his or her brokerage income from long-term insurance commission during his or her last preceding financial year,

whichever is the greater amount; and

(b) carrying an excess of not more than 10 percent of the sum insured.

(3) Every policy in respect of professional indemnity insurance contemplated in subsection (2) shall be issued by a registered insurer in Namibia.”.

Short title

4. This Act is called the Long-term Insurance Amendment Act, 2016.
